

# LEGISLATIVE ASSEMBLY OF SASKATCHEWAN

April 17, 1978

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

On the Orders of the Day

## WELCOME TO STUDENTS

**MR. E.C. MALONE (Regina Lakeview):** — Mr. Speaker, it is my pleasure to introduce to you and through you to the other members of the Assembly some 33 Grade Eight students from Athabasca School. They are seated in the east gallery. They are accompanied here today by Mrs. Coulter and Mr. Gingerich. I hope they will find our deliberations both interesting and educational. I hope that I will have a chance to meet with them after question period today.

**HON. MEMBERS:** — Hear, hear!

**MR. MALONE:** — Mr. Speaker, while I am on my feet I wonder if I could also take this opportunity to introduce to the House once again the executive of the Saskatchewan School Trustees Association who are seated in the Speaker's Gallery. I understand they will be meeting with the Cabinet today about Bill 22. I know all members wish them well in their deliberations and we wish them success.

**HON. MEMBERS:** — Hear, hear!

**MR. G.N. WIPF (Prince Albert-Duck Lake):** — Mr. Speaker, I would like to introduce to you and through you a group of students from the Sutherland School, a group of 33 Grade Eight students. Their teachers are Mrs. McMillan and Mr. Hill. They are seated in the east gallery. In the absence of Harold Lane, I welcome you to the Assembly. I do hope that your stay here is informative and educational and that you have a very safe trip back home.

**HON. MEMBERS:** — Hear, hear!

**MR. W.C. THATCHER (Thunder Creek):** — Mr. Speaker, I would like to introduce to this Assembly through you and to you, a group of 37 Grade Twelve students from the Central Butte High School seated in the Speaker's Gallery. They are accompanied by several people from the Central Butte area, chaperons and their principal, Mr. Dale Ebert. I am sure all members will want to join with me in wishing them a very pleasant tour throughout the buildings, the city of Regina and a very safe trip home. I hope to meet with them later.

**HON. MEMBERS:** — Hear, hear!

**HON. G. MacMURCHY (Last Mountain-Touchwood):** — Mr. Speaker, it is my pleasure to introduce to you and to all members of the Assembly a group of 10 students from the Lestock Community Awareness Class. They are accompanied by their instructor, Mr. Arnold Tusa. I am sure all members will welcome them to this Assembly. May they have a very enjoyable afternoon.

**HON. MEMBERS:** — Hear, hear!

## QUESTIONS

### Use of Saskatchewan Products by Sask Housing Corporation

**MR. W.C. THATCHER (Thunder Creek):** — Mr. Speaker, a question to the Minister in charge of the Sask Housing Corporation. Mr. Minister I make reference to a project of Sask Housing Corporation in Saskatoon of 102 units presently being built on a project management basis by MBS of Winnipeg Manitoba (MBS not being low incidentally.) Mr. Minister, my question to you is, on this job site, unlike many government departments, I would like to ask you why Sask Housing Corporation is not giving preference to local Saskatchewan products, local Saskatchewan manufacturing industry, even where they are low, are at an acceptable level of quality and therefore my question, Mr. Minister, is why this preponderance for Sask Housing Corporation to support industry outside of the province of Saskatchewan, specifically, Manitoba?

**HON. W.E. SMISHEK (Minister of Finance):** — Mr. Speaker, I don't know the particular project that the hon. member is referring to, but we do have the local housing authorities that have a good deal to say about awarding of tenders to particular contractors and I am sure that is the way he would like to see it but I will take notice and I will investigate the matter because I am not familiar with the particular project directly.

**MR. THATCHER:** — A supplementary, Mr. Speaker. May I put the rest of my question on the record so that the minister can answer it all at one time? In other words, may I then give some specific information?

Mr. Minister, I make reference to tendering any kitchen units where a Moose Jaw firm known as Star West Cabinets tendered the price of \$107,000; International Paper, an American firm, tendered \$143,000 and were in the process of being awarded the contract when Star West asked some very pertinent questions. My additional question is why Star West would not be given this contract? In addition, Mr. Minister, I would like to ask you why Sask Housing Corporation would then decide that they are going to have a complete re-tender on the entire job and lower their level of quality, and I would like to ask why Sask Housing Corporation would then go to an invitational tender instead of a specific tender? I would also like to know, Mr. Minister, why Star West would . . .

