

## LEGISLATIVE ASSEMBLY OF SASKATCHEWAN

April 13, 1978

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

On the Orders of the Day

### WELCOME TO STUDENTS

**MR. J. WIEBE (Morse):** — I am very pleased to have the opportunity this afternoon to once again introduce to you and through you to the members of this Assembly, 18 Grade Twelve students from the Morse High School. They are located in the Speaker's Gallery and they are accompanied today by their teacher, Mr. Carl Radbrook.

I would like to take this opportunity to welcome them here once again. It has been my privilege ever since Mr. Radbrook has taken up teaching duties in Morse, to each and every year have the opportunity of introducing a group of Grade Twelve students to this Assembly. I look forward to meeting with them later on this afternoon and to have a coke together. I hope that they have had a successful day and that they will enjoy the hour's proceedings this afternoon.

**HON. MEMBERS:** — Hear, hear!

**MR. R. KATZMAN (Rosthern):** — Mr. Speaker, I would like to introduce to you, a group of 35 students from Clavet School, along with a group of exchange students from Nova Scotia, also 35 in number, who are visiting us in the east gallery in the Legislature today. I hope that the students from Nova Scotia are enjoying Saskatchewan and enjoy the people and their friendliness. I will be chatting with you a little later.

**MR. G.H. PENNER (Saskatoon Eastview):** — I would like to join the member for Rosthern in welcoming the group of students from Clavet and from Pictou, Nova Scotia. I had an opportunity last evening to meet with the students over dinner and to spend a little bit of time talking about Saskatchewan. I am not certain that it would be fair to say that these students from Clavet come from the best constituency but as was the case with the students from Mr. Thibault's constituency, I can assure the House that they come from the best school unit in the province.

We hope that you will have a very pleasant day in Regina and a safe trip home.

**HON. MEMBERS:** — Hear, hear!

**MR. J.L. SKOBERG (Moose Jaw North):** — Mr. Speaker, it gives me a great deal of pleasure to introduce to you and to the members of this House, a group of 55 students from the Lindale School in Moose Jaw. Realizing that there are a number of them who come from the surrounding areas of Moose Jaw, the fact still remains that they are located in one of the best constituencies in Saskatchewan — that is Moose Jaw North.

I might also welcome the teachers and the bus drivers who are with the students from Lindale, and also remind the House once again, Mr. Speaker, that this is Moose Jaw's 75th Anniversary and I'm sure that the Grade Eight students from Moose Jaw from the Lindale School recognize that and appreciate that.

**HON. MEMBERS:** — Hear, hear!

**MR. R.A. LARTER (Estevan):** — Mr. Speaker, I would like to join with the members for Saskatoon and Rosthern in welcoming the students from Pictou, Nova Scotia. I did a refit in Pictou during the war and I enjoyed the hospitality of the people in that community for about two months one time and I welcome them here today.

**HON. MEMBERS:** — Hear, hear!

**MR. P.P. MOSTOWAY (Saskatoon Centre):** — Mr. Speaker, having represented the Clavet area a number of years ago, I would like to welcome the students and teachers plus their friends from Nova Scotia and just say that we hope on this side of the House and I know the other side of the House, that you have a good afternoon and a safe journey home.

**MR. E. ANDERSON (Shaunavon):** — Mr. Speaker, it gives me great pleasure, through you, to introduce to this Assembly a group of 16 Grade Twelve students. Their bus drivers are Miss Debbie Dixon and Mrs. Pat Boutin and their teacher is Mr. Ted Mroz from Val Marie. I am proud to say that Val Marie is in a strong constituency and is one of the most scenic parts of the province. If you ever want to see the great grasslands, go down to Val Marie.

## QUESTIONS

### Missing Cabinet Ministers

**MR. W.C. THATCHER (Thunder Creek):** — Mr. Speaker, a question of the Provincial Secretary. Mr. Minister, in view of all the issues that are perhaps going on in this province right now, would the Provincial Secretary care to tell this Assembly exactly where all his Cabinet Ministers are today? I count nine out of about 19 or 20 and I notice only the junior ones in the House today. Where are all your senior ones?

**MR. SPEAKER:** — Next question, the member for Regina South.

### Cable Television - Sask Tel Breach of Contract

**MR. S.J. CAMERON (Regina South):** — Mr. Speaker, I want to ask a question. Indeed, we have a series of questions to ask of the government, with respect to its cable policies. Let me direct it to the government at large and let them decide who will answer it. The question is, this afternoon writs will be issued in both Saskatoon and Regina in the Court of Queen's Bench suing Sask Tel for breach of contract, damages and costs. I want to ask the government whether it was on its instructions to Sask Tel, that Sask Tel has not been abiding by its written undertaking of February which was filed in the House the other day and whether it is not a fact that, in these circumstances, Sask Tel is merely being used to run interference for a government policy, being used in a way that has got Sask Tel in clear breach of contract?

**SOME HON. MEMBERS:** — Hear, hear!

**HON. G.R. BOWERMAN (Minister of Northern Saskatchewan):** — Mr. Speaker, I know very little about cable television and I know very little about the subject which the member asks; however I will take the question as notice and will refer it to the minister for proper recognition.

**MR. CAMERON:** — Mr. Speaker, may I ask the minister to take some additional questions as notice. I want to know what minister in the government instructed that Sask Tel resist this action and breach of contract, to merely run interference for CPN in these circumstances . . .

**MR. SPEAKER:** — Order, next question, the member for Qu'Appelle.

### **Rail Line Relocation**

**MR. J.G. LANE (Qu'Appelle):** — Mr. Speaker, I would like to direct a question to the minister responsible for SGIO, given the fact that he is the senior Regina Cabinet Minister in the Assembly today. I would like to very quickly preface my question, Mr. Speaker, by saying that the negotiations between the city of Regina, the province of Saskatchewan and the federal government on rail line relocation in the city of Regina have been based on the premise that the city would pay 12.5 per cent of the cost, the province of Saskatchewan, 37.5 per cent of the cost and the federal government, 50 per cent of the cost. We had a city money bylaw based on that cost share agreement. I have a copy of a letter dated April 6, from the Minister of Finance of the government of Saskatchewan to the chairman of the Regina Rail Relocation Committee, City Manager's Office, wherein, he indicates that the government of Saskatchewan is reneging on its previous commitment and is now going to require the city of Regina to pay an additional 12 1/2 per cent, or fund 25 per cent of the total cost of rail line relocation. What is the reason for the change of government policy?

**HON. E. WHELAN (Minister of Consumer Affairs):** — Mr. Speaker, in answer to the hon. member's question, I don't believe that in the negotiations that I have attended that at any time was there ever an agreed upon the portion to be paid by each of the groups involved. I am well aware of the fact that there was a money bylaw put before the citizens, but even the money bylaw was placed before the citizens long before the negotiations had been decided upon, or agreed upon, And even today, the negotiations are still in the hands of the city and the federal people. I understand, that right at this very moment they have a group of people from both the federal group and the city talking about the shares, the portion that is going to be done. Many of the issues that the hon. member suggests have been decided, to my knowledge have not been decided upon.

**MR. LANE:** — A supplementary question. The letter indicates that the province-city share be borne 50 per cent by the province and 50 per cent by the city. Now, perhaps there was not a formal agreement to that, but surely the minister is not denying that the understanding between this government and the city of Regina was that this government would fund 37 1/2 per cent and the city of Regina 12 1/2 per cent? You have refused to give us the reasons for this drastic change in policy, which may add a great financial burden to the city of Regina. Would you now tell us why you are, in fact, changing an understanding between yourself and the city of Regina and why, secondly, was this change made just shortly before this committee went to Ottawa to discuss with federal officials, so that they have not had time to react?

**MR. WHELAN:** — Again, Mr. Speaker, I am sure the hon. member is jumping at conclusions, because I don't think there has ever been a formal agreement. I don't think that if anyone can give me any other information to indicate that there has been an agreement on the portion of the relocation that has been undertaken, I don't think that is in existence either. I am quite sure that the federal government and the city is still at a stage of negotiation regarding the exact portion of the relocation that is going to take

place in the near future.

There has been no commitment other than the written material that the hon. member has in his hands, right at this precise moment. No commitment that I know of other than that written commitment signed by the Hon. Minister of Finance.

**MR. LANE (Qu'Ap):** — Mr. Speaker, Mr. Minister, are you therefore saying that this letter from the Minister of Finance to the city of Regina, does not, in fact, set out the commitment by the government of Saskatchewan and that the government of Saskatchewan is prepared to reconsider its position and reaffirm its earlier commitment to fund 37 1/2 per cent? Is that what you are saying?

**MR. WHELAN:** — I am saying, Mr. Speaker, to the hon. member that what appears in the letter is accurate, that is our position at the moment and negotiations are continuing. I understand the city and the federal government are trying to work out just exactly what portion of the relocation is going to be undertaken at this time.

### **Sask Tel - Cable TV**

**MR. E.F.A. MERCHANT (Regina Wascana):** — Mr. Speaker, a question to the Provincial Secretary. As the Provincial Secretary no doubt knows, at about 11:45 this morning Sask Tel was sued in Saskatoon and I have here a copy of the Statement of Claim which was decked to me, in about 25 minutes Sask Tel will be sued in Regina. I wonder whether the minister would not agree with me that Sask Tel through its correspondence and through Section 9 of the agreement that it entered into with the cable companies in both Regina and Saskatoon, gave an absolute commitment to those cable companies, that they would provide unaltered and protected access to channels 2 through 13 on the UHF spectrum. It is in breach of its contract and is now subject, I suggest, to very serious consequences and could be responsible for very severe losses by the cable companies in these three centres.

**HON. E.L. COWLEY (Provincial Secretary):** — Well, Mr. Speaker, I am sorry that the Premier and the Attorney General and a couple other ministers are not here today to respond to these questions. As the hon. members know, the Western Premiers' Conference is on in Yorkton, this is a very important event and we are very pleased that we are able to host it in one of the nicer cities we have in this province, Yorkton, and outside our capital which is becoming a tradition with the Western Premiers' Conferences.

With respect to Sask Tel, Mr. Speaker, I have every confidence that Sask Tel has and will continue to act in the best interest of this province. From time to time, I am sure there will be differences of opinion with respect to actions taken by Sask Tel. While I am sure all members on this side of the House would prefer to see those differences of opinion settled outside the courts, if the parties to those differences feel that is an appropriate place, it is part of our system of government that they have that right to approach the courts and appeal to them. Certainly I am sure that Sask Tel will act in its best interest of those of the people of Saskatchewan with respect to those court cases.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MERCHANT:** — I ask the minister whether it is a fact that Sask Tel, on January 6,

entered into an agreement with Saskatoon Telecable and a similar agreement with Regina Telecable, agreeing to provide the Saskatoon Telecable the channels and spaces on the frequency spectrum contained from 2 to 13. I ask the minister if he would not agree with me that there is an open and shut case of breach of contract against Sask Tel which may well result in very serious ramifications and cost to the Saskatchewan taxpayer?

**MR. COWLEY:** — Well, Mr. Speaker, I suspect that the question that the hon. member is asking me to comment on is the very question that the courts are going to have to make their decision with respect to. And while I know that the hon. member for Wascana has a great deal more confidence in my legal ability than his, I think I would prefer to leave it up to the courts to decide.

**MR. MERCHANT:** — A final supplementary from me at least, Mr. Speaker. Would the minister not agree that if an injunction is granted and materials are being filed both in Regina and Saskatoon, the result again will be and this is an imminent matter, the material will be filed this afternoon, when the injunction is granted probably on Tuesday in Regina, that will do very serious damage to CPN and that the government having got CPN into this mess will then be responsible for the losses that result

**MR. COWLEY:** — Well, Mr. Speaker, I have watched the members of the House in the last three or four days with their sort of doom and gloom and jump on the wagon and try and make a big political issue as quickly as they can. I recall the debate which they engineered and the bill which they introduced with respect to the strike in the dairy industry. While there were certainly some short term dislocations and some of them which we would all have preferred to have seen not happen, I think the government acted in the right way by waiting for a settlement and I suggest the same thing is true with respect to cable.

