

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fifth Session — Eighteenth Legislature

March 16, 1978.

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

WELCOME TO STUDENTS

MR. E.C. MALONE (Regina Lakeview):— Mr. Speaker, I would like to introduce to you and through you to the other members of the Assembly, 20 students from Sheldon Williams Collegiate, Martin Collegiate and some exchange students from Sidney, Montana who are sitting in the Speaker's gallery. They are accompanied here today by their supervisors, Marnie Crosby and Larry Kitson.

I hope that they will find this afternoon's deliberations interesting, enjoyable and educational and I hope to meet with them later in the day.

HON. MEMBERS: Hear, hear!

MR. W.J.G. ALLEN (Regina Rosemont):— Mr. Speaker, I would like to join with the Leader of the Liberal Opposition in welcoming the students from Montana. I understand Martin Collegiate in my constituency is one of the schools that is involved in this exchange program. I hope you people have a good time when you are in the city of Regina and that you enjoy yourself this afternoon. I look forward to meeting with you a little bit later.

HON. MEMBERS: Hear, hear!

MR. J.A. PEPPER (Weyburn):— Mr. Speaker, I would like on behalf of the member for Bengough-Milestone, Mr. Lange, to introduce to you and through you to the members of the House, a group of students sitting in the Speaker's gallery, who I understand are from Yellowgrass. They are accompanied by their parents, Mrs. Perrett, Mrs. Youngset, Mrs. Cadrain and Mrs. Saipp. There are 12 of them in number; they are Grade VII students and I am sure that I am expressing the wishes of all members of the House when we first say, welcome to them and that we hope that their journey here has been pleasant and will be educational, as well as a safe journey home.

HON. MEMBERS: Hear, hear!

MR. H.H. ROLFES (Saskatoon Buena Vista):— Mr. Speaker, it is my pleasure to introduce to you and to the House, a group of 45 Grade VIII students from Churchill School. They are seated in the west gallery. I had an opportunity to meet with the whole school just before Christmas (in fact I think it was the last week of school before Christmas) because we enjoyed a half-hour of Christmas carols when I was there.

Mr. Speaker, it is my pleasure to meet with the students a little later and answer some questions that they may have of proceedings in the House.

HON. MEMBERS: Hear, hear!

MR. R. ROMANOW (Saskatoon Riversdale):— Mr. Speaker, I too would like to join with my colleagues in introducing a group of students from my constituency. This is St.

Mary's School; I think that they are here in the west gallery. There are 27 Grade VIII students and they are accompanied by Mr. Greg Seipp. I was at St. Mary's a few weeks ago and had the pleasure of presenting the Queen's pictures and the Mary's picture of Prince Philip. St. Mary's is one of the oldest and best schools in Saskatoon, so I welcome them to the Legislature.

HON. MEMBERS: Hear, hear!

QUESTIONS

LICENSING OF FARM TRUCKS

MR. R.H. BAILEY (Rosetown-Elrose):— Mr. Speaker, I would like to direct a question to the Minister of Agriculture. You have received copies of several resolutions that have been sent to you, Mr. Minister, from the various District Agricultural Extension Boards. I am referring to the resolutions which deal with the farm licensing of the three-axle farm trucks. In each of the resolutions that you have received basically what they are asking for is that the farm trucks with the three-axes be eligible for licensing and eligible to use farm fuel, as well as to be classified as Class F on their licences.

Has the Department of Agriculture, in consultation with the other branch of this government, given any serious consideration to a very legitimate request, which at the present time appears to these people to be a discriminatory measure?

HON. E. KAEDING (Minister of Agriculture):— Mr. Speaker, that request is a fairly long-standing request which has been brought forward by many agricultural areas and one which is receiving discussion within our departments. I think one of the considerations that has always been in this particular decision was whether we should be licensing large trucks, which are in competition with commercial trucks. Very often these larger tandem axle trucks are used in competition with commercial trucks. It is a question of whether they should be licensed as farm trucks or not. I know that there are a much larger number of three-axle trucks now in use and I think it is something which we will have to give real consideration to.

MR. BAILEY:— A supplementary question, Mr. Speaker. I am pleased to hear the minister make reference to the fact that there is a growing number of the three-axle trucks and these three-axle trucks, in fact, are owned by farmers as independent trucks as the distance for hauling increases. I wonder, Mr. Minister, at the present time if you cannot make the move or persuade other departments, such as the Department of Revenue, to give some recognition. Is it possible then that you could take a look at the provincial tax, which now exists on diesel fuel for these trucks, which is at the present time 26.5 cents a gallon which I am told is the highest in Canada? Could some consideration be given to the farmers in getting their goods to market and getting their goods from the cities out, some consideration? If you can't go one way could we be assured that you will work at the other end of it in bringing down the taxes in the fuel?

MR. KAEDING:— Mr. Speaker, you know the reasons that there is a higher tax on diesel fuel than on gasoline is because a diesel truck is more efficient and, therefore, there is less fuel burned and the concept, of course, is that trucks pay on the basis of the number of miles they travel rather than on the amount of fuel they consume. So a diesel truck paying 26 cents a gallon would be probably paying the same amount of tax as a gasoline truck at 19, or whatever the price is.

BRYANT REPORT

MR. S.J. CAMERON (Regina South):— Mr. Speaker, when the Attorney General, a week ago, brought in the Bryant Report and the memorandum for the Director of Criminal Justice, he indicated that the government would not be undertaking further inquiry, nor lay any charges. Now apparently as a result of comments by the Leader of the Conservative Party in the Assembly last night, the Attorney General is now considering further inquiry. I want to ask the Attorney General, is that not a very clear indication that the Attorney General is permitting political considerations to arise in the administration of justice as we have been suggesting in the last week?

SOME HON. MEMBERS: Hear, hear!

MR. R. ROMANOW (Attorney General):— Mr. Speaker, for two or three weeks or more the Leader of the Conservative Party was taking the public position in this Legislature that no wrongdoing had been committed certainly by his party with respect to Pelly. Yesterday he took the position that all parties had committed wrongdoing and all parties should have been prosecuted, which, to put it mildly, was a very strong reversal of position.

It's neither here nor there. This has nothing to do with my position. My department has recommended that there be no prosecutions. With that legal judgment I totally concur. However, with the call of the Conservative Leader that in fact charges should have been laid it seems to me that what in fact he is saying is that there needs to be a full-scale inquiry into this matter. At least that is my interpretation of it and I am giving very serious consideration to that. You put your own judgment as to whether that's political or not. I think the question of the decision of charges is certainly non-political. I stand by the report of the director and by the report of the chief electoral officer (I am talking about the charges). The question of the political inquiry (the public inquiry) is another question which you will have to make your assessments on.

MR. CAMERON:— Mr. Speaker, in view of the fact that the Attorney General's ground is shifting as a result of the comments of the Leader of the Conservative Party last night, I fail to understand how that isn't taking into account political considerations in making a decision in your capacity as the Attorney General which ought to exclude political considerations.

But let me ask you in addition, are you prepared, or have you given consideration to referring this matter to the Privileges and Elections Committee of this House to deal with?

HON. MEMBERS: Hear, hear!

MR. ROMANOW:— I think, Mr. Speaker, all options in that regard are to be left open, especially if the decision that I make is that there should be a further look at this. There may be no charges in terms of The Election Act, but if a full hearing is what the members of the House are calling for I think that the option has to be kept open. I have indicated to the press that as far as I am concerned I have asked the department people to consider the propriety, the possibility of establishing a full-scale public inquiry into this matter.

MR. CAMERON:— We have an additional supplementary. May I ask the Attorney General when he made the request to his department to consider a full public inquiry?

MR. ROMANOW:— Mr. Speaker, when the matter was originally submitted to the department and the subsequent report that I got from the department, the major thrust of the report dealt with the prosecutions. I don't know whether the report made a mention of a public inquiry or not but in my statement to the House I believe I indicated that a public inquiry was likely not warranted.

In the light of the comments, I believe it is important that we consider the requests of all the parties, which appears to be the case. I asked the deputy as of last night to take a look at the question of whether or not public inquiry could be set up.

RECREATION IN CORRECTIONAL CENTRES

MR. J.G. LANE (Qu'Appelle):— Question to the Minister responsible for Social Services — I raised, last week, the matter of the golf program for the PA (Prince Albert) Correctional Centre and the inmates therein. The minister has been subject to some criticism for that particular program. Have you now had an opportunity, in light of my comments to you, to reconsider and restudy the recreational program in our correctional centres' program which, I think the minister will agree, is in fact a play program and not a work program for the inmates?

HON. H.H. ROLFES (Minister of Social Services):— Mr. Speaker, let me say that before the question was asked by the member in the House last week we had given consideration to this program before the riot occurred in June of 1977 and had made the decision, at that time, that the programs would no longer be continued. The member opposite is a little bit behind in his questioning on the golf and canoeing program. The decision was made well over a year ago and I have no further comments to make.

MR. LANE:— By way of supplementary, I have two comments. First of all, I have a letter I received on my desk in this Assembly yesterday, Mr. Speaker. This is my supplementary and it is a letter purporting to come from an inmate in the Regina Correctional Centre wherein he indicates: one, the programs are continuing and two, that there are other programs like tours of hockey teams out of the city and around the province. He goes so far, Mr. Speaker (before I ask my supplementary) to say "I wish to thank Social Services in the provincial government for the nice winter holiday I have received."

RANCH EHRLO – PAYMENT OF EXPENSES

MISS L.B. CLIFFORD (Wilkie):— Yesterday in your statement you said that the government would be paying Ranch Ehrlo the legal fees and disbursements during the inquiry. Some members of Ranch Ehrlo and staff have incurred a number of travel expenses due to their efforts to ensure that the committee could get as much information as they required. Will these expenses be included?

MR. ROMANOW:— At the present time my thinking is No, they will not be included.

MISS CLIFFORD:— Does the Attorney General not agree that the Ranch's name has been cleared and it is the responsibility to right all wrong against them and is it not now time to quit playing politics and give them all the money that is their right.

HON. MEMBERS: Hear, hear!

MR. ROMANOW:— Mr. Speaker, this is not a court of law, public inquiry. If damage has been sustained by Ranch Ehrlo, the damage is recoverable by Ranch Ehrlo in the civil courts against those who they will claim are responsible for this. Our principle is that we will look after the payment of fees and disbursements, the precedent is the Moore Inquiry in the Prince Albert riot where we looked after the legal counsel and the disbursement fees. If there is a damage to individual reputations or to an individual society, the courts are available for a solution in that regard, not us.

MISS CLIFFORD:— Final supplementary, Mr. Speaker. Are you leaving the door open so that you will take the responsibility and pay a good portion of those funds that are required to open the camps when the Ranch feels it is desirable to open them again?

MR. ROMANOW:— Well, Mr. Speaker, I can't answer that question at this particular time. So far as I know, the appropriate officials such as DNS and Social Services and elsewhere are looking at the policy of reopening in the light of the Maher Report. It may very well be that there is some sort of a financial consideration which will assist Ranch Ehrlo in getting re-established again in the North but I can't give the member that kind of an answer. All that I can say, again, to the member is that the damage, if any, was not the instance of the government in this regard. The damage, if any, lies elsewhere and the remedy which is available to Ranch Ehrlo is the remedy which is available to any other party in our society, I suggest, and that is to the civil courts.

MR. SPEAKER:— I will take the member for Thunder Creek.

SEDCO – LOAN TO GOLDEN ACRES MOTEL

MR. W.C. THATCHER (Thunder Creek):— Mr. Speaker, a question to the Minister in charge of SEDCO. The minister may recall in the last session of the Legislature that he was questioned on various occasions pertaining to a SEDCO loan to one Golden Acres Motel which was since placed under the control of a receiver-manager. The minister, on at least one occasion, indicated that SEDCO would recall their lawyer from Hawaii and ultimately dispose of the matter. Would the minister be prepared to tell this Assembly today exactly how the matter has been resolved and exactly how much, if any, money has been lost to the people of Saskatchewan?