**MR. SPEAKER:** — Order.

**MR. E.F.A. MERCHANT (Regina Wascana):** — I ask the minister why in that tendering and the tendering for the project here in Regina on Broadway Avenue, did the tenders specify that the cabinets had to be from an American company to the exclusion, not just of the Saskatchewan producer but all Canadian producers, and why was the project then given to MBS out of Manitoba, the man who was the last campaign manager for Premier Ed Schreyer, as he was then? It would probably be the only NDP construction company in Canada.

**MR. SMISHEK:** — Mr. Speaker, the hon. member is trying to imply some motives in this particular thing. I can tell the hon. member that in that particular case it was Regina Housing Authority that made the decision, not the Saskatchewan Housing Corporation. I invite the member to check the record because this is just dirty pool that the hon. member is trying to play. They did come with a good tender. If they were invited then to accept the tender then it has got nothing to do with whether the particular company had anything to do with the NDP or any support from the NDP.

### **Gas Situation on Alberta/Sask Border**

**MR. E.C. MALONE (Leader of the Liberal Opposition):** — I would like to direct a question to the Premier in the absence of the Minister of Revenue.

Some time ago — some weeks ago in this House, the Minister of Revenue indicated that he had a plan devised to deal with the sales tax situation in Lloydminster and on points near the western border of Saskatchewan. I wonder if the Premier is in a position to state to us today when we are going to have the government's proposal or plans in dealing with the this situation? I am sure the Premier is well aware that this does not just affect service station operators but it affects businessmen in that entire west part of Saskatchewan.

**HON. A.E. BLAKENEY (Premier):** — Mr. Speaker, the government hopes to be in a position to announce a policy very shortly.

**MR. MALONE:** — Mr. Speaker, a supplementary question. That's the answer, of course, we've been getting for almost a month now. Is the Premier not aware that there are businessmen in Lloydminster, Maple Creek, Swift Current who are suffering very badly at the present time from this situation? Is he also not aware that the tourist season is almost upon us and we should have some sort of indication from your government at this time as to what your plans are in this regard?

**MR. BLAKENEY:** — Mr. Speaker, I am aware of the comments made by the hon. member and as I indicated earlier we expect to be in a position to announce a policy very shortly.

### **Potash - Rocanville**

**MR. L.W. BIRKBECK (Moosomin):** — Mr. Speaker, I would like to direct a question to the Minister responsible for the Potash Corporation of Saskatchewan. Mr. Minister can you tell this Assembly what the criteria were surrounding the granting of a \$300,000 contract by PCS Rocanville to a Manitoba based and owned contractor by the name of Crush Right Concrete?

**HON. E.L. COWLEY (Provincial Secretary):** — Well, Mr. Speaker, I am not aware of the details of that particular contract but I will take notice.

**MR. BIRKBECK:** — Mr. Speaker, since the minister is going to take notice I wonder if I might just ask a supplementary so that he might have a little more information by which to take notice of the question? Mr. Minister I would suggest to you that the contract was not billed for tender, or at the very least, invitational bids issued to local Saskatchewan based and known contracting firms, which would have achieved a lower, at least the lowest tender. Mr. Minister, can I ask you very simply, is this your way of again supporting NDP supporters in the province of Manitoba at the expense of Saskatchewan taxpayers to the . .

**MR. SPEAKER:** — The member for Kindersley

### **Gas Situation on Alberta/Sask Border**

**MR. A.N. McMILLAN (Kindersley):** — Mr. Speaker, a question to the Premier in the absence of the Minister of Revenue. I wonder if the Premier is aware that the gas

situation in Saskatchewan and along the Alberta border has deteriorated to the point where the largest independent retailer of gasoline in Saskatchewan, Tisdale Esso Service in Kindersley, has lost money every day that it has been open since the Alberta tax has been lowered despite the fact that they are 60 miles from their nearest Alberta competition? I wonder if the Premier is not in some position to give us the assurance that immediate action will be taken to relieve the kind of financial difficulties that these people are experiencing?

**MR. BLAKENEY:** — Mr. Speaker, the hon. member asks me whether I am aware that a particular service station is losing money. The answer is No, I am not nor would I have any grounds for being aware of the operating statement of a particular service station on a day to day basis. With respect to the general question you asked, we expect to be in a position to announce policy very shortly.