### Sask Potash

**MR. LARTER:** — In Crown Corporations this year the minister admitted that there was a shortage of boxcars for shipping potash that was sold this year and they might not be able to complete their sales quotas, sales that had been made. This morning the minister issued a statement that they had signed the papers purchasing the 60 per cent of the Allan Potash Mine which is the Saskatchewan government's share of 900,000 tons a year. Could the minister assure this House that he has the boxcars available to ship that potash that he is going to now produce with this additional mine?

**MR. COWLEY:** — Well, Mr. Speaker, the same boxcars will be available today or tomorrow to ship that potash as were available yesterday.

**MR. LARTER:** — Mr. Minister, are you going to have enough potash cars to ship the potash you have sold this year?

**MR. COWLEY:** — Well, Mr. Speaker, we, as all other potash companies in Saskatchewan, are experiencing difficulties with obtaining enough cars to ship all the orders that are now coming in during the height of the season in the United States. I can't speculate as to whether or not we'll be able to meet all of the orders that we have. The member will appreciate that in some cases purchasers have placed orders with two or three companies and when one of them starts rolling towards them they cancel the other two. Part of the answer depends on the length of the seeding season in the United States, the availability of boxcars, whether it ends quickly or whether it drags out a little

April 13, 1978

bit. I think we are in no better or any worse position than are any of the other potash companies in Saskatchewan.

**MR. LARTER:** — Could the minister tell us then if they have plans for either stockpiling potash or laying off workers?

**MR. COWLEY:** — Mr. Speaker, we have no plans for laying off employees in the Potash Corporation of Saskatchewan. As far as I am aware, neither do any of the potash operators in the private sector. Obviously, we store potash from time to time and so do the companies in the private sector. Our inventory levels are comparable to theirs.

**MR. C.P. MacDONALD (Indian Head-Wellesley):** — Mr. Speaker, I would like to direct a supplementary to the Minister.

By your release, this morning, you indicate now that PCS owns 40 per cent of the potash production in Saskatchewan. With the expansion it will probably be at the level of 45 to 47 per cent. Does the minister think now it is about time that a clear indication to the rest of industry, as to whether or not the Potash Company of Saskatchewan, or the government of Saskatchewan intends to continue purchasing additional mines or not? Will the minister make a clear statement as to whether, at this time in history, the Potash Corporation of Saskatchewan will cease and desist in the purchase of future mines, or additional mines?

**MR. COWLEY:** — Mr. Speaker, the agreement was a purchase agreement that was signed today. The final agreement, I expect, to be signed within the next week or 10 days. I would expect that shortly thereafter the government would be making a statement with respect to its policy.

## Cable Television

**MR. PENNER:** — Mr. Speaker, a question, again related to cable. Is it correct that if there was only one cable operator in Saskatchewan, that there would be no filters required in order for cable signals to be received? Is it further correct that if we did not have CPN and the need for filters, that we would not require the spending of approximately \$50 per filter times, roughly, 140,000 subscribers, or approximately \$7 million in order to provide cable service in Saskatchewan?

**MR. COWLEY:** — Mr. Speaker, if we only had one cable operator in Saskatchewan, presumably there would be a lot of things that would be different.

With respect to the requirement for filters, obviously the member is correct, that if you only had one potential provider of service to sign up with and coming over that wire, obviously one would not have to separate them. When a customer has an option of two different - and I suggest two different and very excellent means of service - then the provider of those services, the person who is transmitting them, as to have some way of protecting the one who is getting the money from the one who isn't. So you have to be able to separate them out. That is a pretty obvious fact and I am sure the member for Saskatoon Eastview was aware of it before he asked the question. But this being my day to answer questions, I certainly don't want to pass up any opportunities.

**MR. PENNER:** — I have a supplementary, Mr. Speaker. Then it would be fair to say, in light of the minister's reply, that the subsidization that the taxpayers of Saskatchewan are providing to CPN, in order for them to operate, is not \$2.6 million, but it is \$2.6 million plus the \$7 million required in order to provide the cable - about \$9.6 million or about \$10 million for every man, woman and child in Saskatchewan.

**MR. COWLEY:** — Well, Mr. Speaker, not only is the second part of his statement wrong so is the first part of his statement wrong. First of all, the funds that will be required with respect to that type of equipment that the member was speaking of will be recovered from the charges that Sask Tel will be making to the people who are using the service. With respect to the \$2.6 million, it's a guarantee advanced by the government of Saskatchewan. I have every confidence that CPN will be successful, that they indeed will make money and that we will have excellent alternative services available to the people of Saskatchewan. The member's \$9.6 million is purely hypothetical based on the assumption that the \$2.6 million guarantee is exercised and that we don't recover the costs of any of the equipment from the service charges.

**MR. MERCHANT:** — Would the minister not agree that since the rate was struck, setting the amount that conventional cable operators would pay long before CPN was thought of, organized or precipitated, it appears illogical to say that it will be possible to recover more than that rate? To put it another way, Mr. Speaker, they made their deal in terms of money long before you committed yourselves to spend the additional \$7 million. I ask the minister whether there was any rate change after that original rate structure was formed and submitted to the CRTC? The minister well knows there was no rate structure change to take into account that additional \$7 million.

**MR. COWLEY:** — I wouldn't agree with the member for Wascana that my statements are illogical.

## Fish Marketing Corporation

**MR. G.N. WIPF (Prince Albert-Duck Lake):** — A question to the Minister of Department of Northern Saskatchewan, Mr. Speaker, with a little background. On December last, I questioned the government on its intention to help the Saskatchewan fishermen so that they may get away from the control and out of the control of the Fresh Water Fish Marketing Corporation so that our local fishermen could market their own fish in a new inland marketing agency which would be created solely for buying and selling of the product. Mr. Minister, you are well aware that the Fresh Water Fish Marketing Corporation is at this time not the choice and has not been the choice of the fisherman of Saskatchewan for some time. I ask you, Mr. Minister, has the provincial government at this time been able to meet with the federal representatives of the Fresh Water Fish Marketing Corporation and are the Saskatchewan fishermen now going to be able to get out of the control of that marketing agency that has hurt the industry?

**MR. BOWERMAN:** — Mr. Speaker, may I say at the outset that this government is one which supports an orderly marketing process of primary products; we do so in the case of fish products. We do, however, find ourselves in some difficulty with the operations of the Fresh Water Fish Marketing Corporation as it relates to the fishing industry in Saskatchewan. We have a meeting scheduled on this coming Monday, I believe it is, the 17th of this month, with the federal minister and other ministers of the inland fisheries, at which time we will be putting forward the Saskatchewan position, hoping that we can get some resolution of the problems which relate to us.

**MR. WIPF:** — Mr. Minister, in a press story of March 31, in the Star Phoenix, you were quoted as criticizing the Board of Directors of the Freshwater Fish Marketing Corporation and saying that the fishermen must have more say about who the management is. Could you assure this Assembly at this time, if there is an inland fish marketing plant or a Saskatchewan fish marketing plant set up, can you assure this Assembly that it would be guaranteed producer controlled rather than government controlled?

**MR. BOWERMAN:** — No, Mr. Speaker, I cannot guarantee it will be producer controlled. This corporation is not a Saskatchewan corporation. It is a corporation owned and operated by the Federal government, but is participated in by those provinces of the inland fresh water fish area. So I could not make a guarantee to that, I can only suggest to the House, Mr. Speaker, that it is our objective to present our case with respect to the Saskatchewan interests in that corporation and whether or not we will continue to support or continue to participate in that particular structure, is yet to be determined.

**MR. WIPF:** — Final supplementary, Mr. Speaker. Mr. Minister, in your deliberations with the other provinces and with the Federal government, will you assure this Assembly that you will take steps, in your negotiations to assure that the Saskatchewan fishermen have a say in this and that this marketing board will be producer controlled?

**MR. BOWERMAN:** — Well, it would be our objective, Mr. Speaker, as I have already indicated, to present the Saskatchewan position to the meeting of ministers on Monday. I am not sure we will get our way, you know you don't win them all and therefore we may not come out of it with complete approval of those things which we present. We do hope we will be able to make some improvements with respect to the method of marketing and the method of management that are now undertaken by the corporation. If not, we will have to determine what the next steps or the course of our objects will be.



### Protection of Government Guarantee

**MR. MacDONALD:** — I would like to direct a question to the Provincial Secretary, seeing this is his day for stardom. Could the minister indicate to me whether or not the government has any intention of suspending the guarantee of \$2.6 million to CPN, if on Tuesday, when in all probability the interim injunction will be handed down against CPN, (as you know Saskatoon, Moose Jaw and Regina are filing for an injunction). Do you know that CPN will then have to be cut off the air, the subscribers will leave it. Can the minister tell me whether or not the government will consider protecting the \$2.6 million of its guarantee, by suspending that guarantee until such time as it is back on the air until once again it has now cleared up the problem of transmission.

**MR. COWLEY:** — Well, Mr. Speaker, I think that any government or other agency once having given a guarantee in essence to a third party, a bank or a credit union, is not in a position to suspend it. So I think the member's question not only being hypothetical, I think it's sort of a - I don't see how a government could do that, I think the member really wouldn't suggest that we should because it's not CPN that would be in a position to suffer if the guarantee was suspended but rather whoever has to this point in time loaned them money.

**MR. MacDONALD:** — Would the minister not admit that CPN has not as yet drawn down the full amount of \$2.6 million? Would the minister not also admit that it has been another government department that has placed the taxpayers' guarantee in jeopardy? Would the minister also inform the members of the House surely because of the fact that CPN is now not drawing any revenue since October since it first starting signing up people. It cannot charge because it has only got one channel and it is not living up to the contract with its subscribers therefore is not charging them. Can the minister tell me whether or not CPN has informed the government of Saskatchewan of the total amount of the deficit to date and how much of their guarantee has been used up in operational costs?

**MR. COWLEY:** — No, I can't tell the member that.

**MR. CAMERON:** — I want to ask a question of the minister, Mr. Speaker. Sask Tel gave a written undertaking which we have all seen to have channel 3 cleared on a certain date in April. Now, I want to know whether the decision not to clear channel 3 by that date in April, which was April 7, was a decision of Sask Tel's or was it a decision of the government. If it was a decision of the government what minister communicated that decision to Sask Tel and when?

**MR. COWLEY:** — Well, Mr. Speaker, I'll have to take notice of that question. I'm not sure of when and who made that particular decision. I think there was a statement in the paper that I saw by one of the officials in Sask Tel but I would want to check on it before I quoted that statement.

### Alberta Cars and Trucks bringing gas in with them.

**MR. R.H. BAILEY (Rosetown-Elrose):** — I would like to direct a question to the Minister of Revenue. I am sure that he noted that I was absent yesterday but on my way back to the Legislature today on a road which I travel most often, which is No. 1 highway coming in from the West, which I have travelled many, many times, Mr. Speaker, I noticed something today which I think would be of interest to you and that was, of course, of

gasoline - cars being stopped, Alberta cars and one Alberta truck, on this side of Moose Jaw, bringing their own gas in with them. The minister told me on Tuesday, I believe, and previous to that, that in due course the government was going to make an announcement. Mr. Minister, while the government has settled a very important problem very quickly, two weeks - thirteen days - have now gone by, businesses are closed along the border, can you at this time give any indication as to when an announcement is going to be made to save those business people along the western part of this province in Saskatchewan?

**HON. W.A. ROBBINS (Minister of Revenue):** — Mr. Speaker, the solution to that problem is not an easy one and we have been wrestling with it very, very consistently. We think we are close to an answer and an announcement will be made very shortly. I have not been notified of any businesses being closed along the Alberta border.

### **Points of Order on Question Period**

**MR. MacDONALD:** — Mr. Speaker, I would like to bring to your attention, a point of order and ask if you would give guidance to the House about the order of speaking and selecting them or recognizing members within the Assembly.

The other night you recognized the member for Nipawin as the seconder to an amendment. I think all members of the House accept your decision to, on a main motion that the seconder should have priority and then be selected second. If you permit the amendment and then you permit the seconder to speak on it and then his seconder puts forth another amendment, and his seconder puts forth another amendment and then his seconder puts forth another amendment — a group the size of the House, then we would destroy a free and open debate in the Assembly.

The second issue, I would like to suggest, Mr. Speaker, that it has always been traditional to recognize in order to encourage debate, members from both sides of the House alternatively. Yesterday, everyone in the Assembly and everyone in Saskatchewan knew that the member for Lakeview was trying to rise following the Minister of Municipal Affairs. I suggest, Mr. Speaker, that if the Speaker of the House of Commons or any Assembly is blind in the left eye that we will certainly not have open debate, and I would like to ask the minister if he would indicate to the Speaker, how he is going to make that decision as to who was going to speak in what way or whom he is going to recognize. At least, give us some kind of guidance.