HON. N. VICKAR (Minister of Industry and Commerce):— Mr. Speaker, for the hon. member's information, the place is now in the hands of SEDCO. I think we should have by now, if we were able to get into the Land Titles Office, the title cleared and it is now being advertised for sale.

MR. THATCHER:— Supplementary question, Mr. Speaker. The minister, upon being questioned in the last session of the Assembly, indicated that personal guarantees had been taken on the original SEDCO loan. The minister is also on record as saying that such personal guarantees and all records as such, pertaining to the Golden Acres, would be tabled in this Assembly — I think forthwith was the term that he used. I would like to ask the minister — some time has gone by, Mr. Minister, and I would like to get something definitive from you. When can we expect the tabling of the documents that you promised?

MR. VICKAR:— Mr. Speaker, I think the statement that I made was that I would table that document of the private guarantors if it was in the interest of SEDCO. I have since found out that SEDCO does not allow those names to be made public. However, if the hon. member in question would like to get some information on the individual guarantors as

a private member, maybe we can do something about that to help him out.

EDUCATION LEGISLATION

MR. W.H. STODALKA (Maple Creek):— Question to the Minister of Education. There seems to be some feeling that there is a possibility that the minister is not going to be re-introducing his education bill at this sitting of the Legislature. Would the minister please indicate whether or not he will be introducing this bill at this sitting of the Legislature?

HON. D.L. FARIS (Minister of Education):— As I told you several days ago, Mr. Speaker, the answer is, Yes.

MR. STODALKA:— Mr. Speaker, when will we be seeing this Bill? The minister is aware that it is a controversial bill and it is going to need a great deal of study. Can the minister assure us that we are going to see it within the next week?

MR. FARIS:— In due course, Mr. Speaker.

RECREATIONAL CENTRES

MR. LANE (Qu'Appelle):— A question to the Minister of Social Services. You have just indicated in a previous question that in fact these programs were supposedly cancelled a year ago. I have before me a transcript of the evidence of one Mr. Robertson, who is a social service worker at the Prince Albert Correctional Centre. His evidence given September 1, wherein he refers various times that the golfing program, the canoeing program, the fishing program were all done within a week of the Prince Albert riot, which completely contradicts the statements which you have just made to this House. I suggest, Mr. Minister, and I request this House, Mr. Speaker, that the minister come clean with his statements. In fact, tell us when he is going to review the recreational . . .

MR. SPEAKER:— What's the member's question?

MR. LANE:— My question is when is the minister going to start telling us the truth about the recreational program and when in fact is he going to admit what a tragic mistake was made?

MR. SPEAKER:— Order, order, I will take the member for Wascana.

SPORTS COMPLEX FOR NATIVES

MR. E.F.A. MERCHANT (Regina Wascana):— Mr. Speaker, a question to the Mr. Shillington the Minister of Culture and Youth. Mr. Speaker, last night the minister in answer to questions at a meeting concerning a sports complex for natives in Regina said, and I quote:

I never intended to say 'no' with finality.

Mr. Speaker, he was referring to his rejection of that concept and I ask the minister whether he would not agree that it has long been a principle to help the underprivileged with sports facilities to avoid delinquency and I ask the minister whether he would not now reconsider his previous (with finality) rejections?

HON. E.B. SHILLINGTON (Minister of Culture and Youth):— Mr. Speaker, I admit to the hon. member opposite and to the House and to yourself that recreation must be a prime concern of governments which work with natives in the cities and we are indeed trying to develop recreational programs and fund facilities for these people. I am not convinced (as I said last night) I am not convinced that a recreation facility at this point in time is what is needed. I am not convinced that that will bring recreation to the native people in the best and the fastest possible way. So I don't know if that answers the member's question or not, but that is my position on it.

MR. MERCHANT:— Supplementary, Mr. Speaker. Would the minister not agree that this underprivileged group deserves special treatment. It constitutes one-fifth of the population of Regina and I ask whether the minister will not agree that the Indian and Metis population in Regina has not been receiving from the provincial government the kind of attention that it deserves and that the sports complex would be the kind of special program that would assist them and assist with the problem in general?

MR. SHILLINGTON:— You asked about four questions, as is usually the case with the member for Wascana. Yes, I agree that the problem is serious. Yes, I agree that it deserves special attention. No, I am not convinced that a large recreational complex is what is needed. No, I do not agree that the province has been delinquent in this regard.

I might point out to the hon. member for Wascana that what they are complaining about is an inability to get facilities. Most of the facilities which they want in this city are in fact under control of the city and it is not entirely within our hands. Those I think are the four questions the member asked.

MR. MERCHANT:— One final supplementary, Mr. Speaker.

MR. SPEAKER:— I will take a new question — I will take the member for Estevan.

KEY LAKE HOLDINGS

MR. R.A. LARTER (Estevan):— Mr. Speaker, a question to the Minister in charge of Sask Minerals. Inexco Oil Company of Houston, Texas, have announced planned sale of uranium holdings in Saskatchewan. I would like to ask the minister if Inexco is one of the partners in the Key Lake project with the government of Saskatchewan, and is your department or the Department of Mineral Resources negotiating with Inexco right now?

HON. J.R. MESSER (Minister of Mineral Resources):— I take it, Mr. Speaker, that the member is directing the question to the Minister of Mineral Resources not the minister responsible for Sask Minerals. If that is correct I will undertake to answer his question.

Inexco, yes, is a partner in the Key Lake Holdings. They know that due to federal law, legislation, that they will have to divest of some of their holdings, if not all of them. They have for quite some time, and I think it is knowledgeable to, at least, the uranium trades in looking for someone who might be interested in purchasing their share including, perhaps, the Saskatchewan Mining Development Corporation. I have no further information in regard to whom they may have as an interested buyer. I have not talked to either Inexco or the interested buyer or anyone representing them.

HOUSING FOR UNDERPRIVILEGED

Mr. G.H. PENNER (Saskatoon Eastview):— Mr. Speaker, a question to the Minister of Municipal Affairs in absence of the Minister of Finance where I think probably the question should go.

The Minister of Social Services, a moment ago, indicated that recreation insofar as our Indian Metis community is not maybe a special need, but I am sure everyone would agree that housing and employment are. I want to ask the minister, why it is that Saskatchewan is one of two provinces that did not join in the federal program, the 44 1B program to provide special housing assistance to those who are underprivileged?

HON. G. MacMURCHY (Minister of Municipal Affairs):— Mr. Speaker, I can report to the House that discussions are underway now between the province and the federal government with respect to 44 1B. The reason for not joining, up until this time is simply because we had other priorities so far as we were concerned.

Programs under 44 1B involve provincial subsidy, as the hon. member well knows. Our priorities in housing with respect to ongoing operating subsidies have been in the field of public housing, in particular the field of senior citizen housing. I think the work that has gone on in this area is an indication of that priority and I think the fact we are now seeing that particular situation getting into hand, we can look at the 44 1B proposition and that is going on now.

MR. PENNER:— Mr. Speaker, a supplementary. There is no question that I would agree with the minister that there is a high priority regarding housing for our Indian community, both in Regina and Saskatoon. Can the minister give us an indication when he will be able to announce agreement insofar as his government is concerned in joining with the 44 1B program and getting that much needed funding into the province.

MR. MacMURCHY:— Mr. Speaker, I'm sorry I can't respond as to when an announcement might be made. I can only report to the hon. member that when I was responsible for housing, I was in discussion with the federal Minister responsible, Mr. Ouellet, with respect to the broad range of housing programs that we were involved in here in Saskatchewan. Since that time, of course, Mr. Smishek has assumed responsibility for housing. I think with respect to any kind of specific time, you would have to direct your question to him; whether it will be involved this year or not, I can't make that prediction, although I can indicate that we're moving in that direction with respect to 44(1)b).

MR. PENNER:— Mr. Speaker, having discussed this aspect of the problem, I wonder if the minister would be prepared to indicate what plans the government has in train with regard to solving the other serious problem which our Indian community faces and that has to do with the employment question?

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

SEDCO CONSTRUCTION GUARANTEES

MR. BAILEY:— Mr. Speaker, I'd like to direct a question to the Minister in charge of SEDCO. It is a similar question that has been directed to you today, Mr. Minister, by my colleague the member for Thunder Creek. At the present time, Mr. Minister, a similar

construction with SEDCO financing is taking place in the city of Weyburn. I would like to ask you this question. With the construction in Weyburn have you taken personal guarantees on the construction there? Also, has a study been conducted for that area as to the feasibility profit/loss operation of that particular institution.

HON. N. VICKAR (Minister of Industry and Commerce):— Mr. Speaker, I am not quite clear as to what project the hon. member is referring to in Weyburn. However, if SEDCO is involved then they naturally did take a survey prior to getting involved. Whether they took personal guarantees, at this time I can't answer, although I can get that information for him.

MR. BAILEY:— Supplementary question, Mr. Speaker. Is it the practice of SEDCO to become involved in the commercial enterprises such as motels and convention centres, when in fact by the construction of such you become a partner, rather an individual within the business community in opposition against other people who are currently involved in that same business?

MR. VICKAR:— Mr. Speaker, SEDCO's position is to promote and develop, and develop to the extent where people will become employed so you can have additional employment. It is not necessarily a fact that SEDCO goes into opposition with other places of business in a particular community. If the particular involvement warrants SEDCO's involvement in that project and if SEDCO sees fit that the project has merit that is when SEDCO becomes involved.

BRYANT REPORT

MR. CAMERON:— Mr. Speaker, a question of the Attorney General. Following up his indication that he now has under consideration a reference to the Bryant Report matter either to public inquiry or to the Privileges and Elections Committee. I want to ask him whether he doesn't see in these circumstances some urgency to bring this matter to some conclusion or else the trail goes cold. It has been nine months since the Pelly by-election which is a very long gestation period indeed, and we haven't yet seen any action. Don't you see any urgency on this and when might we have a decision?

MR. ROMANOW:— Mr. Speaker, I agree with the member for Regina South that this matter is important, there is no doubt about that. I want to just very briefly state for the member of the House the position of the department.

I am charged with the responsibility of determining whether or not — in this particular case and I suppose in every case — there is sufficient evidence and the law permits a prosecution or whether it is a prosecutable case. Based on what the department saw and based on the Bryant Report conclusion was that there was no prosecution. That is the end of that issue. There may very well be something, which, if we decide to go by way of privileges or by way of public inquiry which might lend itself to some further action. I don't know. I agree there is some degree of urgency but I have to ask and answer for myself the fundamental question, what more would be gained by a public inquiry that we don't have now? I know the Leader of the Liberal Party and you have strong feelings on this but that is a matter that I am trying to look at as objectively as I can in the capacity of Attorney General.

MR. CAMERON:— Mr. Speaker, by way of supplementary may I ask the Attorney General is it not also part of his responsibility of office that when there is prima facie evidence of an offence having been committed and further investigation needed to

gather the initial evidence that would be required for prosecution, is it not your responsibility to launch that investigation?

SOME HON. MEMBERS: Hear, hear!

MR. ROMANOW:— Mr. Speaker, the obvious answer to that questions is Yes. But the fact of the matter is that the Department of the Attorney General, the Director of Criminal Justice, reviewed all of this matter and concluded . . .

MR. MALONE:— . . . investigation.

MR. ROMANOW:— No he did not. We will look at this when the motion comes up. He concluded that even if he were able to get the increased investigation one would still have, he said to me, the problem of applying that evidence to the vagueness of the law, the inconsistencies and the loopholes of the law. I take responsibility for the law. We drafted it, whatever it is, it's not just but there is the situation. That is the issue I am looking at by way of prosecution now. You wouldn't expect me as Attorney General to stop a prosecution where my Department of Criminal Justice asked for one. Why would you expect me to initiate a prosecution where my Director of Criminal Justice said there should not be one? That is the situation . . . well, you take a look at that report very carefully and you will see you are wrong.