**MR. McMILLAN:** — A supplementary, Mr. Speaker, I wonder if the Premier would agree that this most serious situation which affects, in this case, one of the largest employers in Kindersley and approximately 141 other employers in the province of Saskatchewan does not demand the immediate attention and not the continual 'in due course' announcement that we get from your government.

**SOME HON. MEMBERS:** — Hear, hear!

#### **Answer to Question on Banking Arrangements — SPC**

**MR. COWLEY:** — The other day I took notice of a question from the member for Saskatoon Eastview, I believe, with respect to the banking of the Potash Corporation of Saskatchewan in Lanigan. The member indicated that it was his information that we had transferred our accounts to Saskatoon. The facts are this. Alwinal utilized the Royal Bank and the Canadian Imperial Bank of Commerce in Lanigan. DCF Lanigan now utilizes The Toronto Dominion and The Canadian Imperial Bank of Commerce branches in Lanigan. The reason for this is that the corporations' bankers are The Toronto Dominion Bank and The Canadian Imperial Bank of Commerce and consequently we in effect, transferred from The Royal to The Toronto Dominion in Lanigan. I think, Mr. Speaker, that this points out the fallacy of the member's statement and I think, I suspect that when I have a chance to check into it, the member for Moosomin will be in the same shape as the member for Saskatoon Eastview.

**SOME HON. MEMBERS:** — Hear, hear!

#### **SGIO Licence Plate Insurance Review**

**MR. G.N. WIPF (Prince Albert-Duck Lake):** — A question to the member in charge of SGIO. Mr. Minister, over the past summer many truckers in Saskatchewan received notices that SGIO was reviewing their files for the Motor Vehicle Fleet Licence Plate Insurance, and had decided to add some more insurance premiums to the licences that were presently being held. Can the minister explain why this would be done on the present plate, and why it would not be done on the renewal of the plates?

**HON. E.C. WHELAN (Minister in Charge of SGIO):** — I will take notice.

**MR. WIPF:** — Final supplementary, Mr. Speaker. When you take notice of that, Mr. Minister, can you further explain why SGIO also in 1975, tried to add additional assessment for truckers retroactively in 1974, 1975 and 1976, and is this retroactive

assessment now a policy of your department?

**MR. WHELAN:** — I would seriously question what you are suggesting regarding the retroactive assessment. I can tell you this, that there has not been any reduction on commercial licence plates and the reason for that is because of the claims rate. The claims in that area have been extremely high — we are not covering, even at the present moment or just barely covering, the amount that is being paid in premiums; it is neck and neck. There is certainly no justification for reduction, there might be some justification for an extra levy. But I know of no levies that are retroactive — none whatsoever.

**MR. SPEAKER:** — I will take a final supplementary. Order! I will take a final supplementary from the member for Regina South.

**MR. S.J. CAMERON (Regina South):** — Mr. Speaker, on that same subject I have been wanting to ask the minister in charge of SGIO — the reductions in premiums that you announced recently are made with reference to the vehicle rather than with reference to the driving record of the driver of the vehicle. What I would like to know is, by what sort of curious persuasive technique you persuade half-ton trucks in the '68 to '73 age category to have fewer accidents than those in the '73 to '78 category?

**MR. WHELAN:** — Well you don't persuade trucks but you persuade the drivers and the drivers are the people who . . . the truck has to be driven a great number of miles before it can have accidents. It has to be driven in a certain fashion and then you reduce the rate or raise the rate according to the record. I think the hon. member's question is facetious and he knows better.

### **Clean Air at Poplar River Power Project**

**MR. R.E. NELSON (Assiniboia-Gravelbourg):** — Mr. Speaker, I have a question to the Minister in charge of Sask Power Corporation.

As he knows, on the weekend, the Governor of Montana spoke in our province and he again asked for a moratorium on the Poplar River Power Project. He gave several reasons including difficulties in obtaining base line information, the doubt of adequate protection as far as further units would be concerned but the underlying reason seems to be the same concern as the concern of the people of Coronach and that is that of air quality. When will the minister give his assurance that air quality is important to SPC and that it is important to Saskatchewan and if necessary better technology will be used to ensure clean air?