**MR. SPEAKER:** — The member raises two points. The first point of order that the member raises, he proceeds on a false assumption if a seconder of an amendment moves an amendment and the seconder of the amendment moves an amendment, ad infinitum some people will never get a chance to speak, but the rules of the House do not permit that to happen. You can only move one amendment to an amendment and that is the end of it. Then you have to dispose of the subamendment before you can put another one on.

Now, the second question is with regard to members rising in the House. The member will recognize that there are a considerable number more members on this side of the House than there are on this side. This is what we refer to as a majority government and it is incumbent upon the Speaker to recognize debate in a certain order. The member is quite right in saying that I try to recognize the seconder if the seconder wishes to speak. I think I try to do that and I think that I am reasonably successful in it. After that I try to get a balance in the House and recognizing that there are more members on my right than

on my left, quite often I will recognize in any particular debate a couple of members on that side of the House and one here, one there, maybe one here and couple there. It depends on the situation at any given time.

Now, there is a remedy. If I have recognized a member on the other side of the House and the member, of course, exercised that remedy yesterday, someone rose and said, 'I move that the member for Indian Head-Wolseley be now heard' and the House dealt with that as expeditiously as possible — all good things take time and after that was dealt with, the House made its decision that the member for Indian Head-Wolseley should not be heard then I would proceed with the member for Regina Rosemont.

I think that answers the two points of order that the member has raised.

**MR. W.J.G. ALLEN (Regina-Rosemont):** — Mr. Speaker, as it related to yesterday, number (1), the motion was wrong, (2), it was the Leader of the Liberal Party who rose and not the member for Indian Head-Wolseley, and in fact I beat him by two or three seconds. Surely the Speaker cannot be faulted if the Leader of the Liberal Party is asleep as I suggest he has been all the time he has been the Leader of the Liberal Party.

**MR. SPEAKER:** — I don't think that is quite a point of order.

**MR. R. L. COLLVER (Leader of the Progressive Conservative Opposition):** — Mr. Speaker, yesterday at the close of business of this Assembly it was not possible for those of us in the opposition and it was not possible for the Minister of Labour to complete his statement with regard to a very, very important announcement and today I would like to say on my own behalf, and on behalf of the Progressive Conservative caucus, that under very difficult circumstances the Minister of Labour performed exceptionally well, yesterday. We would like to congratulate him on his behalf ..

**MR. SPEAKER:** — Order, order! While the Minister of Labour may appreciate your comments, I think it is out of order.

**MR. CAMERON:** — Mr. Speaker, I wasn't sure that in some respects Mr. Speaker didn't misconceive the point of order that the member for Indian Head-Wolseley was taking. When I moved the reading of a bill, the other evening, and Mr. Speaker will appreciate that the member who moves second reading of the bill will take, perhaps, one particular tact in respect of it and then his seconder is ready to go with another aspect to the bill.

When I introduced a bill, the other evening, my colleague who sits immediately behind me, the member for Assiniboia-Gravelbourg (Mr. Nelson), was the seconder of my motion, Mr. Speaker recognized the member for Saskatoon-Sutherland (Mr. Lane) in preference to him. I wonder why? And then it is a question of whether Mr. Speaker would then recognize the leader of the Conservative Party or the member for Indian Head-Wolseley and the Speaker turned to the Leader of the Conservative Party.

I thought that the application of the rule, Mr. Speaker, in that circumstance, I don't think was accurate.

**MR. SPEAKER:** — Well, I wished the member had raised that point of order when the incident occurred. I am not aware of it. All the member who is the seconder has to do is say, Mr. Speaker, . . .

**MR. NELSON (As-Gr):** — He said it six times.

**MR. SPEAKER:** — Well, I am sorry. The member should have said, point of order, and it is unfortunate that he didn't. If he had said that I would have taken care of the matter, but I can't take care of it now. It is spilt milk.

## **ADJOURNED DEBATES**

### **Second Readings**

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Faris that Bill No. 22 **An Act respecting Elementary and Secondary Education in Saskatchewan** be now read a second time.

**MR. W.J.G. ALLEN (Regina Rosemont):** — Mr. Speaker, I am delighted to rise and participate in the debate on the education bill. I should say, to be perfectly frank and honest, I hadn't intended to speak on the bill originally, because I thought that the quicker we could get it through the House the better it would be. But seeing that I have the opportunity I thought I might just say a few words about it.

It seems to me, Mr. Speaker, that often in questions like this, we are dealing with two competing sides. In this particular bill, I suppose, the public sees - if I can phrase it that way - a competition in a sense between trustees and teachers, both pulling and pushing at the government to have things in the piece of legislation that they think are important and needed from their particular points of view.

I am neither a school trustee or a teacher, rather I am a parent, with two small children who will soon be going to school. I suppose I look at education, in general, and this particular Education Act, with that in mind. The concern that I have, that my children and I am sure all members have, that their children receive the best kind of education that is possible for our society to provide.

I know that in the case of my children, that their life as adults, will likely be more difficult than mine. That as my life now, I believe, is perhaps more difficult than my parents was. The reason for that, I think, is the whole concept and phenomena of rapid change in our society. I suspect that my children will have to deal with things that I can't even contemplate, today.

So that is why I think that the education that they receive is particularly important, because it is just not the three Rs that they have to learn, but they have to develop their characters and their methods of dealing with things so that they can cope with a world in rapid change. I think that we have, in Saskatchewan, an excellent group of teachers, an excellent group of trustees, and they all have that common goal in mind. They all have the same concerns for the children of the province that I have. I think that it is unfortunate that sometimes we have to get into these types of debates.

I suppose, Mr. Speaker, the essence of government is to try and look at all sides of the dispute or a question and try to compromise, try to bring about the changes that will be most acceptable to the greatest number of people. I think that no one who is honestly looking at this particular bill could say that consultation has not taken place, that compromise has not taken place. That is why I am a little bit disturbed today at the stand that the Saskatchewan School Trustees' Association seems to be taking.

I do not want to be overly dramatic about this, Mr. Speaker, but I recall well, when Bill 43 was introduced, reading the SSTA newspaper, and in that newspaper there was an editorial that dealt with Bill 43 and with the Minister of Education. I might say, Mr. Speaker, that it could not have been more complimentary. What a tremendous new minister we had in Don Faris, the Minister of Education. What a tremendous new bill this Bill 43 was.

Well, teachers in the province did not share the view. Though I am sure they shared the view on the minister, they were not totally happy with the bill and their main concern — Well they had a number of concerns, but I think when everything boiled down their main concern was a question of binding awards. I am sure all members of the House had pressure put on them by teachers in their constituencies to look at this and I am sure many of us had not really looked as closely at The Education Act as we should have until that pressure came upon us. I know that I have a much better grasp of the bill now than I had prior to that happening.

The point I want to get to, Mr. Speaker, is this, this Bill 22 has not substantially changed from Bill 43, with the exception of the binding awards for teachers that are in Bill 22 and were not in Bill 43. So when I read ads by the School Trustees' Association which attack everything about the bill, which say that rights are being taken away from local boards, which say that rights are being taken away from parents, I am concerned. Because two or three months ago they told me in their editorials, etc., that they were being extended and how pleased they were with this particular bill. So you can imagine my concern, Mr. Speaker, when I see what I would call dishonest and misleading advertising by the Saskatchewan School Trustees' Association in this area. I am not the only one who shares this feeling, Mr. Speaker. I would like to quote a little article from yesterday's Saskatoon Star-Phoenix. I don't know how many members of the House read it. I will just quote, Mr. Speaker:

Saskatoon public school board trustee, Dale Norman accused the Saskatchewan School Trustees' Association of misleading advertising in regard to the new Education bill.

This is a school trustee speaking, Mr. Speaker. Further in this article she added that:

SSTA's move to enlist support of their views through province-wide advertising campaigns which suggest that parents will lose their rights to participate in their childrens education if this bill is passed, is misleading, Dale Norman said. (She went on to say) It is the kind of thing that will stir people up. But, (she added) parents will not lose their rights to elect board members which is how they participate in the direct education at the present time.

Just one more quote from this article, Mr. Speaker.

Worse than that according to Norman, (now get this, Mr. Speaker) is the fact that the advertisements claim to be authorized by the school boards of Saskatchewan, when in fact, they are authorized by the SSTA and school board trustees were not consulted on these ads.

Now, Mr. Speaker, as I said, I hadn't intended to speak on this bill because I thought that we had come to a bit of an understanding. We knew that we would have to take a little bit of heat, if I could put it that way, from trustees in the province over the question of

binding awards. And that is what they told us they were concerned about. It seems to me a little bit dishonest on their part to come out now talking about all the things they praised us about two or three months ago and attacking them.

Mr. Speaker, I just want to say in conclusion that it is my hope that we will be able to pass this bill quickly. I hope that all members of the House will support this legislation. I think it is an important step of legislation, a important step for the province and for education. It has been long overdue, Mr. Speaker. I know that all of us have individual little concerns about Bill 22. There are a couple of little sections in that particular bill that I would, if I had my way, have changed. I suppose all of us could look at the legislation and find one or two things that don't particularly suit us.

I think we have to look at the bill in its entirety and have to recognize that a very difficult job has been completed, the job of bringing together all the 17 acts that formerly governed education in the province. In doing that, parents, teachers, trustees, people who are interested in education were consulted and consulted at length. The government has made a very, very serious attempt to try to compromise the differing views of these people that have come to speak to the government. They have tried to bring about a bill that could be accepted by everybody and in so doing have said to all the groups that this isn't the end, that Bill 22 isn't the end of revisions to The Education Act of Saskatchewan; that the government is willing to sit down with trustees and talk about their concerns and see what can be done about resolving some of those in the years ahead. They are willing to sit down with teachers and talk about concerns that still concern teachers about this bill. It seems to me, Mr. Speaker, that reasonable people dealing with this bill would say, fine, let us pass this bill, let us pass Bill 22 and get on to the job of talking about these individual concerns and dealing with them for the good of our children in the years ahead.

With that, Mr. Speaker, I will be supporting Bill 22.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. G.H. PENNER (Saskatoon Eastview):** — Mr. Speaker, I am pleased to have the opportunity to participate in this debate. The reason that I was a little hesitant in rising to my feet was that I had rather suspected that the member for Rosetown-Elrose might have wanted to give some sort of expertise to the position that the Tory caucus is taking with regard to this bill. I think it is pretty widely recognized that that member, being a school superintendent, is the only member in that caucus who really has an expertise in the field of education. While I haven't yet had the opportunity to hear him on the bill, I certainly hope that the time will come when I, along with others, will have that opportunity.

Mr. Speaker, as my colleague for Maple Creek indicated when he spoke in debate of this bill, there can be little doubt that Bill 22, which in a couple of areas represents the complete antithesis of Bill 43, has been a political decision with little regard for the actors on the educational stage. I hear the Minister of Social Services making some remarks and I hope the Minister of Social Services at some time during the debate will rise and participate. I hope the minister also will remain in the House this afternoon because I want to share with the House some comments that the Minister of Social Services made at a meeting that I had the opportunity to attend in Saskatoon shortly after Bill 43 was presented.

I think, Mr. Speaker, we really ought not to be surprised at the fact that the bill, as it now

stands, really represents a political decision because after all we are all politicians. What does seem surprising is that after having devised a process for arriving at a consensus, after having developed a process which called upon the people of Saskatchewan for input, after having devised a process that took three years to come to some kind of conclusion the government would in the last three months of the process throw away some pretty significant aspects of what had happened in the preceding years and revert solely to a decision with regard to education that is political in nature.