MOTION

SITTINGS

HON. R. ROMANOW (Attorney General):— moved, seconded by Hon. J.R. Messer, Minister of Mineral Resources, by leave of the Assembly:

That this Assembly do adjourn on Thursday, March 23, 1978 and that it do stand adjourned until Tuesday, March 28, 1978.

MR. SPEAKER:— I might ask the Attorney General whether this is intentional or not, but I recall the last time Good Friday occurred, the Assembly adjourned at 1:00 o'clock. That is not in the motion; I gather that is intentional — Thursday at 1:00 o'clock.

Motion agreed to

SECOND READINGS

HON. G. MacMURCHY (Minister of Municipal Affairs) moved second reading of Bill 9 — **An Act to amend The Rural Municipality Act, 1972.**

He said: Mr. Speaker, I am pleased to comment on the amendments contained in Bill 9, An Act to amend The Rural Municipality Act. Mr. Speaker, under the leadership of the Blakeney government since 1971, the declining strength in power of local government in Saskatchewan has been completely turned around. In the first term of office we focussed our attention on school boards, giving them resources to regain control of what was happening to education in our province. Grants to schools were increased in amounts never before recorded. More important legislation was amended to streamline the operation of the educational system so that it could function in a spirit of co-operation rather than a spirit of controversy. Capital construction was stepped up; operating grants were raised to levels which allowed school boards to remain

progressive. The burden of school taxes was taken off the property taxpayer and carried to the provincial level. School boards, for the first time in years, had the resources and the sense of freedom to manage their affairs the way they wanted.

Since 1975 we have begun to concentrate on the local government at the municipal level. We started with the reorganization of the Department of Municipal Affairs, dividing it into two divisions, rural and urban, each division headed up by its own deputy minister to ensure that the different problems of rural and urban government receive adequate attention and recognition. We have opened the way for several new programs at the municipal level to meet the needs of the '70s and the '80s. For the past year we have worked with SARM and SUMA to develop a new system of financing municipal government in our province. The system has been developed and Saskatchewan now has the first true revenue sharing program in Canada. It has a pool of money to be indexed to increases with the real growth in the economy and has a larger percentage of the grants paid out on an unconditional basis than ever before.

Mr. Speaker, the amendments to The Rural Municipality Act contained in this bill provides some of the legislative streamlining needed to keep rural municipal government progressive. Probably the most significant amendment in the bill provides legislative authority for municipalities to designate members of a new corporate body to control super grid construction and maintenance.

Mr. Speaker, you will remember that in 1974 the Minister of Municipal Affairs at that time, Mr. E. I. Wood, appointed three prominent members of the Saskatchewan Association of Rural Municipalities; Mr. Everett Murphy, Mr. Charlie Mitchell and Mr. Norman Allen, to put forward recommendations for the development of a hard surface grid system for Saskatchewan. The Municipal Road Surfacing Commission, as it was called, after examining rural needs and after many hours of discussions with rural governments, recommended a system of 5,000 miles of primary hard surface grid in the province and 3,500 miles of secondary surfaced grid.

Mr. Speaker, the Commission Report emphasized, however, that an oiled grid system in Saskatchewan would rise or fall on the quality of the maintenance that was provided. The Commission recommended that government assistance be withheld until satisfactory arrangements for maintenance could be made. The Commission felt that this would mean that municipalities would have to own their own maintenance equipment, either individually or in groups.

Our government was determined that a surfaced grid system in Saskatchewan should be a municipal system, controlled by the people devoted to the area. It should not be a highway system. Yet, surface road equipment, both construction and maintenance, is expensive equipment. It is becoming less and less possible for each individual municipality to keep its own road building equipment.

Our conclusion, therefore, was that the only way a surfaced grid system could be developed and be maintained would be to adopt the co-operative approach, where municipalities co-operatively owned surfacing and maintenance equipment, and controlled the super grid roads for their own particular area.

Over the past two years this approach has been discussed with rural municipalities. I am pleased to report that 17 areas have already agreed to form maintenance areas for this purpose and discussions are actively going on in another ten areas.

This bill provides for each one of these maintenance areas to become a corporate body, with its own powers to purchase equipment, to sign contracts and to receive government grants. Each municipality has power to designate two members to be members of the maintenance area corporation. The corporation chooses its own chairman, its vice-chairman and secretary. Arrangements for auditing are included in the legislation.

Each of the participating municipalities will sign an agreement and then will make contributions toward the capital and the operating costs of the corporation according to cost-sharing set out in the agreement.

An interesting aspect of the provisions under maintenance areas in this bill is that a village or town may become party to an agreement to become a member of the corporation as well as rural municipalities. A village or town who joined a maintenance area would be entitled to two members on the corporation, as are rural councils. Towns or villages could then actively work as part of the corporation, obtaining services for their people.

It is well known that a good part of our grid system travels through many of our villages and our towns. Of course a town or a village that does not wish to become part of the corporation could still contract with the maintenance area to do the work on its particular road or perhaps even do some work on its main streets or its other streets.

The legislation, therefore, provides the administrative mechanism to develop and adequately maintain a road system which I think will become increasingly important over the next 20 years in our province. I foresee the oil grid system or the super grid system expanding greatly once we complete the main farm access system in our province and we are expected to complete that system in about 1985.

The second most important amendment in the bill deals with a taxation problem that has arisen in rural municipalities in the past. Because of the wording of the present legislation, there has been some question as to whether or not municipalities have the power to tax mobile homes as separate buildings. This amendment, through a clarification of the word 'building' will ensure municipalities the power to apply the same assessment and taxation rules to mobile homes as they do with any other residence in their jurisdiction.

Thirdly, and also an important matter for municipalities, deals with municipal involvement in recreation. Under existing legislation no provision exists for rural municipalities to become involved in a formal way in recreational facilities.

This amendment provides that a rural municipal council may, by by-law, acquire, construct, operate or maintain a recreational facility if it so desires and may make appropriate arrangements for the financing. This is important as municipalities will be called on increasingly, to cost-share recreational facilities at the local level. Co-operation will increasingly be needed between all councils at the local level to meet the high costs of recreation facilities.

As an example of this kind of co-operation, I can report to all members here my visit to Weldon last Saturday, where we opened a fine recreational complex involving a new skating rink and a new curling rink. I don't know what the population of Weldon is but I suspect it isn't any more than 200 people. Yet we have seen co-operation between that village and three or four municipalities in the development of this fine recreational

facility.

The remaining amendments may be classed as housekeeping but they will help individual councils and council members to do, more effectively, their work. Current legislation provides that, in the case of an emergency, an individual councillor may authorize an expenditure of up to \$100. An amendment to section 41 raises the ceiling to \$500 in order to more accurately reflect the reality of today's prices.

Also, the limit in current legislation for per diem in mileage rates to be paid to agricultural committees appointed by the rural municipalities is removed. The limit of \$25 per day and 13 cents per mile is no longer seen to be realistic. The restriction is also removed altogether and rates paid to agricultural committee members on municipal business can be set at the discretion of the municipality. Mr. Speaker, I'm pleased to move second reading of Bill No. 9.

MR. BAILEY:— Mr. Speaker, I'd like to direct a few comments in relation to this bill and, in general, to the Department of Municipal Affairs. In this act, Mr. Minister, to amend The Rural Municipality Act, I congratulate you and your department in bringing a number of areas, which are of concern to rural Saskatchewan, up to date — bringing them up to the needs of the people in Saskatchewan in many instances, as they exist in 1978. However, I do have some observations which I would like to make and I would like the minister to share them with me.

Much of the activity here and many things mentioned in this amendment to The Municipal Act deal with the financing and legislation, permitting the municipalities to partake in some ventures which were not previously possible. I suppose, Mr. Minister, my comments get back to that which is historic this year, as you and other people have used the words in the way of the grants, under the revenue sharing, to the RMs (Rural Municipalities).

Mr. Minister, looking at the grant structure and doing some research on it and talking to some of the RM secretaries involved with the RMs (long time secretaries, I might point out), while on paper it shows that the grant structure shows an increase, when they took a look at their program for the summer of 1978 — I asked three local RM secretaries if they would do that under the basis of last year's program, on the basis of last year's grant — there are cases, Mr. Minister, in the province at the present time where we have a negative result where, in fact, the RMs would have received more money doing the 20 miles of gravelling and grading under the old formula than they do under the present formula. I want to talk to the minister in private about some of these things later because I want further explanation for the RMs involved.

Mr. Minister, when we talk about the need of villages and towns to be able to participate in the corporation, as you called it, of the establishment of these larger jurisdictions of the cost sharing of a road authority, I'm wondering if, in doing so, in fact you are considering granting them further authorization in the control of such things as the weight limits on that road at a particular time of the year. I think we previously had that type of arrangement and I certainly am wondering if you would like to see, and I'm sure the RMs would like to know, what position is going to be taken on the responsibilities they have towards these types of roads.

Mr. Minister, I am sure that you were disappointed in that the number of rural municipalities to date who have availed themselves of the opportunity to participate in the super grid program has been indeed very, very small. I am surprised, Mr. Minister,

as I know you are, at the number of people who have reneged; the number of individual councils who do not want to get into the super grid program. They have some general concerns and some general fears, Mr. Minister, of getting into the super grid program.

At some time I would like, and we will have an opportunity later when we get into Committee of the Whole, to discuss some of these concerns and I certainly want to save my comments for that particular time. It is disappointing and I'm sure that it is disappointing to you, Mr. Minister, to know of that very small number. There is a great concern out there among the people. I am concerned to see the planning — a super grid program.

You know, Mr. Minister, we often complain and certainly the Minister of Highways gets up in this House and once a year at least and tells us that we have something like 38 per cent of the miles in Saskatchewan — of highways in Saskatchewan, with 7 per cent or 8 per cent of the people to pay for it and that is a concern of us all. When we see contemplated plans for building a super grid program to run four miles parallel to a class highway for a distance of some 15 miles, it concerns not only the rural municipality but concerns people in general at the possibility in a given area of being overtaxed or overburdened with the road system.

Mr. Minister, I congratulate you for bringing the Act up to date. I have some reservations which I want to discuss in detail in Committee of the Whole about the revenue sharing program and I will look forward to that opportunity when we come to the estimates of the Department of Municipal Affairs, to further questioning you at that time.

MR. R.E. NELSON (Assiniboia-Gravelbourg):— Mr. Speaker, I would like to say a few words on Bill 9. In talking to many of the rural municipality reeves and councillors and secretaries down at the RM convention, many of them don't really know where they stand on the revenue sharing, Mr. Minister. I have been told by these particular people that the total percentage of the revenue sharing in 1977 is much lower than the total percentage of the grants were in 1971 under the last Liberal government.

Many of the items in this bill are necessary and needed in rural Saskatchewan. I do however, question the need for the setting up of a municipal road-surfacing commission. Any rural municipality that does not want to enter into that commission is not given any of the super grid road grants. This appears to be the first step in forcing municipalities into larger units and one wonders if the minister isn't beginning the long feared country system in another indirect way. Surely, Mr. Speaker, it should be the right of a rural municipality to deal on its own for maintenance grants for roads that lie within the area of its jurisdiction.

Every municipality if it wishes, should have the right to receive grants to build and maintain roads itself without being forced to amalgamate with other municipalities. Why does the minister deny rural municipalities the right to decide for themselves what they do want? Many rural municipalities presently tender all the road construction and in many cases are getting a much better deal for the ratepayers in doing this. If the price isn't right they can often hold off until construction is slow and the people in the construction business are a little more hungry.

Mr. Minister, you will be denying ratepayers of Saskatchewan the right to have their elected officials on the rural municipal councils make decisions without government interference. This right has been with the local government officials since the

beginning of Saskatchewan and, Mr. Minister, you are taking some of that right from every municipality in Saskatchewan. Surely, Mr. Speaker, the minister would be wiser to give the local governments the option of not joining the commission if they so wish.