**HON. J.R. MESSER (Minister in charge of Sask Power Corporation):** — Well, Mr. Speaker, the Saskatchewan Power Corporation, as has the government of Saskatchewan, indicated, I think, on a number of situations at a number of times in this Legislature, as well as outside of this Legislature, that we are concerned about air quality, not only air quality in the immediate area of Coronach but air quality for those who are registering some concerns in the state of Montana. We have surpassed both the levels of air quality as established by the province of Saskatchewan and the government of Canada. In so doing we have been given a licence or permit to establish Coronach No. 2. I did hear of the concerns of the Governor of Montana, the long-standing concerns in relation to air pollution emanating from the installation at Coronach. We have undertaken to try and communicate with him and his officials in Montana the level of pollution equipment that we are putting in. We have in place a

means of communication in regard to water quality and certainly to some extent they have talked about air quality as well and that is the International Joint Commission. It is my understanding that the IJC is undertaking by a communique from themselves to not only ourselves but to the federal government as well, the External Affairs Department, and through them to the American government, to indicate that they are satisfied with all of the endeavors of the Saskatchewan Power Corporation in relation to not only Coronach No. 1 but also in relation to Coronach No. 2. I think, Mr. Speaker, we can do nothing more than abide by the rules and the laws and the policies of not only the province of Saskatchewan but the government of Canada and we are doing that. In fact, Sir, we are surpassing them.

**MR. NELSON (As-Gr):** — The minister did not speak of three and four units at Coronach and certainly as well as No. 2, they are not satisfied that the minister or the province of Saskatchewan will put on better technology if it is necessary. The minister has hedged on this from day one and it is time that he gave them a positive answer. If it is necessary, will you put that technology on?

**HON. J.R. MESSER (Kelsey-Tisdale):** — Now, Mr. Speaker, we cannot answer something that is purely hypothetical at this time. The standards, as they stand today, have been met by the Saskatchewan Power Corporation. In fact, they have been surpassed. It is not a responsibility of the Saskatchewan Power Corporation to set standards, that is a responsibility of provincial and federal governments. I am certain that provincial governments — I cannot speak for the federal government, but this provincial government has given a very sympathetic ear to all those who have registered a concern in regard to either air or water quality emanating from the Coronach activities.

**MR. NELSON:** — The minister says it is hypothetical what the standards will be. It is certainly hypothetical when he says he knows the air quality will be good on No. 1 and No. 2 stacks. That is nothing more than hypothetical. Will he not tell them that, if it is necessary, they will use better quality technology?

**MR. MESSER:** — Mr. Speaker, it is obviously Monday morning and he is mixed up again.

**SOME HON. MEMBERS:**— Hear, hear!

**MR. MESSER:** — I said Monday morning for the member, Mr. Speaker, the afternoon for the rest of us! Mr. Speaker, I said in my earlier response that we have with Coronach No. 1 met the standards set by the federal and provincial governments. That is fact. There is nothing hypothetical about that. We know what the standards are today. We have obliged to acquaint ourselves with them; we have met them; we have surpassed them. In regard to future standards which we do not know what may be (they are not yet set), how can he legitimately ask or expect the Saskatchewan Power Corporation to set those standards before we even know what level the government may set for us to honor? It is an impossibility. It is totally hypothetical and we, Mr. Speaker, have to wait until the governments set a standard, if they are going to set a standard that is higher than exists today and then see whether it is within our ability to meet it.

**MR. R.A. LARTER (Estevan):** — A final supplementary to the Minister of the Environment or the Minister in charge of SPC. In the April 8 Toronto Globe and Mail, SPC has an advertisement for a senior environmental planner. His duties are for protection of air and water quality, land use and reclamation. These are some of his duties. Does this advertisement mean that Sask Power did not have a senior environmental planner at the time of the planning of the Poplar River Project and if it did was there a commitment made to build this project before the environmental study was done? Do you have any ongoing environmental project man at this time?

**MR. MESSER:** — Mr. Speaker, the Saskatchewan Power Corporation has always had a significant number of people who have been concerned environmental activities that may emanate from the corporation's generating capacities, either onstream or those that were being planned. Also, they had some very significant input in regard to land reclamation. I do not know, specifically, in regard to the position that is being advertised. It may well be to replace a person who has departed from the corporation, or it may be a strengthening of the environmental reclamation responsibilities of the corporation.