I think many of us who are involved in education in Saskatchewan, Mr. Speaker, take pride in the educational climate that Saskatchewan has enjoyed. We have had a number of our colleagues, who in the past few years have undertaken to move to other jurisdictions in Canada, find that the pastures that looked pretty green as they looked at them from Saskatchewan weren't nearly as green as they thought they were when they began to examine it from the point of view of the kind of educational climate that exists in this province. I know that as an educator, Mr. Speaker, one of the things that I have been extremely proud of in Saskatchewan has been the educational climate. While we have differences, and while I expect there will always be differences, those who are participants in the educational enterprise have, by and large, been able to get along pretty well. I want to say, Mr. Speaker, that it has been a long time since we have seen the kind of confrontation with regard to education that we see in Saskatchewan today. But I want to say, Mr. Speaker, that by and large, I place the blame for the situation in which we are in today, on the government of Saskatchewan and in particular upon the Minister of Education.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. PENNER:** — Mr. Speaker, I think most members would agree that Bill 43 was a charade. Government had never really had any intention of putting a bill like Bill 43 into effect. At a meeting in Saskatoon, sponsored by the Saskatoon Teachers' Association shortly after Bill 43 was tabled in the Legislature, I had the opportunity to attend the meeting along with the Minister of Social Services, and other representatives of political parties. At that meeting, the Minister of Social Services, (and we are now talking about a minister of the Crown and a man considered to be highly responsible), said very emphatically to the Saskatoon Association, 'don't be concerned about Bill 43. We are not really firm on it. We really didn't mean it.' At that same meeting, the Minister of Social Services, that minister of the Crown, a very responsible person, Mr. Speaker, twice urged the teachers who were present, to go on strike! (Inaudible interjection). The first urging was over the bill itself when he . . .

**MR. SPEAKER:** — Order! What is the speaker reading?

**HON. H.H. ROLFES (Minister of Social Services):** — Mr. Speaker, the member is reading from his speech wherein he seems to be quoting directly from what I said, saying that I have indicated, first of all, that we did not mean what we did in Bill 43, which I never said and secondly, he indicated that I urged the teachers to go on strike, which was decided in the House then the member for Rosetown-Elrose asked me a question in the House, and I denied it at that time. I never urged the teachers in this province to go on strike.

**MR. SPEAKER:** — I think in a case like this, the member's word has to be taken. Member may proceed with his speech.

**MR. PENNER:** — Thank you, Mr. Speaker. I am not intending in any way to say that I am quoting the minister directly, but I want to tell the minister and I want to tell the House

that I was at that meeting . . .

**SOME HON. MEMBERS:** — Hear, hear!

**MR. PENNER:** — . . . and the impression that he left was that the government didn't mean what they said with Bill 43, and the impression that he left on two distinct occasions was that if teachers didn't like what was being done, they had the option of going on strike. I want the minister, Mr. Speaker, to realize that that wasn't only my opinion, but the opinion of others who were present. I think it is shameful that a minister should go to a meeting in an attempt to represent a piece of legislation, and take such a blatantly easy political way out — which was the way his action was described.

You know, Mr. Speaker, the minister first of all, suggest to the teachers that if they did not like the bill, that collectively in the province, they had the option of demonstrating their dislike by walking out. Secondly, when asked a question with regard to whether teachers should have the right to bargain class size, said, 'Sure, I don't see anything the matter with that.' Teachers are feeling strongly about that and are being denied it, then they ought to exercise the right to walk out in that instance, too. I am going to have more to say about the concept of bargaining class size, Mr. Speaker, in a few minutes.

We have come to a position today, Mr. Speaker, where one group, who has a pretty high stake in the educational enterprise of this province, that is, teachers, have been given the chance to lobby after seeing a printed bill. They are only one part of the total educational enterprise. It makes sense to us that now we ought to give others involved in the educational enterprise, the same opportunity. We have said before and we say again, we feel the best place for that to take place is in the Education Committee of the Legislature. We suggest, once again, that the government ought now to call that committee, to allow those who wish to make further comment, the opportunity to do so.

I want to make it very clear, Mr. Speaker, that my remarks with regard to this bill are not really directed at whether I am in favor of teachers, or whether I am in favor of trustees. The fact remains that there are significant number of people who are involved in education, who are not really attached to either group. My remarks are related to what I really think is best for education in Saskatchewan. I wonder, for example, if the minister has taken the trouble to talk with the executive of the Superintendents' Association in Saskatchewan to find out what their reactions are to the administrative implications to the bill. I wonder if he has taken the trouble to inquire. I don't want anyone to have the opinion or the view, Mr. Speaker, that superintendents have a corner on all the educational expertise, they obviously don't. But they have a view and they do have some expertise and I think it's a reasonable place in the Education committee to call all of those who have concerns with regard to this bill and give them all an equal opportunity to air those concerns.

Mr. Speaker, the bringing together of all the various pieces of legislation that affect education into one act is a worthwhile and positive step. Some of the changes which have taken place between Bill 43 and Bill 22, while relatively minor, are still good. For example, subsection 4 of section 35, that portion of the act dealing with conflict of interest legislation brings the conflict of interest portion of this legislation into the 1970s and I say that's good.

Section 43 which deals with the qualifications of candidates for school board office has been improved. The narrow and oppressive section which was in Bill 43 said that for a person to be a trustee he had to live in the subdistrict in which he wanted to be elected. This section in Bill 22 has broadened the scope so that a person must live



within the school division. While it's a step in the right direction, the provision is still not as broad as, for example, that for election to rural municipal councils, where being a ratepayer in an RM allows a person to be eligible to run for the RM council. I think that particular definition has worked well. I think we would all agree that what is really important in electing representatives is that the people have the opportunity to say. If an individual by some circumstance does not live in the school division but has earned the respect of the people in that division then I am not certain that because of the residency he ought to be disqualified from being a member. I would hope that the minister would take careful cognizance of that, Mr. Speaker, with a view to broadening it one step further when we come to third reading of the bill.

In talking about changes from bill 43 to Bill 22 that are positive, it is good to note the change in section 165. I agree with my colleague for Maple Creek that it was not the intent of section 165 to lengthen the hours of the school day. It is my view that the reaction of the Saskatchewan teachers was really an over-reaction bordering on paranoia and that the intent of section 165 was enabling kind of legislation. I think anybody who examined that section with any degree of objectivity would have realized that a school board would be foolish to begin to lengthen the school day because both students and parents, if not teachers, would object very strenuously to that. There are some things about our educational system that have evolved over a long period of time and custom. One of those is the hours of the school day and no board with any sense would even attempt to make changes in the school day unless everyone involved agreed that those changes were worthwhile and were committed to those changes.

Mr. Speaker, I was pleased to see that no changes in the bargaining section of the legislation were introduced in Bill 22. While bi-level bargaining has had its problems, I agree with the minister that there is no consensus in this area and I think it is obvious to most people who know anything about education that it is inconceivable to open up the bargaining process completely. Free collective bargaining exists only in theory and when one examines the concept of free collective bargaining one must do it recognizing a continuum which on the one hand is free and on the other hand is restricted. What one must talk about when talking about collective bargaining in the educational system is the degree of collective bargaining that is to be under discussion.

Some things regarding working conditions are just not negotiable. For example, I think most would agree that when it comes to talking about the number of employees that an organization has that that's a management's prerogative to decide. Most would consider it ludicrous to think that the city of Saskatoon or the city of Regina should negotiate the number of personnel it has in its Parks Department or in its Fire Department or in its Police Department. Clearly in those areas those decisions ought to be made by the city council involved and they must attempt to make the decision and reflect the views and the needs of the community as they do so.

In the same vein any talk of teachers negotiating class size or pupil-teacher ratio, in my opinion, is clearly outside the realm of what ought to be possible at the bargaining table. The school board and the school board alone ought to determine the number of teachers that it feels are required in order to carry out the program that the people in the various communities in this province want. The idea of negotiating class size is all the more incredulous when one recognizes that in educational research there is no magical figure which says that when you have a certain number of students, the kind of learning that takes place is going to be better than if you have another kind of number of students. The kind of learning that takes place is going to depend, for the most part, or

at least in large measure, on the kind of student that you have in your classroom.

For these reasons the statement of the Minister of Social Services (Mr. Rolfes), when he was speaking to the Saskatoon Teachers' Association, when he said that he felt that teachers should negotiate class size, shows a complete lack of understanding of what education is all about. In my opinion, it is complete and utter nonsense.

Mr. Speaker, it is interesting to speculate if there was some class size that was negotiated, what would teachers be prepared to trade in order to get that? Since most of us recognize that bargaining is, in effect, trading, I wonder if teachers would be prepared if that they got that negotiated, to give a guarantee that whatever the number ended up being, that they, in fact, would guarantee that every student in their class in any grade level, and in any subject, would grow at least one year as measured by an outside standardized test and administered by an outside person.

The minister will recognize, and anybody else will recognize, that teachers would consider that absolutely ludicrous. Most teachers would not be prepared to give that kind of guarantee, and rightly so. It is as wrong to hold teachers accountable for all of the various influences that affect their students as it is to expect that school boards ought to negotiate the number of staff that they are going to have in their employ.

When talking about the quality of learning, Mr. Speaker, one must examine section 227 of the bill, as it now stands, and compare the section to section 227 of bill 43. Members will be aware that the new section has omitted reference to quality and to learning and to teaching diligently and faithfully and has replaced those with the words, 'instruct'. There are some who have indicated, Mr. Speaker, that that change is really only a matter of semantics. I feel that it really is more than that.

One of the things that teachers have prided themselves in has been the matter of quality. And, while as I said a moment ago, it is wrong to hold teachers totally accountable for quality, because there are some things beyond their control, I urge the minister to reconsider the preamble to section 227, with a view to wording that will allow for some idea of quality and teaching, and learning as the interface between the teacher and the student, to be in there.

The code of ethics of the Teachers' Federation calls for that as a matter of course. Individual teachers, who have seen that that has been taken out, have been concerned about it. I can't stress enough that in my opinion it is not just a matter of semantics, because if you take that out and look at what is left under duties of teachers, we have something that is reasonably mechanical.

I hope that the minister will very seriously consider including some of those directionary kinds of words in so far as the definition of teachers' responsibilities go. I say it quite frankly because if there is no reference to quality in teaching, then there is no profession. Any fool can instruct, but it takes a special kind of talent and training and expertise and commitment to be able to teach effectively and to help students learn.

I say, further, Mr. Speaker, that without reference to quality and learning, the functions and duties of teachers, as I said a moment ago, really become rather mechanical. I don't think that is what parents of Saskatchewan want for their children in schools. And, surely, from a philosophical point of view, as well as from a practical point of view, legislation affecting education must give high emphasis and high priority to considerations such as the quality of teaching and the quality of learning that is going

to take place in our classrooms.

Mr. Speaker, for many years, the concept of tenure and nontenure has been a bogeyman. It has been a bogeyman to trustees, it has been a bogeyman to teachers. In my opinion trustees and teachers alike have hidden behind the skirts of tenure. In my mind compulsory binding arbitration is a provision to protect the incompetent. It is a provision to protect the incompetent administrator and to protect the incompetent teacher. If there was ever a time to be introducing compulsory binding arbitration to the education scene in Saskatchewan, in my opinion, now is not the time. Refinements in management and supervisory techniques, during the past decade, have taken school management and personnel practices to a reasonably sophisticated level. Supervision of teaching staff has moved away from an inspectorial stage that it was in in the 1940's and 1950's.

I don't want to leave the impression that I think that supervisory and management techniques in the educational enterprise are perfect but I do distinctly want to leave the impression that from my point of view, the kind of protection that has existed in The Tenure Act in the past, has worked reasonably well.

There have been abuses of the system. The minister knows that there have been abuses of the system. Teachers know that there have been some few abuses of the system and trustees know that there have been some abuses of the system. I think it has to be clearly understood that there can never be a system that is free from abuse. When a system operates where parties to that enterprise are generally in agreement, it seems to me that we have a better working system than when two parties to a system have diametrically opposing views.

School and system administrators are going to be left with no alternative but to tighten up in dramatic ways, their system of documentation. School and system administrators are no longer going to be in the position where they can make a judgement at the end of two years based on the hope that a particular teacher has enough potential, but has really not developed yet to a stage where one can be absolutely positive that he can be a better than average teacher. So rather than taking a chance on people at the end of their second year, we are going to find that far more frequently those people are going to be cut loose.

Mr. Speaker, that is my opinion but it is an opinion shared by others. I have a letter from a superintendent. I would like to read an excerpt from it. He is talking about the section of the bill that relates specifically to compulsory binding arbitration

What it will do is invite a kind of controversy and confrontation that can only be negative for the education of children. Section 222 could well direct such supervision away from a positive relationship of assistance for teachers to one with a great deal of concern in looking for negative aspects which might harm him before a board of reference rather than concentrating on improving his service to his students.