The overall planning of the super grid road system could still be done with either the commission as a whole or within the particular municipality that wanted to go in on its own. Rural municipalities should not be forced against their wishes should not be forced against their wishes, to join the commission or lose super-grid grants. I wonder if there could be a trade off on the grants for the super grid and, instead, they make take farm access or other benefits if they so wish.

I am pleased to see the half mill limit on recreation removed so that local governments can decide for themselves how much they want to spend on recreation in their area. The half mill limit did not give the local municipalities enough leeway to properly plan or operate these facilities.

I want to consider the remarks of the minister further and, Mr. Speaker, I beg leave to adjourn the debate.

Debate adjourned.

HON. W.A. ROBBINS (Minister of Co-operation) moved second reading of Bill 10 — **An Act to amend The Fuel Petroleum Products Act.**

He said: Mr. Speaker, I am pleased to introduce Bill No. 10 which consists of amendments to The Fuel Petroleum Act. This particular bill deals with two separate issues.

Firstly, Mr. Speaker, amendments contained in this bill will permit the transfer of the administration of The Fuel Petroleum Products Act from the Department of Finance to the new Department of Revenue Supply and Services. This is accomplished by replacing those provisions, which refer to the Department of Finance and The Department of Finance Act, with corresponding references to the Department of Revenue Supply and Services and The Department of Revenue Supply and Services Act.

The second portion of the bill, which is evidently the more important portion, deals, Mr. Speaker, with amendments in the bill which will permit the Department of Revenue Supply and Services and the petroleum industry, including wholesale and retail fuel outlets, to collect tax on fuel petroleum products measured in litres.

I want to make it very clear, Mr. Speaker, to the members of this Assembly that this is not something initiated by this government. It is not due to the action of this government, but is due to the action of the federal government, in relation to going to the metric system. It is an integral part of the Canadian government's plan to convert measurements in this country to the metric system over an extended period of time. I think all members are aware that that is not easily accomplished and they are well aware that we are measuring certain things. For instance, we have gone into the measurements of temperature from Fahrenheit to Celsius; miles are being changed to kilometres; pounds to kilopascals in terms of pressure; bushels to kilograms and tonnes, in terms of grain measurement; acres to hectares and then they change back from hectares to acres, so it is going to remain as acres and gallons to litres.

In the early part of this year, Mr. Speaker, we were advised by the Metric Commission of Canada that the petroleum industry intends to commence the conversion of service station pumps to metric units on January 1, 1979. We do not know for certain that it will occur on that particular date, but if it does, we must be prepared for it.

If and when the actual conversion occurs, the expression of tax rates in cents per gallon will no longer be adequate. The intent of this legislation, Mr. Speaker, is to enable the tax to be applied, collected and remitted irrespective of whether the unit of measurement is in gallons or litres.

In this bill the current tax rates calculated on a per gallon basis have been converted to the nearest equivalent, using the conversion factor recommended by the Metric Commission of Canada. The Metric Commission has advised us that it is impractical to effect a conversion in more precise terms than in one-tenth of one cent per litre. I think I can point that out to the members reasonably adequately, when you look at the Estimates. Therefore, there will be marginal differences in the amount of tax paid depending upon whether the tax is assessed on gallons or on litres. As I said before, we don't know for certain that the whole thing will be converted to litres by January 1, 1979, although that is the instruction we have from the Metric Commission of Canada.

I think members are, perhaps, aware of the fact that one Canadian gallon equals 4.54609 litres and if you convert that 4.54609 litres to 19 cents in relation to gallons, you come out with a tax rate of 4.179416 cents per litre. That calculation obviously, Mr. Speaker, would not only be totally impractical but it would be absurd. I know all the members opposite have those figures embedded in their minds for posterity. Therefore, Mr. Speaker, in conformity with the requirements of the Metric Commission of Canada it is our intention to convert at the equivalent tax rate, and in this case, will be to the nearest one-tenth of one cent, which will be 4.2 cents per litre. That creates some problems if in fact some pumps are still on the gallon basis as they may well be in '79 and others on a litre basis; although as I stress again, the Metric Commission of Canada and others on a litre basis; although as I stress again, the Metric Commission of Canada has informed us that it is their intention that all of it should be converted as of January 1, 1979. We estimate gasoline consumption in the year 1978-79 fiscal year at 348 million gallons, which converted to litres works out to 1,582,039,320 litres. I am sure the member for Eastview has now got that figure firmly embedded in his mind.

Then you take diesel fuel estimates for the current year are 54 million gallons, converted to litres at 245,488,860 litres. Then when you take off highway commercial fuel utilization which is aviation gasoline and gasoline used for commercial purposes, estimated at 100 million gallons — and I know that you have that figure of 4.54609 embedded in your mind — so that works out to 454,609,000 litres. Now converting those gallons to litres, as I said, on the basis of 19 cents a gallon, you get a very long figure of 4.1741698, therefore, taking it to the nearest one-tenth of a cent, we're going to use 4.2 cents. That brings some more revenue, incidentally, and I think members of the House should be aware of that, slightly more in terms of gasoline sales. When we go to the diesel fuels and convert them the conversion works the other way. The amount of tax being paid will be slightly less because using the 26.6 cents per gallon and you convert that to the diesel fuel, it works out to 5.812476 cents. Because we are converting all this to the nearest tenth of a cent, we go back and the tax is slightly reduced down to 5.8 cents per litre.

When you get to the off highway commercial fuels, again the conversion rate works in favor of the taxpayer. This is six cents per gallon and when you convert this in terms of

litres you come out with 1.3241679, therefore, we convert it back to the nearest tenth of a cent and take 1.3 cents per litre. We will lose some revenue there in relation to both diesel fuel and off highway commercial and aviation fuels. What I am attempting to make clear to the members is that we are attempting to get it as closely as we can to current revenue flows based on 19 cents per gallon of gasoline and 26.6 cents on diesel fuel and six cents on commercial gasoline and fuels used off the highway. The conversion rates then, as I previously said, are to the nearest tenth of a cent. The overall effect of these minor changes is a minimal increase in revenues of something less than one-sixth of one per cent, because on gasoline we gained slightly by using the 4.2 cents per gallon instead of the 4.173819. On the other two, we lose slightly in relation to the conversion of 26.6 cents to 5.8 and 6 cents for off highway commercial fuels to 1.3. Mr. Speaker, I take pleasure in moving second reading of this very important bill.

SOME HON. MEMBERS: Hear, hear!

MR. G.H. PENNER (Saskatoon Eastview):— Mr. Speaker, one never knows at the beginning of a day just what the House is likely to have an opportunity to do. The fact that we've had an opportunity for a chuckle or two this afternoon I think is great. The one thing which I think is absolutely certain in all of this is that if anybody is going to know the relationship of a litre to a gallon you have got to have a calculator that has a memory — at least some of us need to have a calculator that has a memory. I suppose it is fair to say that any time a calculation means that some of us will have to pay less in taxation, then that has got to be good. Although I think I would echo the feelings of a lot of people who are beginning to wonder why in the world we are getting into this business of the total conversion anyway. It has become so confusing — understanding the difference between miles and kilometres, all of the agricultural and weight measures and now the liquid measures, and so on. I am sure for the majority of people it is just a matter of being confused and hoping that those who actually do the calculating know what the heck they are talking about and do it right. We are sure a long way away in Saskatchewan and in Canada from having any kind of grip on an understanding of the metric system and the metric conversion. The fact that it is there, the fact that it is not something we are likely to escape, means that from our point of view we see what the minister has just moved as a facilitating system during the transition period, and have no reason to quarrel with the principle from that point of view.

MR. R.H. BAILEY (Rosetown-Elrose):— Mr. Speaker, just a few comments that I would like to make on this bill. Although this bill, Mr. Speaker, deals directly with the conversion to the metric system, which obviously is going to be of a confusing nature, particularly to the trucking industry in Saskatchewan, I want to add a few comments and also place before the minister a bit of a challenge I suppose.

In the amount of tax which is being levied on the diesel fuel used in our transport trucks, converting it to litres, no matter which way you want to covert it, Mr. Minister, it is a very, very high rate of taxation.

Mr. Minister, when I spoke in reply to the Budget, I pointed out, and I was surprised that no one in the government benches took up the challenge, and I proved that two trucks operating one out of Saskatoon, one out of Edmonton, both covering the same number of miles a year, 110,000, both consuming a gallon of diesel every five miles (which the trucking industry tells me is the average), with this additional tax plus the additional price coming to 20 cents a gallon, makes the difference to transportation in Saskatchewan to one single truck, of some \$4,400 a year. Mr. Minister, a province

which is as dependent upon transportation as we are, should not be faced, I repeat should not be faced with the highest penalty of any province in Canada. When we come to estimates, I will again show you that it costs up to \$7,000 a year difference just in the two provinces, and I bring to you the point, Mr. Minister, that the people pay for this. Every time a person in rural Saskatchewan goes to pick up groceries, every time a farmer asks for fuel to be delivered, every time a load of fertilizer comes out, and you can go on down, the trucking industry must directly charge this back somehow to its customers. I think Mr. Minister, whether you convert gallons to litres or whatever, a rate of 26.6 cents a gallon (I believe it is) is a direct attack on an industry which must flourish in Saskatchewan, and its importance is going to increase in the years ahead.

Mr. Minister, in estimates of course, I will be opening this up; but I place this challenge before you. To deny the statistics and to deny the figures which I used in my reply to the Budget speech, I would like to hear that denial of those excessive charges against an industry which is trying to operate in the province. Mr. Minister, a colleague from Saskatoon Eastview is asking about a conversion. It is very interesting to know when you pull up to some gasoline pumps now in Saskatchewan they have a little sign on them that says this is half price because the price of gasoline has exceeded \$1 a gallon and therefore they have to set there — the highest they can go on their calculator is \$1 a gallon. It is going to be interesting to see and set up the mechanisms for the cost of regulating your pumps to the ledger price.

The cost of this change over, Mr. Minister, has become a very expensive thing and I am sure that your department has given some consideration to it. Although it is not part of this bill, Mr. Minister, but it is related, the cost of converting the cardboard cartons at one small plant in Saskatchewan from the quart size to the metric size, so the manager of the plant told me was \$20,000 in itself. I just wonder what it is going to cost to convert and change all of the dispensing, fuel dispensing machines that we have for cars and trucks in Saskatchewan to the metric and I am sure there are a good many people asking that particular question as to why? What advantage is there to the industry in going metric? I know that is a national problem and not a provincial problem.

Mr. Minister, I would hope that you would not take the stand which the Premier has taken, which the Minister of Agriculture took today, that because diesel whether it be in cars or trucks is more efficient therefore, you should punish efficiency with a higher tax rate. Your colleague announced the other day an insulation program for Saskatchewan homes. Why? The obvious thing was to make the home so that with more insulation it would take less fuel. Is that not correct? Now, because you get a more efficient home as far as heat loss is concerned, are you going to penalize that home with a higher natural gas rate because it is more efficient? That argument, Mr. Minister, that I am making is a very, very invalid argument. The argument that you penalize an industry because they burn one type of fuel which is more efficient is no more a logical approach than it is to penalize a home that is well insulated because it uses less fuel in the heating of the home. I will await with great anticipation your denial of the statistics I have given you and I will also wait with anticipation the rationale that your government has in placing the highest fuel tax on an industry in the province that needs it the most.

MR. ROBBINS:— Mr. Speaker, I take note of the comments of both the member for Eastview and the member for Rosetown-Elrose. I want to point out, although I realize that I think the public isn't really very well prepared in terms of conversion to metric and I know there is a very high cost as members have pointed out. I think we are generally aware of that. We simply have no choice. I think the members opposite have to admit that this is a ruling in relation to the Metric Commission of Canada from the federal

authorities and it is standard across the country. We don't have any choice in actual fact. It is not our intention once this bill is passed to proclaim it if in fact they aren't ready by January 1, 1979 in relation to converting gallons to litres. I am certain that just will not happen if in fact they are not far enough along the way.