I can assure the member for Estevan that we have always had a significant source of manpower within the corporation in regard to both pollution, environmental concerns as well as reclamation.

### **Concrete Contractors**

**MR. BIRKBECK:** — Mr. Speaker, if I might direct another question to the Minister responsible for the Potash Corporation of Saskatchewan.

Mr. Minister, are you aware that there are concrete contractors in the towns of Rocanville and Moosomin who have been doing work for the Potash Corporation of Saskatchewan and, in particular, the potash mine for the last 10 years? My question, very simply is, why would you go out of the province to acquire a firm to do the same work these people have been doing in that area, for the mine, for this number of years?

**MR. COWLEY:** — Mr. Speaker, I took notice of the question before and I will take notice of it again. I want to suggest to the hon. member that I suspect that his facts aren't quite accurate. He is putting the case, obviously, in as political light as he can. But I will check into it and make a report to the member in this House.

### **Sask Housing**

**MR. E.F.A. MERCHANT (Regina Wascana):** — A question to the Minister of Finance, the Minister in charge of Sask Housing.

I ask the minister, why you have for such a long period of time delayed your decision on whether you will enter into the federal cost shared agreement by which people involved in the Urban Housing Program can receive a rental subsidy? I ask the minister, specifically, whether he is going to act on the requests from AMNIS, from native women and from the Friendship Centre, who all do rental in Regina and feel that the program of urban housing can't be successful for them unless that program is subsidized by the federal and provincial dollars that are available if you turn on the tap?

**HON. W.E. SMISHEK (Minister of Finance):** — Mr. Speaker, perhaps the hon. member might inform himself, we do have federal/provincial agreements where there is subsidy provided for low income people. Perhaps, the hon. member might examine the variety of programs that there are. But the facts are that we do have agreements and they are able to take advantage of the programs which provide for rental subsidies.

**MR. MERCHANT:** — Mr. Speaker, a supplementary. The minister well knows that these various groups and other poverty groups have asked the provincial government to enter into a 44 1(B) agreement so that funding will come forward in a cost shared way from the provincial and federal government.

I ask the minister, why the almost six months delay in the decision and how long it will be before the provincial government decides whether it is going to accept the program of 44(1)(b) or not.

**MR. SMISHEK:** — Mr. Speaker, the hon. member is also perhaps not aware that at the present time the federal government is renewing its programs. I, in fact, just had an opportunity to meet with the Minister in charge of Central Housing and Mortgage, the hon. Mr. Ouellett, where he has advised me that the federal government is working through some of the existing programs that they expect to be coming forward to the provinces. Just back in February at the Federal-Provincial Conference that we had in Edmonton, a number of proposals were made to Mr. Ouellett which he wanted to examine. Since then the officials of the provincial governments as well as the federal government have been meeting. The proposal was to provide more flexibility in the federal housing program because there are peculiar situations with respect to regions and provinces that need to be met, whereas at the present time the one uniform approach does not meet the needs of this country. He is hoping to come forward with proposals. We have been waiting for changes as well. But it is not the fault of the Saskatchewan Housing Corporation or the government of Saskatchewan for the delays. Neither am I blaming the federal government for the delays but their needs to be time in order to bring about changes to the programs.

**MR. MERCHANT:** — Final supplementary, Mr. Speaker. Is it not the case that Saskatchewan and Quebec are the only provinces which have failed to sign a 44(1)(b) agreement? Is it not also the case that we could now sign such an agreement and even if

it means that there is only an additional six months or so until the new Liberal Government sorts out its new priorities that Saskatchewan people would have this opportunity, particularly these poorer segments of the population, would have the opportunity to profit as do Canadians from every place else in this nation, except Quebec and Saskatchewan?

**MR. SMISHEK:** — Mr. Speaker, we prefer the arrangements for 75-25 per cent sharing. The federal government is not pressing Saskatchewan at this stage to enter into a 50-50 program. That's a fact. He may laugh, but the facts are that other provinces, Ontario and other provinces, initiated programs where there was 75-25 per cent sharing back in the '60s where the Liberal government of Saskatchewan under Ross Thatcher sat on its hands, Mr. Speaker, doing nothing about housing. Saskatchewan was the loser and at the present time the federal government is not saying that we must opt for a 50-50 sharing when there is 75-25 per cent available. We will take advantage of those programs so the people of Saskatchewan can be the greatest beneficiaries, Mr. Speaker.