It is my opinion that there should be the right in certain instances for an employer to fire an employee on the spot and not be hamstrung in any way whatsoever with regard to the hiring of a replacement. It is my view that there are certain instances when there need be no appeal whatsoever and when a school board should be able to hire a replacement immediately.

This legislation as members will recognize will not allow that to happen until after the appeal procedure has been heard. Mr. Speaker, it will be obvious that I do not support the concept of binding arbitration. That is not something that the minister finds to be new because he has known that for some time. It is not something that teachers in Saskatchewan will find to be new because they have known that for some time; and it is not something that trustees in Saskatchewan will find new because they have known that for some time as well.

While there may be some who would wish to take a politically expedient point of view with regard to this particular point, I find that I cannot. It is frankly my view that decisions regarding the quality of teacher performance can be judged better by educators than by an outside agency. Now that is my personal view, Mr. Speaker, but I am not so naive as to think that because the member for Saskatoon Eastview doesn't think compulsory binding arbitration is any good, that ipso facto it is going to be taken out and changed.

In the total scheme of things related to education in Saskatchewan, the views of the member for Saskatoon Eastview are not particularly significant. I don't think for one minute that we are not going to end up with something that relates to compulsory binding arbitration in this legislation. I want to say, that had the minister taken a year to consider a system of compulsory arbitration, he couldn't possibly have devised one that is worse than this one.

**SOME HON. MEMBERS:** — Hear, hear!

**AN HON. MEMBER:** — That is what the problem is.

**MR. PENNER:** — If the minister would listen to some of the concerns of people who have diametrically opposing views and recognize that there is some middle ground, we could have some changes in this portion of the legislation which could at least make it liveable. I am going to suggest some changes to the minister that need to be incorporated if our compulsory binding legislation is going to be anywhere near liveable at all, for anybody — teacher, administrator, school board member in the educational enterprise.

**AN HON. MEMBER:** — Write these down.

**MR. PENNER:** — I invite the minister to bring in these amendments and I say to him that if he does not, we will. First of all, there needs to be a change in the provision that allows the Board of Arbitration to consider anything that it decides that it wants to consider. Only the reason for the referral to the Board of Arbitration ought to be considered. And I say that, Mr. Speaker, as much for the protection of teachers in Saskatchewan, as for anyone else. Because if we allow the procedure to go, as it is suggested now, it means that nobody is safe from anything that has happened in his past; it means that if, as an administrator, I feel that I want to make a case against a particular teacher, and I may be on shaky ground, that I can refer the lawyer who is going to be hearing that case, to other instances that I have heard about in the teacher's past — and that would be unfair. Because if I am going to take a case before an arbitration board, it ought to be on the basis of that situation alone — and there ought not to be the opportunity for employers in Saskatchewan to be able, collectively, to build a case over a period of time.

The second thing I think that needs to be provided, Mr. Speaker, is an appeal to the courts, and I think that should be directly and specifically included in the legislation. I know that there has been a concern expressed about the time element — and that is a concern of mine, too. But we are of the opinion, that legislation can be written in that will narrow down the time aspect and allow reference to the courts without it being something that is going to drag on, year after year after year.

I think another change that needs to be made, Mr. Speaker, is to limit the scope of the award. The minister will be aware of the fact that right now the board is able to make any award it likes, whether it has anything to do with the case or not. I think that the minister would agree that that was not the intent. The award of the binding arbitration board should be directed specifically to the referral that has come to it in the first place.

I want to say, finally, Mr. Speaker, with regard to this section, that the minister will note, that in order to implement subsection (d) of that section 206 that I assume you are reading it now, the arbitration board is either going to have to reinstate the teacher, or dismiss the teacher, and then in addition, award something else ..

**MR. W.H. STODALKA (Maple Creek):** — You can't do that . . .

**MR. PENNER:** — That's right, you cannot do (d) unless you have done (a) or (b). I don't think the minister intended that, and I invite him to take a look at it and get it corrected, so that it at least can operate. Because the way the minister has written this section of the bill, not only is it bad, but it won't work.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. PENNER:** — Mr. Speaker, Bill 22 creates two classes of people involved in the educational enterprise in Saskatchewan. The sections on binding arbitration, when combined with the Section 360, mean that there will be differences in the way teachers are treated — depending on whether they are employees of a public school or a separate school district. Section 360 assumes that the rights conferred upon minority groups in the BNA act, will continue to apply to separate school districts in Saskatchewan. It means that school boards and parents in separate school districts will be able to have the unfettered right to decide who will teach in their schools, and for how long they will teach, without any attempt at all to place binding compulsory arbitration in those instances. It gives recognition of the right for decisions to be made about who is going to teach in a separate school system, based on moral and ethical consideration. Mr. Speaker, it seems to me that the very fact that that is recognized, for a fairly significant portion of our population, indicates clearly the importance of those factors being retained for everyone. If moral and ethical considerations are significant and important for people who work for and operate a separate school district, then I submit they are important for anyone who works for and operates any other school district. It is my opinion that, as an employer, a school board should have the right to determine who is going to work for them and for how long. This is not to say that I do not believe that all who work, regardless of where they work, ought not to be entitled to fairness in the way they are treated. I say, Mr. Speaker, this bill creates two classes of teachers, two classes of school boards and two classes of ratepayers in the province of Saskatchewan.

In Section 92 of Bill 22, there has been a change from the same provisions as they existed in Bill 43. Bill 43 recognizes, under 'Powers of Boards' that it was impossible to

be able to look ahead and list absolutely everything that a board may, out of common sense, be required to do five years down the road or, ten years down the road. I thought that was pretty reasonable, because even the members opposite and all the people they got working in the Department of Education, ought not to be expected to look down the road in a crystal ball for 10 years and look at all of the things that may change with regard to education. It was a preamble which indicated that within the regulations of the department and within the confines of the act, as a whole, boards could make decisions in areas other than those listed. It was an enabling section. Bill 22 has removed that enabling provision and has confined boards and the powers they have to the items that are listed in the subsequent page of the bill.

Mr. Speaker, it seems to me that it is a clear case where paranoia has become more important than common sense. There are all kinds of examples in legislation where that kind of enabling preamble has existed. The great fear that was expressed that all of a sudden school boards in Saskatchewan would be making decisions and doing things that they ought not to be doing and forcing teachers to do all kinds of things that teachers didn't want to do, flies in the face of the reality of the situation.

Those who know about education would realize that if changes are going to be made to affect what goes on in the classrooms in this province, they can only be made where teachers are involved in the process of agreeing to the change. School board members are not incompetent, nor are they without the understanding and realization that teachers are the key to the success of the educational system. To suggest that there will never be differences between teachers and trustees is naive, because there always will be, but despite the fact that there will always be differences, let us not forget that there is an underlying understanding of the significance of the role that each plays in making Saskatchewan education the kind of system for which we can all be justly proud.

Mr. Speaker, I think I probably have made my position clear. As the bill stands at present I cannot support it. I say there is a need to change, dramatically, the arbitration provisions; a need to refine the section on 'duties of teachers', and a need to change the section on the duties of trustees. Unless those take place, Mr. Speaker, I will not be in a position where I can support the bill.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. R.E. NELSON (As-Gr):** — Mr. Speaker, I have a few words to say on this particular bill, but at this time I would like to beg leave to adjourn debate.

Debate adjourned.

#### **COMMITTEE OF FINANCE - MUNICIPAL AFFAIRS - VOTE 24**

**HON. G. MacMURCHY (Minister of Municipal Affairs):** — Mr. Chairman, I have with me from Urban Affairs, to my right here, Don Bennett, the director of administration. Across the aisle is Ken Mackie, who is the assistant deputy. Across on this side is the newly announced deputy of Urban Affairs; he will not be taking office until Monday officially but is available to us for information on the Revenue Sharing Program. At the back, Nick Rudrick, I'm sorry, Laura Joorisity, accountant and from Rural Affairs, Stan Mingle, executive director and Arnold Lashinski, administrative officer. Thank you very much, Mr. Chairman.

#### **ITEM 1**

**MR. W.C. THATCHER (Thunder Creek):** — Mr. Chairman, in the entire budget of Municipal Affairs whether it be urban or rural, this is composing about 6.5 per cent of the Budget or 6.6 per cent of the Budget. Mr. Minister we talk in terms of a Budget of almost \$1.7 million and in the case of Municipal Affairs we are talking in terms of about 57(?) About 140(?) Mr. Minister. Do you really think that your department is getting its fair allocation out of the total budgetary outflows that have been allocated? In other words, do you feel that the Minister of Finance of the Treasury Board as they divvied up this \$1.7 billion gave you your share or I suppose conversely, did you fight hard enough for funds for your department?

**MR. MacMURCHY:** — Mr. Chairman, in response to the hon. member's question, I don't suppose that any minister is satisfied with the amount that's budgeted in a given year. There never is quite enough. The hon. member ahead of me says he is satisfied but for the first time . . . particularly with the granting departments, we could always use a little bit more. As a matter of fact that's the case with the municipalities, the urbans; even though there is a significant increase this year we could always have used a little bit more. So from that sense I think that I can say that we're not satisfied, that we could always use more.

I think that I am pretty pleased particularly this year. I am very pleased when I look over the past years of funding for Urban Affairs. I point out to the hon. member that when we came into office in 1971, urban government was receiving about \$1 million in grants from the provincial government. We brought in new programs: the police grants, the equalization grants, per capita grants. Until last year the grant was about \$23.4 million for urbans. With the start of revenue sharing we have added \$12 million to that. On the rural side when we came into office, I'm not sure of the figures, but the grants to rurals were about \$13 million or \$14 million. Last year there was about \$18.9 million. We have added \$7.1 million in this year's budget to the rural side. So while I suppose we would be happier with a little bit more, we are very pleased and I am sure that the municipalities are very pleased, in fact they have said so, with the amounts that are available to them, this year, in this Budget.

**MR. THATCHER:** — Thank you, for your comments, Mr. Minister. As memory serves me, correct me if I am wrong, it occurred to me that SUMA and SARM were asking, or requesting, grants through revenue sharing - grant, is I suppose, the wrong terminology - but they were requesting funds that would amount to about \$1 per capita.

Would the minister tell me, under the formula which has been introduced by this government in this year's Budget, approximately how much of that dollar will become a reality, or what is the projected specific figure?

**MR. MacMURCHY:** — I think that the hon. member will know that the request from the urban municipalities was about a request for a total of \$60 million being available to them for revenue sharing. The rural municipalities requested an increase of about \$11 million as part of the revenue sharing proposal.

During the development of the program, and during the development of the Budget, the decision was made by the government to establish the pool of revenue over a two year period. A significant increase this year, a significant increase next year, the pool established and then get into the indexing to the provincial economy. So that there will be a significant increase to both rural and urban municipalities next year, as there has

been this year. The amount the urban municipalities receive on a per capita basis will be about \$60 per capita as a result of the \$36 million. The rural lot is not developed on a per capita basis and really never has been. Two aspects to that formula, the conditional grants for buildings roads and the unconditional grants based on an equalization system.

We could figure out the per capita for the hon. member. It will take us a little bit longer because that has never been figured in to the rural side.

**MR. THATCHER:** — Mr. Minister, the government has indicated, both in the Budget and, I think, in press reports and meetings with SARM and SUMA that they would like to, basically, make our municipalities and our cities a trifle more independent from the whims of various political parties as they come and go from government. Mr. Minister, would you agree that probably the most effective way to accomplish this, assuming that this is your objective, or the overall objective of your government, would the minister agree with me that, perhaps, the best way to accomplish this would be when using the concept of revenue sharing, would it not go much farther in creating this independence by giving the various municipal governments a share in total provincial revenues, rather than the specifically designated areas which this Budget has indicated and which you have spelled out in more detail to the SARM?

In other words, Mr. Minister, my question is, why has your government rejected the concept of giving local governments a share in the overall provincial revenue, that is so many designated points of the total pie instead of just a portion of a particular sliver?

**MR. MacMURCHY:** — Mr. Chairman, when we talk about autonomy, my understanding of autonomy and it may differ from the hon. member, but my understanding of autonomy is being able to make decisions in local government, but additionally have the resources to back up those decisions. All of the money for the urbans that has been allocated so far, and there is a small portion which hasn't been allocated, about \$2 million, which is tied up in the ambulance, fire and recreation assistance. All of that money is unconditional and they can make decisions that they want to make.