I note the comments of the member for Rosetown-Elrose with respect to the diesel tax. Perhaps we are lucky in terms of the conversions because when I said we converted back to the nearest tenth of a cent we gain a little bit in gasoline but we lose on diesel and off highway commercial, so at least we are going in the right direction in that respect.

I notice arguments with regard to trucking between Alberta and Saskatchewan and of course that is always one of the comparisons we have but we also are aware of the fact that Alberta is in a rather unique position in relation to the rest of the provinces across Canada. I would point out to the hon. member for Rosetown-Elrose that the province of Ontario has a higher diesel rate per gallon on its trucks that we have in Saskatchewan. They have a higher per gallon charge in Ontario than we have, higher than our 26.6. Their gasoline tax is roughly the same as ours but their diesel tax rate is higher than our 26.6 cents per gallon. Now you may argue, I suppose, that in Ontario there are other competing forms of transport that give some protection to the general public and I am not arguing that it isn't difficult in terms of costs related to transportation of goods in Saskatchewan but I again stress the fact that we in this province have more than twice the mileage that Alberta and Manitoba have put together. There are very high costs in relation to maintaining the highway system in a province like ours with a relatively small population. It is necessary to derive revenue flows from gasoline and diesel fuels and when you take into account the actual mileage covered by those large trucks transporting goods on our highways in terms of damage to the highways and the needed repairs, 26.6 cents per gallon for diesel fuel is a reasonable relationship to the 19 cents per gallon in relation to gasoline.

In fact I can argue, also, that the gasoline tax today is exactly the same as it was seven years ago. It is true the diesel one is a bit higher but that's one of the reasons for it because more and more trucks, semi-trailers are using those highways and the cost of maintaining those highways and constructing them in the first place rises as a result of that fact.

I want to assure all members of the House that (and I stress this again) that there is a very high cost of conversion to metric but we have no choices in this matter. The Metric Commission of Canada has informed us that as of January 1, 1979 all the pumps will be converted from gallons to litres and on that basis this bill is presented to the House for passage. Again I assure the House that if in fact they are not far enough along at that particular time to carry out that process we will simply not proclaim the bill.

SOME HON. MEMBERS: Hear, hear!

Motion agreed to and bill read a second time.

WELCOME TO STUDENTS

MR. L.E. JOHNSON (Turtleford):— Mr. Speaker, with your consent and the consent of the House I would like to now introduce a group of students from the Turtleford constituency. They are seated in the Speaker's Gallery. They are 35 in number and they are Grade 10 students from the high school in Turtleford. They are here in the Queen

City touring some of the historic sites, including the Legislative buildings. I know, Mr. Speaker, that they have made a fairly long trip coming down here, some of which was over highway 26 that the Minister of Highways has announced that some construction is going to take place on.

I hope that the students find their trip from the parklands to the prairies an interesting trip, enjoyable and informative. Approximately one and one-half months ago I met with these students during some ceremonies regarding the Silver Jubilee pins.

They are here in the city with their principal Mr. Dombrowski and I wish to welcome them here and ask the members in the Chamber to do the same.

HON. MEMBERS: Hear, hear!

SECOND READINGS

HON. N. BYERS (Minister of the Environment) moved second reading of Bill No. 3 — **An Act to amend The Department of The Environment Act, 1972.**

He said: Mr. Speaker, I appreciate the opportunity on second reading of this bill to explain why I believe it is both desirable and necessary to modify the act establishing the Department of the Environment. I shall deal with the proposed amendments in order.

Some of the proposed changes are of a housekeeping nature, while others reflect important changes, the need for which has become increasingly evident.

Clause 8 of section 11 needs revision in order to eliminate possible confusion as to the legal authority of Boards of Inquiry appointed under this act. In recent years I have commissioned several public inquiries and while the major focus of such investigations are environmental, they are environmental in the broad sense. In its broader context environmental impact includes the economic, social and other effects of a proposed development. These are things the public and particularly the communities and citizens directly affected believe that boards of inquiry should examine. The proposed amendment will remove any doubt whether a board of inquiry established under this act has the mandate to examine social and economic effects stemming from a development project.

From time to time and using moneys approved for the purpose in the budget of the Department of Environment, the department makes grants for purposes of enhancing and protecting the quality of our environment. The proposed new section 11(a) will simplify the processing of such grants when the amount is less than \$10,000. Grants in excess of that amount will continue to be subject to approval by Cabinet. It is my intent to prepare regulations governing the terms and conditions under which these grants will be paid.

The new section 12(a) is essentially a housekeeping item. The Acts administered by the Department of the Environment involve the issuance of many routine approvals, permits and certificates of one kind or another. This new section will allow the minister and the deputy minister to delegate certain of these responsibilities to appropriate managers within the department. All delegations require Cabinet approval and there is no intention to delegate those duties and responsibilities which should properly remain with the minister and the deputy minister.

The proposed new section 13(e-A) is the most substantive revision proposed in this bill. We have been experiencing a growing number of accidental oil and gasoline spills in the province. In some cases, the company responsible takes appropriate and quick action to deal with such accidents. However, unfortunately others do not. The present act does not provide the department with authority to ensure that spills of dangerous materials are reported or are controlled, cleaned up and disposed of in a satisfactory way. This proposed amendment will provide this needed authority. While the prime focus is on petroleum products, because most accidents involve such products, the amendment would provide similar departmental authority in the event of spills of other harmful substances, including radioactive material.

Mr. Speaker, I believe that these amendments will improve this Departmental Act and I accordingly urge all members to support these proposed amendments. I move second reading of the bill to amend The Department of the Environment Act.

MR. A.N. McMILLAN (Kindersley):— Mr. Speaker, I suspect that . . . (interjection) . . . I am sorry to wake you up . . . I suspect that the bill is going to be dealt with at some great length in Committee of the Whole. The minister has opened up some questions here that are of particular concern to me, both in philosophy and in the practical application of sections of the bill. I had the opportunity, not too recently, to debate with a member of the other two parties in Saskatchewan on television the application of the inquiry process of a tool by which governments could help come to decisions on controversial problems. One of the things that I think we sort of came to a consensus about at that time was the question of public inquiries and whether or not they should be given an open-ended ability to determine their own terms of reference of their own mandate. I think we did reach a consensus that probably that would not serve the function of the inquiry as it was initially set out to serve. Here we see a section of the act that is amended and if I read correctly, would give any inquiry or hearing struck by the Department of the Environment the ability to set its own terms of reference in terms of inquiring into economic, social or political impact of any particular project. I would like to pursue that matter with the Minister of the Environment, to some degree further, when we meet in Committee of the Whole.

Some of the other things that I am going to be pursuing with them, that I am not particularly comfortable with at this time are the question of the grants. Now it's possible that I'm merely not familiar with the historical use of grants by any department on a general basis. This explanation for this section says that it's a new section and it will enable the department to make grants of up to \$10,000 etc. and anything over \$10,000 by Order in Council. Well obviously it raises questions in the minds of members here. What purpose will those grants be used for; under what circumstances does the minister see that grants might be handed out; obviously a concern of ours and we'll be pursuing that further.

As well I have some questions about the section 4(12a), I guess, or (12a). The first thing that conjures in my mind is that the Department of the Environment is, at least in spirit, interested in setting up a force of environmental officers who in my vivid imagination might serve in the range of a traffic officer or conservation officer. Obviously if that is what is intended by this section — I suspect the question will be resolved in Committee of the Whole as well — if that is what is intended, it raises quite serious questions of procedure and responsibility in the minds of the members of the Legislature. Let me say with respect to the last section dealing with environmental concerns, accidental spills

or pollution by solids, petroleum or otherwise, obviously anything that this government would like to undertake to do to either prevent the accidental pollution of our environment; any steps you would like to undertake to help prevent those sorts of things or to deal with them once they have happened within, of course, reasonable limits, will be supported by this caucus.

I suggest perhaps the legislation is geared as much towards the potential danger in uranium development as it is with anything else if that happens to be the case. It's an interesting aside that you're writing into legislation your ability to deal with that situation long before the Bayda Inquiry has decided on which approach the government of Saskatchewan should take. It could be an interesting part in the jigsaw puzzle that's been developing with respect to uranium development, another cog in the wheel. You've heard members on this side of the House say that we feel that your government is committed wholesale to continuing with the development of nuclear energy and uranium development in Saskatchewan, regardless of what the Bayda Inquiry says or any other conservative group. You heard me say the day before yesterday in the Attorney General's absence that every time this subject is mentioned to him he gets dollar signs ringing up in his eyeballs. I say only for your interest's sake, Mr. Attorney General, that this amendment may very well be another cog in that wheel towards the development of uranium in Saskatchewan, regardless of what other environmental concerns say.

So, my points in summation then are simply that nothing in this act at this stage is conclusively disturbing to me, certainly. But until we get some further answers in Committee of the Whole I can't be completely satisfied that this act is in the best interests of the people of Saskatchewan; we'll be pursuing it in Committee of the Whole.

MR. BAILEY:— I just have a few comments and I'm going to beg leave of the Assembly to adjourn debate on this bill for a number of reasons. I'm interested when the minister talked about the inquiry process. There are a number of questions of course which can only be answered when we get to Committee of the Whole. I am not too sure of one area which I would like to pursue, Mr. Minister, if it would more properly go to the Department of Health than the Department of Environment and that's in the whole area of pollution. I'm not talking about pollution of the streams or the pollution of the air, I'm talking about something else which perhaps crosses over into the field of Public Health. It is something which has become an extremely interesting topic and some jurisdictions in North America are now taking a very serious look at it and that is sound pollution. I think we have a problem within our society at the present time and I am not sure, Mr. Minister, if it would be best dealt with under the Department of Environment or not.

I want to do some more study; I have some research that is presently coming on that. I would like, therefore, to beg leave of the Assembly to adjourn debate.

Debate adjourned.

HON. N. BYERS (Minister of Saskatchewan Telecommunications) moved second reading of Bill 14 — **An Act to amend The Saskatchewan Telecommunications Act.**

He said: Mr. Speaker, a few brief comments on this bill which should be almost self-explanatory.

All hon. members will know that the Department of Telephones has paid maintenance grants to rural telephone companies amounting to about \$2.50 per subscriber per year. In addition, the Department of Telephones has paid what is known as circuit grants to assist rural telephone companies in the cost of installing buried cable and wire. In November of 1976 the government announced a policy whereby rural telephone companies would transfer their assets to Sask Tel. The response to that program has been excellent. About 500 companies have now transferred to Sask Tel, which leaves in the order of 200 rural telephone companies that are still independent, with approximately 16,000 subscribers. Last year the entire staff of the Department of Telephones was transferred from the department to the Crown corporation. There is, therefore, no staff in the Department of Telephones and there is a deputy minister who works voluntarily. The only staff in the department is the minister. It is a rapidly vanishing department.

However, because there are only a few rural companies left, in the order of 200, in the case of some of those 200 companies they have completely installed buried cable. Therefore, there will not be the need to pay grants to them and we expect that they will either remain independent or transfer to Sask Tel within the next five years.

There are some companies which will continue with their own buried cable program, either because they can install cable more quickly than Sask Tel will be able to do it under the buried cable program and, therefore, because the pay-outs in grants for buried cable and maintenance will be relatively small sums it is therefore proposed to transfer the responsibility for paying these grants to rural telephone companies from the Department of Telephones where there is no staff to the Crown corporation Sask Tel where the staff is situated and where it has been situated really for many, many years. I don't know what the numbers would be, the exact sums would be. They are certainly well under \$100,000 and probably close to \$50,000 involved.

We think this makes sense. We don't think it will make much difference to the rural telephone companies who get these cheques whether it has the Department of Telephones or Sask Tel on the cheque. They will welcome it either way and they will both be good.

I move second reading of the bill and urge all members to support it unanimously.