### Sask Housing Construction Projects

**MR. THATCHER:** — A question to the Minister in charge of Sask Housing Corporation. Mr. Minister, in project management construction jobs as Sask Housing appears to prefer, can the minister tell this Assembly exactly who makes the decisions as to how the subbing shall be done? In essence, who judges the price of the sub and the quality of the submission? Is it the architect? Is it Sask Housing Corporation or in the project which we were discussing earlier. Would it be MBS?

**MR. SMISHEK:** — Well, Mr. Speaker, I am aware that the local housing authorities, and that's why they exist . . . I'm sure the hon. member would like to see the local authorities have as much leeway, as much input . . . my understanding is that the local authorities do make the decisions with the Saskatchewan Housing Corporation giving as much advice as possible for them to be able to make positive decisions.

**MR. THATCHER:** — Supplementary question. So in effect the minister is then telling us that when a tender is let and as the bids are open, that the architect is not making the decisions, that the contractor, the general, is not making the decisions, that the Sask Housing Corporation is not making the decision, but rather the local housing authorities? Is that what you are telling us, Mr. Minister?

**MR. SMISHEK:** — Mr. Speaker, all I can say is that certainly the local housing authorities do have a great input in making the decisions.

**MR. THATCHER:** — In other words, Mr. Minister, have we interpreted you correctly that when the submissions are in, and if the decision is made that the low bid will not be proceeded with, and the level of quality if roughly equal, you are then saying that it is not the architect, not the general contractor, not Sask Housing Corporation, but the local housing authority that has made the bloop?

**MR. SMISHEK:** — Mr. Speaker, I don't know where the hon. member gets the general contractor when it is the general contractor that does the bidding for the tender. Now surely if the general contractor is bidding then surely he cannot be placed in making the decisions. There may be in case of the sub-trades that he may have some input and certainly the architect is involved but in the final analysis certainly the local housing authorities, if they are to be of any value (which we think that they are) and they are

important bodies in the total housing program, that they have a significant input into the decision making process.

## **ADJOURNED DEBATES**

### **SECOND READINGS**

The Assembly resumed the adjourned debate on the proposed motion of the Hon. D.L. Faris (Minister of Education) that Bill No. 22 - **An Act respecting Elementary and Secondary Education in Saskatchewan** be now read a second time.

**MR. S.J. CAMERON (Regina South):** — I was saying on Friday, Mr. Speaker, with reference to this bill that it, of course, meets no one's expectations fully. The teaching profession is not wholly satisfied with the bill, the trustees are sharply opposed to certain sections of it. That's understandable, as I was indicating. The Premier had indicated one day in the course of the House that the argument has been around for 17 years in respect of some of the questions that Bill 22 addresses itself to; it is understandable that there is division and tension between the groups in respect to it. Where I was faulting the government and the way in which it has proceeded, is that it knew in advance of the long term disagreement with respect to these issues when it decided to consolidate the various education acts into one bill. Where it failed in doing that was to change its course so often that it contributed to distrust among the groups.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. CAMERON:** — That is to say that it did with one proposal increase the expectations of the teachers, they were reasonably satisfied at one point in time and the trustees weren't. Then they changed their course and the expectations of the trustees rose and those of the teachers declined. That was Bill 43. Then they changed their course again for the third time at least and some members will say four times. The problem with having done that in the circumstances that they knew existed, that is to say that these questions have been around for 17 years as the Premier said, was that that was calculated or should have been known by the minister as being the equivalent of calculated inflammation of the situation. You were bound with this sort of yo-yo of expectations to create the problem that you now have on your hands.

I believe that there is still time for some more calm reason to apply in the circumstances. Again I want to fault the minister and I say this seriously, that this is no time for the minister to be running full page ads attempting to counter the arguments that are being made by other groups.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. CAMERON:** — All of us who have been meeting with trustees and teachers now for several weeks in respect to this bill and with respect to Bill 43, I think, can see that there is room for some reasoned compromise in respect to some of the situations. What is baffling us is why the minister is not taking the opportunity that is there for him, why the minister is not referring the bill to the Education Committee for example, or why the minister is not attempting to work out some of these difficult areas. Some of them are matters of semantics only and with a little good will and a little solid effort to work them out, I am sure many of them would disappear in the process.