On the rural side, it was the request of SARM that a portion of the revenue sharing pool to be allocated would be toward conditional grants or the road grants and the other portion to the unconditional. And we ended up breaking that down on about a 50-50 basis. On the issue of moneys being available to the rural municipalities under revenue sharing coming from total revenues of the province, that is, in fact, true. We are drawing on the resource trust fund and the income tax and the sales tax and so on to provide the money for establishment of the pool. And that will always be the case. The only thing that is different than the request from SARM is the fact that what are we going to index that pool to? What do we index the increase in the pool to? SUMA said we should index it to total provincial revenue. SARM said it should be tied to some factors in the provincial economy. We said it should be tied to factors in the provincial economy. In starting this revenue sharing program we have taken the position that it should be tied to factors in the provincial economy. That is the indexing. Those factors being total retail sales, income and corporate taxable gasoline and fuel. These would be the basis that would be the indicators which would increase the pool in a given year once that pool is established. Now, I pointed out to the hon. member a few minutes ago, we will not be indexing until the budget year of 1980-81.



**MR. W.C. THATCHER (Thunder Creek):** — Mr. Minister, will all due respect, may I respectfully suggest to you that there will be some very drastic changes in the concept of revenue sharing long before 1980 or 1981 because with all due respect, Mr. Minister, you will not be making the decisions in the year 1980 and 1981. Maybe I won't be either but nonetheless someone else will be. Mr. Minister, in your comments it still escapes me that if you wish to accomplish something if you wish to give these local governments some manoeuvring room, that was not your terminology but if you wish to give them some manoeuvring room why are you bothering with things such as indexing on the provincial economy. Mr. Minister when you are bringing down, when your government brings down its budget the provincial economy is really not that much of a factor. Now the provincial economy basically, did not even grow with the rate of inflation last year. Taking the accepted rate of inflation, our provincial economy was in a negative position. I don't think we will get too much argument from anyone on that one. So obviously, you don't allow this particular factor to influence your decision. Mr. Minister, would it not make far more sense than to say to local government that you are going to get so many points of income tax revenue. Your income tax rate is 53 would it be so terrible to say to the local government that you are going to get say, five points, and I just use that five points as a figure? Would it be so terrible to say to the local government that you are going to get X number of a percentage of total sales tax revenue? I think you have budgeted for some \$204 million this year, surely, there must be some way to pass some of that back. Now you say that certainly that revenue is going to be used but it is not spelled out specifically. Why could it not be written into law? Mr. Minister, I ask these questions because you made some reference going back to 1971. I just happened to glance at a 1971 Budget before I came in and I noticed that Municipal Affairs at that time, the Budget of 1971, was going to use about almost ten per cent of total provincial revenue. Now you are down to 6.58 this year. Now, Mr. Speaker, percentages are liars, just like absolute figures are because certainly 1971 is not comparable to 1978, but obviously the amount of money which is being put into Municipal Affairs has declined over the years as your gross budgetary outflows have increased. There must be a reason for that. Mr. Minister, could you tell us why your government has rejected the concept of specifically taking x number of points of income tax revenue, x number of points of revenue received from the federal government, x number of points of sales tax revenue, in other words write it into law exactly what local government is going to get. They get so many points of what you are going to get, they go over top of that, then they can find it themselves locally, but then they are outside the control of any political party and any government. They know what they are going to get, it makes everybody's job that much simpler.

**MR. MacMURCHY:** — Mr. Speaker, I'll answer the percentage factors that the hon. member raised by pointing out to him that in 1971 accounting for the province was done on a net basis rather than a gross basis and that will, as he pointed out, perhaps change the figures and their percentages, but that's a factor in it all.

With respect to this revenue sharing proposition and really how it should operate. I point out to the hon. member that it was the urban municipalities who came to us with a proposition for revenue sharing and their proposition was first of all, to establish a fund and then index the growth in that fund to the provincial economy. And they didn't talk about certain points of income tax or talk about certain points in the sales tax, they talked about relating the indexing to the growth in the economy.

Now there is no question, there has been a difference of opinion between SUMA and the government and as I pointed out to the hon. member, between SUMA and the government concerned, what should be the factors in the provincial economy to which the revenue fund or the pool should be indexed to. The decision has been made and I think accepted at this point at least, that those factors should be the four factors that I gave to the hon. member a few minutes ago. Now those, the revenue sharing has not been enshrined in law. We intend to do so during this session. Both SARM and SUMA have copies of the draft bill to look at, to consider and before we will be proceeding with the legislation, they will be reporting to us on their thinking with respect to the bill, but I'll point out to the hon. member that the draft bill that has been made available to them provides for those tax bases as the index portion of revenue sharing.

**MR. THATCHER:** — Mr. Minister, perhaps I am confused in your reference to the term — provincial economy. Are we confusing that with the inflationary factor?

Mr. Minister, I suppose you are suggesting that something be established that your own government does not follow. Now the growth of the provincial economy this year was about 3 per cent. Now, we all know what the inflation rate was in the country last year and it was something like around 8 per cent. All right, as I indicated earlier, that puts the provincial economy in a negative growth position; and yet you are spending for this year, at least your Budget spending is at 12 per cent. And therefore, Mr. Minister, I suggest you can't have it both ways so would you enlighten us as to when you mean factors in the provincial economy or do you simply mean straight inflation, if I could ask that question advisedly?

**MR. MacMURCHY:** — Maybe I can clarify the hon. member's thinking by providing this answer for him. If we had the indexing in this year, let's assume that last year the pool had been established and we started the indexing. The amount of money in the pool would have increased I'm told by about 10 per cent. Now the budget is about 12 per cent, so it's relatively close to the budgetary figure, so if that answers the hon. member's question, I think you'll get a grip on what would happen. I point out to the hon. member, however, that the increase was about 45 per cent as we tried to develop the pool. It is important, as SUMA and SARM have said, and we agree with this, that you have got to get the pool a respectable size before you build in the indexing portion and that is what we are attempting to do.

**MR. G.H. PENNER (Saskatoon Eastview):** — Mr. Chairman, I think that as far as the revenue sharing portion is concerned, the first thing that I want to do is to congratulate the minister for having introduced the concept. We take particular pleasure in that, since the concept was one that originated with us way back in the mid 1970's.

I know that the minister and his colleagues can say, you guys thought of it, but we did it. I have to say that is true but I want to assure the minister that, had we had the opportunity, we would certainly have done it, because when you look at the problems municipalities face with regard to collecting revenues, they have a serious problem and the fact that there have been some indicators that are being used in order to increase the pot (if you like) is something that municipal governments are going to recognize as being extremely helpful.

I think it is known that there was not an urban municipality in the province which had a loss of money as a result of this formula taking over and comparing it to the kinds of grants that would have accrued under the old system. At least that is the information

that I have been given from SUMA and I expect that it is correct.

I frankly am amazed at the fact that we have had a fairly significant increase in funding for municipalities, which I am prepared to accept and that we have a situation in a city that I am rather partial to, which was able as a result of the increase in funding to hold its mill rate to no increase at all, at least in so far as the municipal portion is concerned.

I am frankly surprised that in this city the city council found that they were unable to do that, despite an extremely healthy increase in funding to the municipality. I read in the paper the other night, I think that the mill rate increase is something in the order of six mills.

I wonder if the minister has any comment he wants to make with regard to that apparent discrepancy between one municipality which is able to hold its position, another that is not and yet both in a relatively equal position with regard to the increased funding that they have received from the revenue sharing formula.

**MR. MacMURCHY:** — Mr. Chairman, I do not think we could get into the debate as to the operations of the city of Saskatoon versus the operations of the city of Regina. I think that is what he is talking about. I can only say, as I said to the hon. member for Thunder Creek that the money was made available on an unconditional basis — the total, I think that, as I recall, Saskatoon received something like 2.1 million new dollars and Regina received slightly more than that. They made their decisions based on their priorities, their needs and their concerns. I think that is really what the cities asked us to do and that is what SUMA asked us to do and that is what revenue sharing is all about.

**MR. PENNER:** — I cannot really disagree, Mr. Chairman, with the minister. I think that enough has probably been said with regard to that.

One of the things that SUMA is interested in pursuing with you now is an enlargement of the concept of revenue sharing, so that it not only includes ordinary operating but includes capital. I wonder if the minister would indicate where he and his department are in terms of discussions with SUMA in this regard and whether that is going to be looked at as a separate entity in terms of revenue sharing, or built into a total package that would include operating and capital at the same time.

**MR. MacMURCHY:** — Mr. Chairman, I do not think we are really any place at this point in time because we have a few little problems with revenue sharing on the rural side, which our people are working on. The need has been identified for some small adjustments in the formula for rural municipalities.

We are also trying to get a handle on the ambulance side of it first of all, then fire and recreation which will be a lot easier of course, so we haven't had an opportunity to deal with this. I have talked with SUMA about this and I have indicated the government's commitment for a capital support, what form that support will take after the Community Capital Fund runs out, we just haven't put our minds to it and we haven't had any opportunity to discuss it with SUMA although I told their president, Mr. Brady, that as soon as Mr. Clayton here gets his feet under the desk and sort of finds out what it is all about — we'll give him two or three days, they can start talking to him about capital.

I make it clear as I have made it to them, that we know there has to be assistance to urban municipalities on the capital side as on the operating side — we just know that. The hon. member will observe that we have built the capital side on the rural side into

revenue sharing. We don't know whether there will be some indexing or some tying to some factors on the capital side yet or not. It just hasn't been thought through and I don't think SUMA has thought it through but they are starting to think about some kind of a proposition. I think the best way to attack it is to get together and think about it together because really that is how the revenue sharing program, we have now, evolved. When SUMA a year ago, came to us and said, let's start revenue sharing I don't think they really had a grip on what it would look like in the end, and certainly when we said, yes, we did have a grip on it. As the meetings went on and we talked about it, both privately in meetings and publicly, it sort of evolved into the program that we started with.

**MR. PENNER:** — Mr. Chairman, I only want to interject one little aspect into that process with regard to the discussions that took place and that is to go back to the statement I made a moment ago, that we presented you with the idea and after that then you picked up on it and together with the municipalities, the discussions took place. I would hate for us to lose sight of that extremely important aspect to the revenue sharing component.

I take it from what you say in reference to your new deputy, knowing him, he has probably already had enough time in terms of his competence that he won't need any more days with his feet under the desk in order to begin to tackle the program on the capital sharing aspect, but it is conceivable that within the next year a plan would be available whereby that same concept could be extended from just the operating in so far as urbans are concerned, and include the capital too.

**MR. MacMURCHY:** — I think if you follow my remarks, first of all, the hon. member will note that I didn't make any comment on where the idea for revenue sharing came from. I think it has been kicking around .. not SUMA, the Canadian Urban Municipal Association, for a long time. Now maybe the idea was fed to them by the hon. member for Saskatoon — I don't know, I won't argue that.

I think with respect to his serious question, he knows and I know that the Community Capital Fund runs out at the end of this year, 1978, and we have got to make a decision with respect to capital funding at that time, whether we shall remain or whether we shall get out, as a government. I have indicated to the hon. member in my earlier comments that we have .. our decision is that revenue sharing for operating or operating funding for urban municipalities is just not sufficient, and that while I can't commit a program or I can't commit an amount, I think the hon. member can take it that we are going to take a serious look to develop a program for capital for urbans which perhaps we can announce in the next budget.

**MR. BAILEY:** — Mr. Chairman, I want to start off my few remarks on a congratulatory note to the Minister of Municipal Affairs also in charge of transportation. I want to say that I appreciate, and I am sure many people in Saskatchewan appreciate the work that he is doing — particularly in the way of drawing to the attention of the federal government, some of the discrepancies that had existed in the province since the Hall Report came down, and the attempts that he and his department are making to guarantee some semblance of organization to that report, without some total losses. I am sure that many people in the province realize, certainly on a non political basis at this particular time, how greatly important that is.