MR. R.L. COLLVER (Leader of the Conservative Opposition):— Mr. Speaker, the minister's comments pertaining to this bill and I concur it is a very simple bill, relative to the telephone system in the province of Saskatchewan, but I would be very concerned about the principle being established here of a Crown corporation making grants to any organization in the province of Saskatchewan. I would think that the entire granting structure in our province should be done by the departments which are under the direct control of the minister. Certainly the same kind of system with regards to the staff of Sask Tel could be done by the staff of Sask Tel working under contract for short periods of time for the Department of Telephones, for example, so you could accomplish the same end by an administrative change rather than by a legislative change and perhaps the principle as being established by this bill may be wrong and it could set a precedent for the government that could see, for example, the Potash Corporation of Saskatchewan making grants to various communities, various competitors, various suppliers where Sask Tel or Sask Power could make grants to other kinds of organizations in the name of administrative efficiency. Mr. Speaker, I would like time to contemplate this particular situation, so I beg leave to adjourn debate.

Debate adjourned.

HON. R. ROMANOW (Attorney General) moved second reading of Bill 11 — **An Act to amend The Land Titles Act**.

He said: Mr. Speaker, most of these amendments have been initiated by the master of titles and other officials of the Land Titles' Branch, for the express purpose of improving the operations of the branch, for the benefit of users.

A number of these amendments are directed at solving a problem which has troubled the Land Titles' Branch for quite some time, many years, namely, the problem of writs of execution and similarity of names.

At the present time officials of the Land Titles' Branch carrying out their duties under The Land Titles Act are required to place a writ of execution against land, not only if the name on the execution debtor is exactly the same as that of registered owner but also if it is merely similar to name of a registered owner. Given the present requirements of our present legislation, the normal state of affairs is that the Land Titles' officials don't have enough information to conclusively determine if the owner and the debtor are, or are not, the same person. So, in an increasing number of cases the officials have to make judgment calls. They do so, erring I believe, on the cautious side of placing the writ against the name which is similar. As a result, over years, many registered owners who, solely because their names were similar to those of execution debtors, have been confronted with writs of execution placed against their lands. Quite obviously this has not been a satisfactory position for although real hardship has seldom resulted from such writs, their presence has nevertheless proven to be an irritating matter to the innocent landowners involved, who, in many cases, are required to expend time, effort and money to have their titles cleared.

We believe that the procedure set out in the amendments, sections 91(a), 180(2), 207(f) will, in the long run, alleviate the situation without in any way lessening the protection given to execution creditors.

The amendment to section 91(a) requires that the full name and address of the transferee be given in all transfers.

The amendment to section 180(2) places the onus on the creditor to get the complete and correct name of the debtor before any legal steps are taken which result in writs of execution.

The amendment to section 207(f) denies liability of the assurance fund for merely similar names and limits such liabilities to names which are the same. This is, I think, a further incentive to the execution creditor to get the correct name of the debtor at the start of the legal proceedings.

Mr. Speaker, the combination of these three amendments we believe, at least I hope, will go a long way to reducing some of the problems in the Land Titles' Office arising from the similarity of names and writs of execution. Quite clearly, the problem can't be solved, or won't be solved, immediately. And quite clearly, there will probably always be similarity problems for some of the more common names but these steps in the long term should reduce the number of such problems to a minimum.

A number of the amendments, specifically to sections 2, 83(2), 180(3A) and section 241 are designed to deal with ambiguities arising out of the wording of the present legislation. Although mines and minerals are separate terms, over the years the word 'minerals' has been taken to refer to and, in fact, to mean both mines and minerals. For a number of years it has been the practice of the Land Titles' Branch to cancel mines and minerals titles completely when there was a forfeiture of minerals alone. This amendment will dispel any ambiguity which might exist in the meaning of mines and minerals and will, as a result of section 16(3) of the amending act, legitimize a long-time practice of the Land Titles offices.

The amendment to section 83(2) shows that the act requires two separate publications, one week apart, in cases where duplicate certificates of title are lost.

Section 180(3A) defines the phrase "from the receipt of." The day of receipt is the date upon which the entry of the document is made in the instrument register and the document's priority (these are the other documents) is determined by its position that register.

Amendments to section 241 spell out the results when one of the joint tenants is a company and that company is dissolved. The addition of subclause (i) to section 71(b) merely brings The Land Titles Act into line with section 25 of The Oil Well Income Tax Act, 1978. Some members in this House may remember that bill which makes all taxes, interest and penalties payable under the act a lien, charge and encumbrance in favor of the Crown, on the entire estate of the taxpayer, in priority to every lien or encumbrance to any other person.

In the operation of the Land Titles System, Mr. Speaker, it's a fairly common occurrence for staff to be moved temporarily from one office to another. Illness, holidays or an unusual workload often make it necessary for registrars or deputy registrars to be moved about from their normal, permanent posts to meet the challenges and the problems in other offices.

The inclusion of section 16A will ensure that the registrar or deputy registrar, who has been moved and is on temporary assignment in another Land Titles Office has the authority to carry out his duties in that office as is required.

Now, Mr. Speaker, the amendment to section 22 is, to a certain extent, an economy measure which will save both time and material by permitting our Land Titles officials to give copies of portions of large instruments when only such portions are required.

The procedures contemplated by sections 124A and 124B provide a service to the general public in those cases where the former lessee can't be found, or refuses to provide a surrender, by creating an inexpensive way of clearing the title of lease memorandum which would otherwise collect over the years to clutter up the various titles. The amendment provides for protection of the rights of existing lessees and former lessors.

The amendment to section 159 is in response to a resolution of the Law Society of Saskatchewan. At the present time the party, normally the registered owner, who questions a caveat and requires caveator to file a judge's order providing for its continuance, is not informed when the required judge's order is filed. This amendment ensures that he would be so informed.

The amendments to the forms are as required by the other amendments contained in this bill as I described. The new section of 164A will require a Land Titles registrar to refuse to register any document transferring an interest in farm land or to file any caveat respecting an agreement for sale of farm land unless the document is accompanied by a statutory declaration completed by the transferee or purchaser.

Regulations under The Saskatchewan Farm Ownership Act, 1974, will prescribe the form and content of the declaration. The declaration will contain all the relevant information to enable the Saskatchewan Farm Ownership Board to determine whether or not the transaction results in the transferee or purchaser acquiring an interest in farm land in excess of that set out by The Saskatchewan Farm Ownership Act. The amendment provides that the registrar must forward a copy of the declaration to the Board. The Board, presently, has no really effective means of monitoring acquisitions of land in this province by non-residents. This amendment will significantly assist the Board in properly administering The Saskatchewan Farm Ownership Act, 1974, and I would pass in the same closing that the amendment coincide with the amendments being proposed to The Saskatchewan Farm Ownership Act.

Mr. Speaker, I think this fairly and fully describes the provisions of this bill. I accordingly move second reading of Bill No. 11, an Act to amend The Land Titles Act.

MR. S.J. CAMERON (Regina South):— Mr. Speaker, I'd like to make some comment on this act and some general comment about the operation of the Land Titles Office, generally. The first change, as the Attorney General knows, is to change the words Mines and Minerals in The Land Titles Act to have the word Minerals include all mines and minerals and I am going to ask him to go back and re-examine that because you are doing it retroactively. There are titles, as I understand it, that are issued separately for mines and some issued separately for minerals. Mines is a distinct thing from minerals and under the laws it always has been. So that if we pass the section as it stands, I think retroactively we would be confiscating people's mines titles with no compensation to them. So I think you want to re-examine that portion of it.

Section 124(a) provides for a lessee, it gives the lessee the right to change his address when the lease or the indication of the lease is registered on the title. I would like to see you include caveators in that. There is currently no provision in the Land Titles Office for a person who registers a caveat to file with the Registrar of the Land Titles Office a notice of change of address. That leads to some very real problems. Very often, what happens is that a caveat may be registered, which is a notice on the title that that person has an interest in the land and some time goes by and the person changes his or her address. Then there is a notice issued by the land owner calling for the clearing of the caveat and the notice never reaches the person who has the caveat on the title and there is no way that the caveator can put in a notice of change of address. That is another area you should look at.

I won't persuade you with respect to this one but the mm Section 164(a) is again another illustration of that odious kind of provision that you put before us so often, giving the Lieutenant-Governor the power to exempt any person or class of persons from the provision of that section. Now I am going to make a bit of an argument again in that respect, although I have made it several times before, that sections of this kind have no place in the law. Under The Farm Ownership Act as it stands, that same section appears and I read regularly that the Minister of Agriculture is exempting people from the provisions of that act. I don't think that ought to take place. The act itself ought to be so drawn that the power of The Farm Ownership Board is spelled out in the act.

When you get into these situations where you are giving exemptions.. I had a series of questions on the order paper in the last Legislature, which went by the way and which I am going to reintroduce, in which I am really asking for details of all the exemptions that you granted under that act. It isn't a good power to give to the Board, across-the-board power to exempt anyone from the provisions of The Farm Ownership Act. You can see, I am sure, the problems that leads to and I wish we would get to the position where provisions of this kind weren't put before us.

By way of final broad comment, with the operation which the Attorney General has indicated, it will solve some of the problems of the Land Titles Office. I want to raise with you in some detail the problems that are currently occurring with the Land Titles Office in effect shut down. I want to urge you to seek some way, at least in the dispute with the Saskatchewan Government Employees Association, to get the Land Titles Office reopened. There is a problem in this sense that there are a number of people now who are beginning to suffer and who are going to suffer more as the month advances, in the following way. All house transactions now in the province which are facing completion dates as of March 31 are stranded. You can't transfer the title. If you can't transfer the title, the purchaser, on April 1, can't take possession. The vendor, on completion March 31, doesn't get his money. Very often he is recommitted to another purchase so he is falling into default.

Now that affects a great number of people in our province. There is another aspect of that and that is the interest adjustment on closing. Who is going to pay for it? As of April 1 we are going to have an enormous number of these problems in this province and they are serious problems. They are causing people a loss of money; they are causing people to be in breach of their contracts in many cases. Surely there must be some mechanism by which we can get the people in the Land Titles Office and the Saskatchewan Government Employees Association back on the job, pending the resolution of their salary dispute.

There is another area which is causing problems which again are going to get more serious and that is with respect to large construction projects. The owner cannot get a release of funds — the additional advance of funds — without a clearance of title. You can't search the title to determine whether there are intervening mechanic's liens and you can't get at the mechanic's liens, so therefore you can't give a certificate of clearance and the contractor can't get his advance of money. So it is beginning now, for some contractors, to run out of money in respect to the project and that means to say that the employees on the job are not getting paid. The employees, in turn, have a right, as the Attorney General knows, under The Land Titles Act and elsewhere, to file liens for wages that aren't paid but they can't get their wage liens in the Land Titles Office either. That's causing problems and it is going to get a lot worse unless we get that situation settled by April 1. The point I want to make here is that I appreciate the interests of the Saskatchewan Government Employees' Association and what they're trying to do but their interests are far outweighed by the interests of the people that are being adversely affected in the process, those people who are buying and selling homes completed as of March 15 and as of April 1, the workmen and the contractors on projects, large projects that can't get their advances and are now beginning to find they are in difficulty financially. And then there is a third area and that's this one. We have just come out of a period recently where the Land Titles Office was often six weeks behind in its work which was creating chaos in the same area. We're now getting to the point where that's getting caught up. I understand that for every day the Land Titles is closed, it's likely to

result in two days of delay when it reopens. So we may find, as of April 1 or 2, that the Land Titles Office is two months behind. Now, what does that mean? It means for a person who has bought a house effective April 1 has got a problem getting his title until June 1. That creates the additional problems of who gets paid and when? And who pays the interest in the intervening period? That's what we're leading to. I'm told it's likely to be two months before they get back to clean up the problem, unless we get back into the Land Titles Office quickly. And what I ask you to do in the process is to sit down with the Saskatchewan Government Employees' Association in the current dispute; persuade them to the fact that their interests which are being, by their argument, adversely affected, are far outweighed by the interest of the larger group and the enormity of the problems they have and persuade them to get back on the job pending the resolution of their dispute.