Let me make one example, to begin with and I covered this a bit on Friday. The teachers

want the right, fundamentally, to have determined the question whether their dismissal was justified in the circumstances. Therefore, they are in favor of a board of reference whose decisions are binding. The trustees, on the other hand, have indicated that they don't want that because it questions their right to make that decision. I have detected in the course of my discussions and some of my colleagues have as well, that there is ground upon which the two groups could be brought together. That is if you did provide a right of appeal - it would have to be an expeditious one, not a long drawn out one, it would have to be a fairly limited one - I think you would meet the satisfaction of the teachers who have resisted an appeal but if you did it in the correct way I think you could get their agreement to do it. The trustees on the other hand, saw that there was an opportunity to appeal from a binding decision of a board of reference. Their attitude I think with respect to the board of reference's decisions being binding would be quite different. Now what we wonder is why the minister doesn't make a genuine effort to seek some compromise in that respect. We think it's there to be had. There can be a right of appeal from a binding decision of the board of reference to a court of Queen's Bench Judge built into the act. It can be a quick right of appeal and quick appeal, with relatively simple rules that apply to it, so that it is not tied up for six or eight months or 10 months or 12 months, but it can be done quickly. All one has to do is apply a little ingenuity to that and you can do it. If you would manage to do that, which the teachers would accept if you could only convince them that the right of appeal would be a quick remedy, an expeditious one without all of the great deal of expense attached to it, they would accept that. And if you got that approval from them, the trustees, as I read them on the other hand, would be quite happy to accept a binding decision from the Board of Reference providing there was a fundamental right of appeal.

More than that, more than that I ask you, again. We have long had, as a tradition of our situation, a right to appeal binding decisions. If the minister or any other member of this government attempted to legislate away from people their fundamental right to have a decision binding upon them in the courts appealed, he would have a great problem on his hands. People would be up in arms. They will not see that fundamental right, which has been theirs for so long, eroded. The question is why? Have we allowed in areas of highway traffic, where the Highway Traffic Board makes binding decisions without appeal; the Labour Relations Board makes decisions without appeal. We saw the Medstead situation and the very real difficulties that can cause for people when you remove a fundamental right that has long been theirs, at least in their conception of the schemes of things. Maybe they haven't run up against a decision like that in the Medstead school unit case, with the Labour Relations Board and find they had no appeal. They didn't realize they didn't have one until that happened.

But you can see the frustration that builds into people immediately when you cut off access to a remedy that they have had for 100 years. Bring that back as a sort of broad support for building in some right of appeal to a binding decision of a Board of Reference in this act and we ought to have it.

Mr. Speaker, I said that in respect to that particular provision of the bill there were one or two things that we had to do. The second was the scope of the potential inquiry by the Board of Reference is potentially too large. I referred the minister to the particular section of the act that does that. I said I would draft for him an amendment and I have an amendment ready for that, which I will give to him.

The third area, a problem with the way in which it is currently set up and I made it clear that I accept it. I personally accept as a matter of right, the teachers fundamental right, to have the decision of whether or not his or her firing was justified, determined in some

binding way by a Board of Reference.

The third area, where we have problems here, is you have limited in your bill, the decision of the Board of Reference to, in the first instant, confirmation of the firing or alternatively reinstatement. Before the Board of Reference, under this bill, can consider what else it might do, or what in addition it might do, it first has to make that determination. Then it is limited to making an additional order. And if you limit someone to make an additional order it means an additional order. It means they can't make such other order.

What I suggest to the minister is that we ought to have built into that section and to section 221, a subsection (d) as follows, wiping out the one that currently exists. And it should say:

That where in the circumstances it is in the opinion of the board inappropriate to order continuation of the contract, even though the termination of the contract was unjustified, the board may award damages in lieu of reinstatement in such amount, having regard to the age, length of employment and prospects for employment as a teacher in Saskatchewan, that is fair and equitable.