Now, Mr. Chairman, we have been hearing a great deal about this term 'revenue sharing', and I want to get the record set straight. The term was used and has been used

and developed across Canada for a number of years. The plan which we have in Saskatchewan (it doesn't bother me to use the term at all), the plan which we have that is known as revenue sharing, Mr. Minister, as you agree and I am sure everybody in this House agrees, is not truly revenue sharing, any more than any other grant is revenue sharing. I will give you an example. When the grant is printed out in the computer for the various school jurisdictions, that's revenue sharing. The grants increase according to the amount of funds the government has at its disposal through revenue, to allocate to boards. Now they have chosen to call it revenue sharing and I want to make that distinction, because at this particular time, Mr. Minister, the format which you are using to allocate funds to the four types or five types of municipal bodies in Saskatchewan is basically the same format as that which is being used from which you formulate grants to the various school boards. If you want to call it revenue sharing, fine; if that is what SUMA wants, that is fine too. But in no way is it truly a revenue sharing program. Perhaps some day it will be, but apparently that is what you have been asked to call it and I have no objections to it being called that. Until such time that it is tied directly to some index to the Department of Revenue, until such time that it has an index to the Department of Finance, it cannot be truly called revenue sharing. I would like the minister just to comment on that please.

**MR. MacMURCHY:** — Well, I think Mr. Chairman, it is probably true what the hon. member has said. You can very truthfully say (as I have said very many times as we tried to discuss this program), that the provincial government has been sharing revenue for a long time — sharing its revenue. It does it, as the hon. member points out, for school boards, it does it for hospitals, it does it for a whole range of things. Now, if he is saying that until the indexing takes place, it can't be truly called revenue sharing, I think that he makes a good point. That is not going to take place, as we have indicated, for two years because the establishment of the pool is vitally important. But, in a sense, in making his statement in that way, that is revenue sharing. Because we are sharing our revenue this year with the municipalities in a larger quantity than ever before in the history of the province, and we intend to do so again next year.

**MR. BAILEY:** — Thank you, Mr. Minister. Mr. Chairman, I think the minister is saying, and I recognize this to be true, that you could also say at this particular time that you shared more revenue with the hospital boards. You also shared more revenue with the school boards and so on, and yet we don't particularly put that label on that and I accept that.

Mr. Minister, we are having some difficulty, at least I am having great difficulty, in trying to explain to municipal bodies such as RMs and village councils, the allocation of the road ambulance grant as it is built in to the total formula. Now, to be quite honest with you, I tried to question the Minister of Health about that and because it crosses over two different departments, I have reserved my question for you at this time. The reason I have such a keen interest in that, Mr. Minister, is the fact that where an ambulance is situated, say within a village, and where it could conceivably get some support from the village and say three surrounding RMs, and yet it isn't spelled out as such into the grant, I have been getting a number of inquiries simply stating, 'How do we know how much is built in for the road ambulance grant in the rural areas?' I just have no idea how to answer this question. I hope the minister can help me out at this time.

**MR. MacMURCHY:** — Well, I say to the hon. member, Mr. Chairman, that I can't really be specific in answering the questions that he's seeking because we aren't far enough for me to be specific. The amount of money is clear. That's in the budget \$2.2 million. That's satisfactory to the ambulance people and I think that's not a problem. How it is allocated to the urbans versus rurals will be about \$1.5 million to the urbans and about

\$700,000 to the rurals and that's not a problem. The problem is the distribution. Now, it is going to be distributed to the municipalities. They know that and I think the ambulance people know that because Mr. Clayton here and Mr. Cooper, my special assistants, met with them at their meeting a week or two ago.

The outstanding issue is the distribution formula. It's going to be on a per capita basis and that's agreed but the organization of the per capita basis is still outstanding. The discussion is evolving around — you know you've got associations and districts and so on as part of the possible concept. Should there be bigger grants on a per capita basis for more sparsely populated areas and if there should be, how do you figure it? And that's what's going on and that's what isn't resolved. We have said to the RMs and the Urbans that we will have some staff people coming around talking about the concept, particularly the ones who are interested in getting started and there are a fair number who are, to help organize but we will need to know the formula in order to really properly go out and talk to them. I'm sorry, it's just not there yet and until the actors involved sort of come to some agreement and there are really four actors in this case, the ambulance people, SARM, SUMA and the government, we can't make a specific announcement. We are aiming at the end of this month.

**MR. BAILEY:** — Mr. Chairman, I appreciate the minister's answer and I know the minister knows it. My questioning at this time is by no means an attempt to embarrass the minister or his officials; I recognize the problem. I was wondering at this particular point in time — it's going to be a very difficult problem — you say the money is in place; it's not hard to get the money out to the municipal body; it's when the ambulance people get at the municipal body where the trouble is going to be. I'm glad to hear that you will have some field people out there because I think it's very, very important.

You see, Mr. Minister, the reason I brought the topic up altogether, there are some concerns - we have these volunteer ambulance associations; in one instance in my constituency two of them are fire department volunteers who also operate an ambulance and they rely on this support. Now when this announcement was made I guess that's why I got a flood of questions. How much are we going to get? How could I answer the question when you know it's going to take some time to get a formula out to them and I guess that's the only answer that I can give to them.

Mr. Minister, I want to get into a bit of a different topic right now I want to pursue it for awhile because I realize it has been a very hot topic. It has been a political topic over the history of this province and that is one of taking a look at a different arrangement of local government in rural Saskatchewan. I once read a comment some years ago; you can well remember the time when they were talking about the coterminous boundaries, the county system and all this. There was a story about Rip Van Winkle of course, he was in Saskatchewan that he slept for 50 years and he came back to the town and the only building that he recognized was the RM office. Everything else had changed. And I guess that there has been a very concentrated effort on the part of the people in the RM to retain that type of local government and I am not criticizing for such. Up to this time in the history of Saskatchewan the phasing out of any local RM is pretty well be done on a voluntary basis. I know, for instance between the RM of Monet, and the RM of Snipe Lake there was an RM that ran in there by the arm of Fairview which was literally just split and half of the RM went each way on a voluntary basis. Within my constituency we have the difference of RMs being assessed at about 7.3 to 1.7. The question, Mr. Minister, which is somewhat bothering me at this particular time and I know it is a question like closing a rural hospital or going through the battle and I've been through a few and I am sure the minister has too in closing some schools in this process. I am sure

that he has taken a good deal of flak as I have over the last twenty years on this. But the point I am making under the present grant structure, and I'll call it revenue sharing so that you can identify it from what I am talking about. Is there a possibility, Mr. Minister, that with this type of sharing which is really a doubling of the equalization? Now doubling, because first you know in the equalization grant that goes to the schools there are certain fundamental things which are factors before that grant or you arrive at that particular figure. Take an RM that has an assessment of 1.7 million, give them a given mill rate without the equalization, without the concept of revenue sharing, really their total income of what it would amount to is just about enough to operate the RM office and probably one small piece of machinery. What I am getting to, Mr. Minister, it seems to me that while there has been some movement to larger districts, is there any current study going on now with the advent of your new grant structure as to how this will apply to those and how an RM of with an assessment say of under two million is going to be able to continue its operation or will it in fact many any difference?

**MR. MacMURCHY:**— Mr. Chairman, I will make it very clear to the hon. member as I did many, many times in the Assembly since I assumed responsibility for Municipal Affairs and, therefore, rural affairs that the government has no plans for municipal reorganization and we have no study going on within the government toward that. None whatsoever. Whether we should study the implications of the revenue sharing scheme on the issue that is raised, we have not thought of that. We are just not that far along. In my thinking and the thinking of the people who have developed this formula there just isn't any pressure on the rural municipality to amalgamate with somebody else, or move toward reorganization. And neither is there anything within the formula to prevent them from doing so on their own. So without any kind of study and only seeing it in its initial stage the situation stands. The policy of the government and I think it is obvious, is to encourage co-operation. And I think some very successful things have gone on through co-operation. Not just between rural municipalities but rural municipalities, the village and the town, and, as the hon. member well knows, those involved with the unit board or as the division board as they are soon to be called. And that is, in fact, built into revenue sharing on that services component of it, the ambulance, the fire, the recreation where we are providing, I think, for the first time operating money for the co-operating municipalities. Before I think, without knowing for sure, but for the main, before it's been capital money, now it's operating money. I don't think we are far enough to know whether there are any implications. We don't think there are which would force municipal government into amalgamation or into larger regional government.

**MR. BAILEY:** — Thank you, Mr. Minister. A question along the same lines, as you know, Mr. Minister, I have some difficulty of course with not only of course my own people but with RMs of course in my general area of the province. We would like to talk about equalizing, we would like to talk about sharing and I think that general philosophy is accepted by all. I don't think there is any question about that. I don't particularly like when your advisor there used to send out the grand formula and I would see that I was getting about \$60,000 out of it and somebody else was getting \$200,000 and I used to keep thinking I'm being penalized from where I happen to be at and we recognize of course that that has to be part of the formula, the amount of tax revenues available to you.

In the case of the RMs though, Mr. Minister, I think there is a slightly different story. It seems to be me and I know that you would be able to say, well you are talking about some RMs that have some pretty high assessment. Well, as I pointed out I do have some RMs with pretty high assessment. I have some with some very low assessment. But the

point which is being made by those RMs of a relatively high assessment, is that they are being penalized twice because of their assessment. First, they are being penalized on the equalization if you want to call it that, because of their revenues, and then they suggest to me that they are also being penalized on the new formula of revenue sharing. For instance, I talked at length and studied out the RM of Lacadena which is within my area. You know, I'm sitting down and talking with the secretary treasurer and taking a look at the grants available this year and the grants which were available last year and he pointed out having done the same number of miles of grading or having done the same miles of gravelling that he did last year and all of the other grants according to the work being done, that it did not make any different. The grant structure really didn't change.

Now, if that is so for those RMs that have the high assessment, I expect that they are going to continue to make that argument that they are being penalized twice. I took a point and I studied this thing out, there was literally no difference, even though the difference appeared so in the paper, Mr. Minister. I think I made the accusation that there was a little bit of false advertising there because what were you doing? You were not comparing, you weren't really comparing apples and oranges, that's what you were attempting to do, apples and oranges. If you had taken last year's grants which you listed and added all of the other grants which were received, and which are now included in this grant, you wouldn't have had that great discrepancy. Now, I'm not criticizing the department necessarily for doing that, but it was some distortion to many of the RM people at least that phoned me about their grants which they received and so on. But, is it right I'm looking from a school level then on the municipal level, there the dissatisfaction about this revenue sharing coming more from those who have the high assessment.

**MR. MacMURCHY:** — Well, Mr. Chairman, of the \$26 million for RMs, it's split up about 50-50, \$13 million for, give or take let's say for our discussion purposes, half of it for the conditional things and the other half for the unconditional things; so half of it is equalization. As we talked about this, we received some complaints about the existing equalization formula and there was a suggestion that we should take a look at it. I think Mr. Clappitt, the Deputy Minister of Rural Affairs who unfortunately is away today, is considering drawing a group of RM people together to take a look at that equalization. It evolved in that process some years ago and it's really never been basically changed today. I think it's a fact though that the high assessed municipalities don't do as well as the lower assessed municipalities when you have an equalization component and regardless of what adjustment are made, I suspect that if they are made, I suspect the RM from Lacadena, I think is the one he mentioned, will be probably unhappy in some other RM where the lower assessment will be saying thank you, Mr. Member for all the good work you are doing on our behalf. I don't think that is ever going to change on an equalization basis. And I think probably the advertising enhanced the problem that the hon. member was confronted with. Because I was confronted with it myself in my own constituency. How come this RM got that amount and we only got that amount, etc. etc. And I think we knew in advertising that that was inevitable but we felt it was important because of all the discussion, and I pointed that out to the hon. member one day in question period, because of all of the discussion, it is important to let people know, the public know just what it is all about and what it is all about in money for their municipality.

**MR. BAILEY:** — Mr. Chairman, I guess I have to get a little nasty now. Mr. Minister, we have to go back to that question which I did ask in the House and the issue, of course, at that particular time. I must say that I don't question the ads so much as the cost and so



on which I find in many, many papers around the province, thousands and thousands of dollars. But, you know, such statements as this, Mr. Minister, I suggest to you are very definitely political and they were there for a purpose. I can even accept that with some sour taste in my mouth, but I think the thing which upset me about this, Mr. Minister, more than anything else is that you listed the various communities and I think you listed those communities with care. I don't blame you for doing it; they were listed with care. Now the point is, Mr. Minister, you put down the 1977 grant and you put down the 1978 grant. When you are looking at the figure in the 1978 grant you are looking at the total grant package, whereas the figures in the 1977 grant weren't the total grant package; there were other things which many of these communities received in other forms of grants during the year. And I say to you that if you wanted to advertise this, fine. For instance, if you took a town that received an additional grant for some street paving, that wouldn't be included. I am going to ask you, Mr. Minister, in looking at the differences in the grants, in which you have some huge discrepancies, let us take the town of Milestone which happens to be in this one. Last year 11,322 this year 19,580. Now the difference wasn't just the revenue sharing, Mr. Minister. I think there are somewhat distorted figures there. And I noticed, did you make the same list for the RMs, Mr. Minister? Were the same lists made and published for RMs?