SOME HON. MEMBERS: Hear, hear!

MR. J.G. LANE (Qu'Appelle):- Just a comment, Mr. Speaker, the Land Titles Office in Regina had finally caught up very recently and we were getting two or three days service to turn around some documents. Now this strike is obviously causing some pretty severe hardship and I think it will cause greater hardship not yet so much on some of the developers as those involved in a great number of transactions although it is starting to tighten up, but it's hurting an awful lot of so-called little people who have their houses for sale and are going to be faced with major interest payments that they simply weren't prepared to make. I probably feel, as the Attorney General will state, that one does not want to interfere in the collective bargaining process but is it possible and would the Attorney General make a commitment that upon resolution of the labour dispute with the SGEA or upon the return to work of the Land Titles' employees that the government will have the number of part-time employees increased in sufficient number to clear up the backlog as quickly as possible? It is not as I say, just the developers that are being hurt, it's an awful lot of people, this is their major asset, they're trying to change as the hon. member says, April 1 or in many cases March 1 and they're being faced with interest payments that they simply weren't able to handle and I think that, upon resolution of the dispute or upon the return to work of the Land Titles employees, it would be fair for the government to say that there would be the funds available for the increase in the number of part-time help to get the backlog cleared up as soon as possible after the resolution of the dispute.

MR. ROMANOW:— Mr. Speaker, first of all, I thank the hon. members for their suggestions and comments with respect to this bill and with respect to the larger problem that is before us now, namely the SGEA dispute. I will say to the member from Regina South that I will ask the lawyers in the department and the people in the Land Titles Office to check into those two points that you make and hope to have something ready by way of any answer or an amendment if that's necessary when we get to Committee of the Whole's clause by clause consideration of the bill.

Mr. Speaker, the matter of the SGEA strike however, is of course a very complex matter. I can of course share the concern expressed by the member for Regina South and Qu'Appelle about the hardship which is being sustained by literally tens of hundreds of people who are involved in day-to-day transactions (house transactions) and so forth.

I am not sure that it is open for me to suggest to the SGEA people that they should in effect, return to work without fully carefully considering the implications that that might have to a larger problem of the dispute that exists between the SGEA and the Public Service Commission. What I'm saying is that the matter has to be looked at very

delicately lest we compound a problem which already is obviously getting to be tight. Nevertheless, I will consider my options in terms of the suggestion made by the member for Regina South; discuss it perhaps with the Minister of Labour and see what options are available to us and see what we can do in the next little while, if anything. I say in closing to the members of Qu'Appelle and Regina South, we will obviously have to do all we can by way of additional staff and money to clean up the backlog once the dispute is complete.

Quite frankly I've been reasonably satisfied with the way Land Titles office has been operating. Prior to the dispute it was virtually on a 48-hour, 72-hour basis, I'm advised by Mr. Allen Carr, the Director of Land Titles, and I think that is an objective that we have got to keep working toward if we can. Perhaps we can shorten it down some more. We will do all we can to clean up the backlog the moment the dispute is settled and see what options we have if any, during the course of the dispute to get people in if that's possible, to ease the problem now.

HON. R. ROMANOW (Attorney General) moved second reading of Bill 13 — An Act to amend The Surface Rights Acquisition and Compensation Act, 1968.

He said: Mr. Speaker, this bill contains a number of non-connected amendments, some of a housekeeping nature and some of perhaps a little more importance.

The amendment in section 2 of the bill is perhaps the amendment with the greatest possible importance to the members of the House.

There is a fairly widespread practice amongst persons owning land on which they have granted surface leases, to retain the right to the income from those surface leases when they sell the land. One of the basic precepts of this act is that the person entitled to the income from a surface lease has an opportunity to apply to the Arbitration Board periodically to have the amount of that compensation reviewed. However, the act does not presently permit such an application to be made by a person who has sold all of the land, except his right to retain the income from the surface lease. The owner of the rest of the land may well have no reason to make such an application — obviously he doesn't. Therefore the intent of the act is defeated in this kind of a situation.

The proposed amendment would permit an application on behalf of the person whose only remaining interest in the land is his right to the income from the surface lease.

Section 2 of the bill would require a quorum of two members where the membership of the board is three, and a quorum of three members where the membership of the board exceeds three. The present membership of the board is five.

The proposed new subsection (1A) would for the first time provide for the resolution of the deadlock vote situation on the Arbitration Board.

Mr. Speaker, in dealing with Section 4 of the bill, this would permit the secretary of the Arbitration Board to sign documents on behalf of the board in the absence or disability of the chairman. The secretary of the board as members may know, is a full-time employee position which requires the secretary to be very familiar with the matters in which the board is involved, being as it were the chief executive officer to the board. Other than the chairman of the board, the members are all part-time appointments and they may reside anywhere in Saskatchewan. Where the chairman is not available to sign board documents, having to call upon distant board members to attend at the

board office to sign documents, this obviously may cause delays to the detriment of all of the parties involved.

The Arbitration Board had always interpreted the act to allow service documents on an owner pursuant to the act to be by registered mail as is the case for service on operators. However, Mr. Speaker, a recent decision of the judge of the Count of Queen's Bench required service on owners to be personally effected. There are many situations in which the owners of the land reside out of the province or perhaps out of the country in which case personal service may be awkward, expensive, costly, and time consuming. The proposed amendment here would allow service on owners to be by registered or certified mail in line with the Arbitration Board's previous interpretation and to make the requirements for service on the owners coincide with those for service on the operators.

Section 6 of the bill deals with a deposit that an operator is required to put down with the Department of Mineral Resources. The intent of the deposit is to protect the owner's right to have the operator restore the surface of the lands when the operator discontinues his operation there.

Under the present legislation there is no way in which the operator can recover that deposit, whether or not he has adequately restored the surface of the land and in spite of the fact that section 48 of the act only allows the owner five years in which to bring an application to the Arbitration Board with respect to that restoration. This proposed amendment would allow the operator to recover his deposit where the five year period has elapsed and no application has been made.

Now, Mr. Speaker, section 7 of the bill proposes the repeal of subsection 5 of section 51D. This is part of the act that was added in 1972 to allow the board to award compensation to land owners in respect to damage to the land not covered by a surface lease caused by the operations of an operator on a surface lease. The subsection in question limits the board to a maximum award of \$1,000 and the board is of the view that this unreasonably low limit causes land owners to pursue their claims in other ways rather than bringing them to the board where I think it is the best chance of a satisfactory resolution.

Since the purpose of this part of the act is to allow the board to deal with such claims, the proposal is to remove the monetary limit to the board's jurisdiction.

Finally, Mr. Speaker, section 8 of the bill deals with reference to disputes before the Arbitration Board to a mediation officer appointed pursuant to the act.

Under the present provisions only the parties of the dispute may make such a reference. The board has no control over when such a reference is made and where such reference is made, the proceedings in the board are stayed pending the completion of the mediation officer's attempt to mediate a settlement in the dispute. Quite obviously this is not fully satisfactory.

The proposed amendment would, therefore, firstly, allow the board to refer matters to mediation on its own initiative, where the parties have not chosen to do so and the board feels that there is some merit in the mediation route.

Secondly, the amendment would give the board a discretion as to whether or not to permit the parties to the dispute to refer a matter to mediation. There have been, and may be in the future, instances where the board views such a reference by one of the parties as being merely a tactic meant to delay the board's determination of the dispute and really not as a bona fide appeal to the mediation process.

Mr. Speaker, I think I have given the members of the House some fairly detailed explanation of the proposed amendments here and, accordingly, I move second reading of Bill 13, an Act to amend The Surface Rights Act.

MR. BAILEY:— Mr. Speaker, I have a few comments that I would like to direct to the Attorney General in relation to this bill. There is one group of people, Mr. Attorney General, in the province that has a great deal of concern, which is not covered by this bill and yet it is related to the bill almost directly. I am later on going to be asking for leave of the Assembly to adjourn debate so that I can do some further inquiry, not only in my constituency but in others.

Mr. Attorney General, there is a problem in Saskatchewan at the present time and I would like to relate that problem to you as it relates to this particular bill. There are a number of smaller companies shall we say in all cases that I am familiar with, have their head offices outside of Saskatchewan who have, say in a period of some five years ago entered into an agreement with the landowner in relationship to trenching and so on and the rental fee and what have you. I have personally been involved in the last three years of trying to track down these companies and trying to make them honor their commitment to the landholder who happens to be, in my case at least, all of them Saskatchewan farmers. I have received assistance from the government opposite in that they have provided me with the addresses of the companies, but at the same time have informed me that they cannot take action, or there is nothing within the province, to protect the Saskatchewan farmer from action that he would like to take against a company whose headquarters are in another province. Therefore, it places these people in a very serious position. As a matter of fact, Mr. Attorney General, there is a letter on my desk today which was delivered and that was the nature of the dispute again in which a farmer is claiming that he has rent in the neighborhood, it's not a great amount but it's an amount that I would like to get a hold of, about \$2,400. Yet there's no provision, none whatsoever. I don't say that in a critical way, Mr. Attorney General. I say that it's time that somehow we looked after these people who have not been honored by the companies. They have not received their rentals on the land. I would hope, as the Attorney General of the province, you would take a look at this situation.

Some of my colleagues, Mr. Attorney General, have more to say related to the topic which I have just adhered to. Therefore, Mr. Speaker, I beg leave to adjourn debate.

HON. A.S. MATSALLA (Minister of Tourism and Renewable Resources) moved second reading of Bill No. 16 — **An Act of Consent respecting the adoption of the Manitoba-Saskatchewan boundary south of the twenty-second base line as surveyed by the Manitoba-Saskatchewan Boundary Commission during the years 1965 to 1972.**

He said: Mr. Speaker, this legislation could probably have been referred to the Non-Controversial Bills Committee, however, I will take the opportunity to very briefly provide all members with the background relative to the legislation we are seeking. The legislative effect is relatively minor. Through the legislation it is intended to standardize the entire Saskatchewan-Manitoba boundary sections which were not accurately defined previously. A word of explanation, Mr. Speaker.

Up until 1961 a large portion of the boundary between our two provinces was just a line on a map. In 1961 and 1962, 250 miles of the northern portion were surveyed and monumented. This survey was ratified in late 1966. This then left three areas with a total of 135 miles where the boundary was not located or marked on the ground in any way. In those areas where the monuments were established, defining the edge of the road allowance most of the surveys were made prior to 1900. The monuments consisted of wooden posts and little evidence remained of their position. Concern was expressed by Manitoba that the monuments defining this road allowance were located in Saskatchewan, were part of the survey system of this province and could be lands adjoining the boundary and that it did not seem proper that monuments governing interprovincial boundary should be disturbed or re-established except under instructions of the proper authority. Although 455 miles of the southern portion was marked on the ground, both provinces agreed there was a need to re-trace much of this boundary.

In 1964, an Order in Council was approved enabling the provinces to jointly conduct the necessary surveys and report their findings to the Parliament of Canada and to the Legislatures of both Manitoba and Saskatchewan.

Surveys were conducted between 1964 and 1971 and since that time work has continued in compiling the atlas and report, listing the commission's activities. Costs for the survey were shared equally by the three levels of government and funds were voted annually in the budgets of the three governments. For the northern portion, the work was fairly heavily labor oriented with almost 50 per cent of the total labor being made to local labor. The major portion of the laborers for this project were recruited from Cumberland House.

For the information of all members, I feel it would be useful for me to provide you with information relative to the considerable delay between the completion of the survey and publication of the report.

Mr. Speaker, it is usual to take at least a year from the completion of the survey for finalization of the report, examination of returns and clarification of points raised by the examiner. In the case of a survey conducted by a staff member from Manitoba, three years ensued before proper clarification was received. It was not until 1974 that the decision was made not to re-monument a portion of the boundary, and compiling and checking of the report to the satisfaction of all three parties has taken considerable time.

This legislation, Mr. Speaker, is intended to clarify those portions of the Saskatchewan-Manitoba boundary which in the past have not been properly monumented. I ask for the approval of this Legislature to make these proposed changes official.

Mr. Speaker, I take pleasure in moving second reading of Bill No. 16.

MR. R.H. BAILEY (Rosetown-Elrose):— Mr. Speaker, I will agree with the minister that this probably could have been placed in a bill of a non-controversial nature.

In lighter vein, Mr. Minister, somebody not knowing of the work that had gone on in past years up to 1974 and appearing for the first time in 1978 could think that you were taking some steps or measures to guard yourself from what is happening to the East and West of you as far as the politics of the other two provinces are concerned, in making sure that you get the boundary straightened out before any conflict of interest may take place.

One of my colleagues, Mr. Minister, has a few comments, not in the way of controversy, I can assure you, but a few comments he would like to make with respect to this bill. We have no intentions of delaying it, I can assure you of that, but the next time around he has asked me if I would not beg leave to adjourn the debate until he has one or two minutes of comments that he would like to make. So with that, Mr. Speaker, I beg leave to adjourn debate.

Debate adjourned.

COMMITTEE OF THE WHOLE

BILL NO. 4 — AN ACT TO AMEND THE AGRICULTURAL SOCIETIES ACT, 1966.

Section 1

MR. A.N. McMILLAN (Kindersley):— Mr. Chairman, I would appreciate it if the minister could give us another brief explanation about what the act hopes to accomplish. As you might understand we are in a bit of a difficult problem with the unexpected absence of our agriculture critic and while I was certainly attentive, while you were doing second reading on this, I am not really sure I was even in the building. I would just appreciate a quick explanation.

HON. E. KAEDING (Minister of Agriculture):— Mr. Chairman, there was nobody over on that side of the House that was here when the bill was read the second time. However, I want to assure you that the amendments in this act are of a non-controversial nature and most of them are simple administrative amendments which have been approved by the Agricultural Societies Association who are the parent body dealing with agricultural societies and most of the amendments deal with very minor changes in various sections of the act. One deals with the limitations as to the distances between agricultural societies so that we don't have two societies one beside the other, too closely. There are certain changes which deal with the age limitations of people who want to become members of the societies.

I think what we should do, is we should just go through the act and as they come up I think we should discuss them as they come up. I think there really isn't much point in

going through it. They are just administrative amendments.

MR. McMILLAN:— Well strangely enough and as surprised as you may be, I do have a question that might be distantly related to the act. As a matter of fact it only came to my attention today and it deals with the question of whether or not an agricultural organization is serving as a club or an association and it becomes a question of funding and this particular case is of an Arabian Horse Club. Now these people are somewhat concerned that in their opinion they are not covered by the provincial Department of Agriculture, are not in a position to receive funding from them to promote the interests of their club. They are under the impression that they are governed by the Department of Culture and Youth. I would like to know just exactly how you people approach this subject of the differentiation between an Arabian Horse Association whose prime interest might be to try and promote the interests of that breed, either the production and marketing of it, as I believe is done by the Provincial Quarter Horse Association, etc., what is the difference between that and an organization which is incorporated as a club but which, as well, tries to promote the interests of the production and marketing? In this case, these people are having a show. Their club is holding a show but they are also holding a sale of Arabian horses in conjunction with it, yet they don't apparently fit into a niche in the Agriculture Department which will provide them with any assistance to put the show on.

MR. KAEDING:— Ordinarily what happens is that the associations such as you refer to (the horse clubs) belong to the Horse Breeders' Associations and they in turn belong to the Saskatchewan Livestock Association and there are grants available through the Saskatchewan Livestock Association which can be used to promote the well-being of those particular clubs. This is the chain of events which has to be gone through in order to get those kinds of grants. They would not be normally funded under the Agricultural Societies Association.

MR. McMILLAN:— Are they included in your umbrella type responsibility? For example, these people are at least somewhat emotionally upset that they are looked after by the Department of Culture and Youth rather or do you not because they're a club which would denote recreation, etc., rather than a primary means of promoting the horse organization?

MR. KAEDING:— Mr. Chairman, I think the dividing line would have to be whether they're actually a recreational club or whether they're an agricultural activity. If they're an agricultural activity why they're attempting to market their horses, then I think they would come very well within the purview of our act, if they're simply a recreational club then they may very well not.

MR. McMILLAN:— What would you do if it's 50-50?

MR. KAEDING:— If in terms of technical information and technical expertise that they may want, we would certainly provide that from our department and if there's any promotional efforts required they would come under the purview of the Saskatchewan Livestock Association and through that mechanism they would be able to get some kind of assistance but it would have to be through the Livestock Association.

MR. McMILLAN:— I have no further hard-hitting questions at the moment.

MR. R. KATZMAN (Rosthern):— .. under The Agricultural Society Act is one who is a breeder supposed to come through the Saskatchewan Livestock Association for funds

or are there not other channels through which they are also available?

MR. KAEDING:— Well, the only involvement the Agricultural Society would have would be in promoting through fairs and exhibitions and so on. The Agricultural Society Association would not be involved in providing grants for the breed associations that they would have to do through the Livestock Breeders Association.

MR. KATZMAN:— Are there not grants to fairs where they are involved and so much for each animal involved in any fair that's involved through the Agricultural Society?

MR. KAEDING:— Yes, there are grants which they can receive through entering into a fair. If they enter into a fair certainly the grants are available to pay prize money.

MR. KATZMAN:— Do they also not receive through the Agriculture Department and not the Saskatchewan Livestock Association as you referred to, the grants for travel and other things, separate from the youth and culture portion of the lottery?

MR. KAEDING:— This would normally be done through an application to the Market Development Fund if.. or what is the other fund we have? Through the Livestock Association. They would normally get that funding through the Livestock Association if they were going to send horses for instance to Toronto Royal or something like that.

MR. KATZMAN:— What I'm getting to here is, I'm thinking of the applications to the Trust Fund, the Horn Fund, the Cattle Check-off Fund, which are societies or groups, for some research but once again some of these are covered by the Societies Act that are involved, I believe. Am I correct on that?

MR. KAEDING:— No, if you were to make a proposition to any one of these funds, there are boards which determine what these funds are used for, the Cattle Check-off Fund, the Horn Fund and so on. And if you are to make a request to them, they would look at that request. The Board would make the decision as to whether a grant would be made available to you or not.

MR. KATZMAN:— Well under the Agricultural Societies Act, I understand that agriculture does not recognize some areas, and does recognize other areas. Under this, is there a breakdown? For example, a riding club is not covered under agriculture in Saskatchewan. It is not considered agriculture, it's part of the youth and culture section and therefore goes through federation where a breed comes through Saskatchewan Livestock.

MR. KAEDING:— Yes, the Agricultural Societies Act allows the agricultural society to enter into a broad range of activities. If the Agricultural Societies Association determine that they wanted to get involved with some of these things which you are discussing now, they would be in order to do so. But unless they were prepared to make a recommendation to that extent they likely would not come under the act.

MR. KATZMAN:— Well what I am trying to get at is, there is a fundamental problem within the province of Saskatchewan on a lot of the breed organizations who breed horses, cattle and so forth versed where the government involvement is. Is it through Youth and Culture or is it through Agriculture and The Societies Act. In fact that is probably the biggest problem, who do you go to when you want to do something and I am hoping that under this section maybe we can figure it out so that people out in the boon docks know which way to run.

MR. KAEDING:— Well actually, under The Agricultural Societies Act, we have no involvement with the breed societies as such. They deal through the Livestock Breeders Association and The Agricultural Societies Act. Any act which we have doesn't really relate to that. If you want any activity under that you would have to come under the purview of these other associations.

MR. KATZMAN:— Well, as you know, I wear two hats in this one because I am also president of the Saskatchewan Livestock Association. The problem that I am getting to is, for example, if a breed of horses as the Toronto Royal shipment is involved and the cattle shipment to the Toronto Royal want to go, they must make a submission through Saskatchewan Livestock. Yet, if they are going to an equestrian event they come through the lottery, which is not agriculture but they are registered through The Societies Act under agriculture. There is a mass confusion. Is there anywhere within your department that you will straighten this out so somebody will know which way to go? Is that the part of the new man that you have that used to be your sheep man, is he hopefully going to work this out as he takes over part of the horse industry?

MR. KAEDING:— Well, this is probably a technical problem which we should discuss separate from this bill. This bill does not deal with that particular area and I think if you wish to discuss that area we should discuss it at a different occasion than this. This deals with the Agricultural Societies Association and that deals with a different matter.

MR. KATZMAN:— But the problem is that people who are registered under The Agricultural Societies Act, in some cases are told they are not recognized as agriculture. One of the prime examples up until last year is the horse industry which has not been recognized as part of agriculture until this year, I understand.

MR. KAEDING:— Mr. Chairman, these societies are not registered under The Agricultural Societies Act. They are not registered under The Agricultural Societies Act.

MR. KATZMAN:— Are you not conforming to the National Agriculture Societies Act, then? Because you have to have a federal jurisdiction as well as a provincial jurisdiction to qualify, for example, the 75 per cent shipping rate that the Royal Show receives every year. If you are not covered in both places you can't receive part of the grant for travel from the federal government, which is 75 per cent of shipping. You know, we seem to be talking two different things yet with the same mind.

MR. KAEDING:— Mr. Chairman, I can't at this point tell you exactly how they would arrive at the kind of grants that he is talking about, the 75 per cent federal participation, but it certainly is not under The Agricultural Societies Act.

MR. KATZMAN:— I beg to differ with you; the way I understand it is any shipment that goes to the Toronto Royal Fair, 75 per cent of the shipping is paid by the federal government and 25 per cent has to be raised locally, one way or the other. Now, with that in mind, if you are not a society under agriculture within your province and somehow registered through a senior body within the federal jurisdiction, you will not qualify for that 75 per cent subsidy. I am asking then, does this act work with the federal act so that this can happen?

MR. KAEDING:— Well, Mr. Chairman, I am not sure of the process there but as I understand it those grants are processed through the Saskatchewan Livestock Association and not through the Agricultural Societies.

MR. KATZMAN:— Well my concern is that we make sure that this Agricultural Societies Act conforms with the federal one so that there is no problem at a later date and if you are not sure of the answers, would you like to stand this Committee of the Whole until you can get an answer another day and then bring it back?

MR. KAEDING:— Mr. Chairman, that particular area has nothing to do with The Agriculture Societies Act. The grants which are received by the Saskatchewan Livestock Association are not grants coming from Saskatchewan's Agricultural Societies Association. They are grants which come direct from our department and it has nothing to do with the Agricultural Societies Association.

MR. KATZMAN:— But the federal grant has something to do with what is shipped to the Royal and without having an agricultural association, you cannot ship to the Royal and the same thing, if we in Saskatchewan ask Agribition to be recognized as a prime exhibiting show for Canada which means that the federal government will pay for the shipping of livestock from other parts of Canada, 75 per cent of the cost from other parts of Canada to Regina for Agribition. I am certain your department is working for that so that it's recognized as a national show. We should make sure that we don't close any doors by accident.

MR. KAEDING:— Again, you are confusing the situation. The Breeders' Associations are not part of the Agriculture Societies Association; they deal separately and apart from the Agriculture Societies Association. The Regina Exhibition Association is separate from that. So any request you have for funding is not through the Agriculture Societies Association at all but through another mechanism. This act or any amendments to this act will not relate to anything which you are referring to.

Section 1 agreed.

Section 2

MR. G.N. WIPF (Prince Albert-Duck Lake):— Mr. Chairman, would the minister tell me what "apiculture" is?

MR. KAEDING:— It's the keeping of bees. Have you heard of the keeper of the bees?

Section 2 agreed.

Sections 3 to 17 agreed.

Motion agreed to and bill read a third time.

The Committee reported progress.

The Assembly adjourned at 4:50 o'clock p.m.