**MR. MacMURCHY:** — Yes.

**MR. BAILEY:** — O.K.

**MR. MacMURCHY:** — I argued this before with the hon. member and I clearly stated then and I clearly state this now as well as I can that in the first column, last year's column there were a total of three grants, per capita, operating, \$22 per capita, police, if there were any police, because the formula didn't cut in in all communities, and equalization, if there was any equalization. Because that formula didn't cut in in all communities. That's that. Nothing else. No street paving, no assistance from municipal water assistance. That was it. Those were the figures that were in that first column. Those three grants. In the second column is revenue sharing which was a rolling in of those three grants plus the new money. And basically, the increase has come from the additional \$10 million that was added to that portion of funding to municipalities leaving about two for the ambulance, fire, and recreation which is yet to come.

**MR. R.E. NELSON (Assiniboia-Gravelbourg):** — Mr. Chairman, I have a few words to direct to the minister. First of all, I am pleased that the government introduced the revenue sharing for the local government and as my colleague has said, our party has been advocating revenue sharing for municipalities for quite some time. With only the overall sums announced it was difficult for the RMs to know where they are at as yet. On the surface, most of the councils seems to be reasonably satisfied but they are certainly waiting for further information on many of the programs.

Now, the \$1 million of the \$26 million to RMs for the RMs to participate in the ambulance, recreation and the fire fighting is causing quite a bit of concern in RMs. I have had several calls on it and the RMs have not been able to get organized because there are no regulations and no policies out to them as yet. I would think that while you have \$1 million set aside, it appears that the Department won't be spending this because if they don't get the regulations and rules out soon, the local governments aren't going to be able to participate in this to the full extent.

Mr. Minister, I certainly question the super-grid program as it is. With only 13 per cent

of the RMs participating in this program, the minister should realize that there is something wrong. It is too rich a program for many of the municipalities to get into. There are only 41 of the near 300 RMs that are able to construct super-grid roads this particular year. Of the RMs that participated last year, 23 are not participating this year. They don't want this program as it is. They don't want to be forced into the maintenance areas. I think it is time the minister listened to these local governments and to SARM on this particular issue. This money should be available to the poorer RMs for either farm access roads, maintenance for the present grid roads or for super-grids, if that is their wish. The RMs know what they are able to afford and they shouldn't be denied the assistance when they are short of funds and when other richer municipalities are able to get into the super-grid road system. This policy makes the richer municipalities actually better off at the expense of local governments or local municipalities that are short of funds.

I know the minister enjoys the program because he can announce the large sums of money that will be available but much of this is not necessarily spent. In 1977 the minister claimed that \$1 million was spent or participated in; there was about \$900,000 spent. This year 23 of the 50 per cent didn't join in that particular program. Now, this year even municipalities are participating. With only 41 of 300 participating, it appears that many of these grants are not going to be spent.

Actually, of the total of the \$2.5 million that is put in, there is approximately \$1.5 million of that money that is going to be spent. I am wondering what the minister plans on doing with the extra million he announced.

I say again, the program is too rich for many of the municipalities. The RMs don't want the maintenance area. I believe it has to be their decision and if municipalities want to have oil surface, if it is not within their pocketbook, they should have the right to decide and they shouldn't be forced into these maintenance areas.

**MR. MacMURCHY:** — You raised the issue of the ambulance, fire and recreation and the \$1 million available and it might not be spent. I think with the interest that is indicated and with the already established districts and area, and volunteer ambulance, the Co-operative Fire District, the involvement of the RMs and village and town councils on recreation boards, I am not worried. As a matter of fact I would not be surprised if the \$3 million that we have set aside in the total amount we was not sufficient and will have to go to an extra funding for this particular aspect of the program.

The hon. member members will note that the \$10 million of the urban - that is new money - and the \$6.1 million of the new money of the rural has been allocated. We will not be drawing off from that portion in order to deliver the funding for the ambulance, fire and recreation. And if we don't have enough with the estimate we intend to meet all of the developments that take place. So I am more optimistic than the hon. member who is drafting his resolution.

With respect to main farm access. I think the pace with which we are proceeding with the construction of main farm access roads is a pace that the rural municipalities find reasonable. I want to point out to the hon. member, however, that he will note that the increase in the amount for main farm access roads, the grant from the province, has gone up from \$8 million to \$9.5 million. We have, as I said, 1000 miles in mind — \$9 million will build the 1000 miles, roughly, which leaves \$.5 million for the construction of extra main farm access in addition to the 1000 miles, or it makes available some money to the rural municipalities which have built faster than the grants from the

government were available for main farm access roads. That pace is I think, a satisfactory pace with the municipalities. With respect to super-grid, I point out to the hon. member that the allocation last year and the year before was spent, so there is no problem there. In fact, I think that in the case of grid and super-grid, RMs built more super-grid than money was allocated by the rural affairs people. So we are sort of getting into the little problem we had, which we are trying to take care of now by catch-up, in the main farm access allocation.

That pressure, Mr. Chairman, plus the new maintenance areas that are being formed virtually every day (it's not like that but in a sense, virtually everyday) prompted a significant increase from \$1 million to \$2.5 million in the super-grid allocation. There are 23 maintenance areas already formed and there are 10 about to be formed. So the idea of maintenance areas is catching on.

Now, \$2.5 million to really move with super-grid construction really isn't a sufficient amount of money because super-grid will cost, when it is complete, probably \$40,000 a mile. You can talk about roughly \$20,000 for rebuilding, the grading and probably an equal amount for oiling. That is not very much money. So in a sense, the government in co-operation with SARM, because they agreed with our approach, are slow-walking super-grid even though there is growing pressure to move with the program from the maintenance areas that are forming.

There is a discussion going on with respect to super-grid amongst municipalities. As the hon. member pointed out, there are rural municipalities saying they can't afford that program. There are rural municipalities saying they don't want to get into that program until they complete their main farm access system, or virtually complete it. There are maintenance areas that are saying your formula is not rich enough; maybe rich enough for construction but boy when they have to get into the paving and oiling it is just not rich enough. Yet, there are others who say it is a good program and we want to go, those ones, as the hon. member points out, who are better off or who have completed their grid and their main farm access system. So there is a debate going on.

I indicated at the SARM convention that we as a government will be prepared to get into the debate or into the discussion. We intend to make it as part of a discussion that will go on at the June round of regional meetings. We'll come and talk about super-grid. I don't think it will be so much on the need for the condition of co-operation because that's catching on, that is catching on, but on other things like the formula or things like should an RM be able to proceed even though it is in a maintenance area by itself to get its work done or should we be able to pay directly to that RM which wants to proceed even though the rest in the maintenance area have other things to do and so on. That whole issue, plus an issue that is being waged on the 5,000 miles or the roughly 5,000 miles which has been designated for super-grid. Should all of that be oiled? Or in a sense should we reconstruct or regrade more than the 5,000 miles and oil fewer of the 5,000? That kind of redistribution until we have that kind of a discussion and until we see more clearly what the feeling is, I don't think that we should make any changes in the super-grid policy at this time. The hon. member is putting forward his resolution with the intent that I heard him provide it to us. I'm going to ask all members to vote no on it until we have an opportunity to discuss this at a meeting where rural municipalities are represented and where they can get into the debate as well along with myself and representatives of the department.

**MR. NELSON (As-Gr):** — Mr. Chairman, do I understand the minister says that he has not had discussion with RMs on this particular item? I am amazed that he would stand in

this Assembly and say that. I am amazed that he would say that RMs haven't had discussion on this. He knows right well that in Resolution No. 53 of the 1978 RM convention this very resolution was passed by the SARM convention. And if he is saying he wants this Assembly to vote against it, he is saying that he wants the Assembly to vote against what the RMs have requested. Mr. Chairman, I so move this resolution:

That this committee urge the government of Saskatchewan to dispense with the present maintenance area formula requirement as a prerequisite to financial assistance for super-grid roads.

**MR. MacMURCHY:** — Mr. Chairman, for the hon. member to imply, as he tried to do in this Assembly, that the RMs have not been discussing the proposition of super-grid, this is just ridiculous. The RMs came forward to the government and requested an oil rural road system and the government responded by establishing a commission made up of RM people to bring back a report. One of the recommendations in the report was the establishment, or not necessarily establishment of the term 'maintenance areas'; they talked in terms of co-operating to deliver the program.

Now, I find it difficult, Mr. Chairman, to understand fully what goes on at rural municipal conventions because we got a contrast of resolutions passed and activity in the field by rural municipalities. There are rural municipalities who want to get moving with this program and forming maintenance areas; 23 formed and 10 more about to form. I would just ask the hon. members to give some time for a good discussion on super-grid; the kind of discussion that went on in the development of the revenue sharing program which was beneficial for all and I therefore oppose the resolution put forward by the hon. member.

**MR. J. WIEBE (Morse):** — I would like to add a few words to this debate. Let me say initially that the intent of that particular motion and the intent of the members in our caucus are not against the super-grid program. We are not against that particular area and I think it is important — we have discussed this, Mr. Chairman, in previous estimates in previous years and in previous resolutions. Our argument with this particular maintenance area is the fact that before a rural municipality can take advantage of the super-grid program it must belong to a maintenance area.

Our alternative to the maintenance area has been explained to members in this Assembly before, and for their edification, I will explain them again. We feel that our program is a much more desirable one on behalf of municipal councillors throughout the province of Saskatchewan than the present program and we feel a much more economical one on behalf of the rural councillors and on behalf of the RMs, and the government of Saskatchewan as a whole. Maintenance areas involve maintenance, or maintenance of our super-grid system for a select period of time — from spring until fall. What we have asked the provincial government to do, is to allow the Department of Highways to look after maintenance of our super-grid program within the province of Saskatchewan. Why do we suggest this? Basically, because there wouldn't be as much machinery required; it's going to take more hired help to operate that machinery during that summer period, the same kind of help that is going to be required by the RMs to handle that maintenance machinery. You got rural municipalities that may go out and invest thousands of dollars in maintenance machinery, and only have a total of maybe 100 miles to maintain. The first three years of the program they have got machinery sitting there that is not being used, because that particular super-grid is not requiring that maintenance. You have got university students, who are extremely capable in operating maintenance equipment, the Department of Highways, in turn, can provide

ample summer jobs for these students from the time the university adjourns in spring until it reconvenes again in the fall. It is a two-fold purpose; you would save money; you would get a much better quality of maintenance for the super-grid, and on top of that, you would be able to provide summer employment for . . .

**MR. L.E. JOHNSON:** — Don't tell me you don't believe the local boys could maintain it.

**MR. WIEBE:** — That which? That the local boys could maintain it? Sure the local boys can maintain it. But why in heaven's name should the local boys have to dig deeper in their tax pocket? Why in the world should mill rates have to increase in the province to go out and buy a machine that is going to sit idle for three-quarters of the year? Why should they go out and have to raise the mill rate to buy a machine that is not going to be used for the first two years? Because your super-grid that you build this year will not have to be maintained as intensely as one that is two or three years old.

We feel, Mr. Speaker, that the alternative that we have presented is one that is going to save the taxpayers in this province money. It is one that is being accepted by the municipalities throughout the province as an alternative, and a better alternative to the one suggested by the present government. We feel that it is a positive approach. While we criticize the present program, we are still prepared to provide ample and concrete and positive alternatives to that program, which we feel as a party, as a caucus, better reflect the views of municipal councillors throughout the province of Saskatchewan. I would urge all members to support the resolution of the member for Assiniboia-Gravelbourg.

**MR. PENNER:** — Mr. Chairman, I have some other remarks that I would like to make that are going to take more than a couple of minutes. I wonder if the members would mind if we call at 5 o'clock and pick it up when we come back in at 7 o'clock?

The Assembly recessed until 7 o'clock p.m.