That is the power that you have to give to these Boards of Reference. In other words, when the board finds, in a given particular situation in a community, that reinstatement is an inappropriate remedy for practical reasons and they exist all the time the board has to have the power to compensate the teacher by way of damages in lieu of reinstatement.

Now let us suppose that there were six or eight months to go on the teacher's contract. You can see that the minimum level of damage there is six months. Now there is more damage. Suppose the teacher was 52 years old and had been teaching in that particular system for 12 years. And suppose there isn't an early and ready opportunity for the teacher to go elsewhere and yet the dismissal had been held to be unjustified. What do you do? Six months damages are clearly inappropriate. In that case the board should, perhaps, be expected to pay a couple of years of salary in lieu of reinstatement, because if you take a teacher at 52, who has been teaching in the system for 12 years and in a tight market situation like we are currently in and getting in on the province, and they don't have ready employment elsewhere in the province as a teacher, and the dismissal has been unjustified; you can't reinstate. What does the board have to do? They have to seek ways to compensate the teacher for the injustice and in that event it ought to be considerably more than six months salary as damages in lieu of reinstatement. That is what we are saying has to be addressed in respect to that section of the act.

In some ways, on the other hand, that particular section is too wide because it gives the Board of Reference power to make any decision and any recommendation. The question there is, why do you want to give boards the power to make any recommendations, the Board of Reference?

They may make a recommendation about the way in which the principal has been dealing with the teacher even though that is not the issue before them, or they may find some question of some interference by a board member but that is not the question before them. What I'm saying there is, that on one hand you have been too restrictive in

terms of the powers that they have, and yet too wide in terms of some of the orders they can make on the other hand. I think you have to have a look at that section and I recommend the draft that I am about to give to you.

Secondly, I think you have to, as a matter of practical application, give to the board of reference the right to determine who ought to pay and to what extent, the cost of the inquiry and the proceedings before the board. Those have a very real benefit. Let me give you a practical illustration of this. Suppose the teacher is dismissed. The teacher knows reasonably well whether or not it is a questionable decision. If you're fired you know pretty much whether you have been wrong or whether you are in the right. If it's a grey area you have the right to go to the board of reference. If it is not a grey area, where you know you have been fired with just cause, there ought to be some break to taking proceedings before the board of reference. There ought to be some disadvantage attached to it, in other words some persuasive element that would persuade you not to do it. One of the ways to do it is to provide that in those instances, the party who lost the case before the board of reference in an area that wasn't grey, would be liable for some of the costs of the board of reference.

If it was the teacher who was clearly wrong, the teacher would bear the cost of the board of reference. If it was the local education board that was clearly wrong in the situation, they would have to cover the costs or at least some portion of the costs, whatever the board of reference thought was fair and equitable under the circumstances, of the proceedings. This has always been a feature of our law and one of the great advantages of it is that it stops frivolous proceedings before boards, because there is a penalty of a kind to bear if you take a situation before a board and have it determined at great cost when it should never have happened. So we ought to have another section built into section 221, and that is giving the board of reference power to make such order as to costs of an incidental to the proceedings as the board in all of the circumstances thinks fit.

Mr. Speaker, when we say that the bill meets no one's expectations and it is a very imperfect piece of legislation — it clearly is and I think we all recognize that there are many imperfections about it — if you look at the section of the act that provides for in what circumstances a board of reference may make a binding decision, you find that it doesn't apply in the first two years of employment by a teacher. Now the teachers wanted a binding decision of the board of reference extended to the moment employment commenced. The trustees on the other hand, didn't want it to kick in at all, and if at all only after two years. Well, the act is a bit of a compromise here, it doesn't satisfy the teachers because in the first two years we will have a probationary period when teachers don't have access to a binding board of reference to determine whether the dismissal has been unjustified. That is not satisfactory to the teachers and they would prefer otherwise.

You can see that there is an area in which it doesn't meet their expectations fully. There is another area as well in which it doesn't meet the teachers' expectations and that is with respect to the section dealing with local bargaining. It sets out the six items that may be bargained before the local board. As members know and as the Minister of Education will know very well, this section has again been a point of contention between teachers and trustees. The section currently gives power in the act to bargain locally, six items: sabbaticals, education leave, salaries for substitutes, the term of the agreement pay periods for teachers, and special allowances for teachers during the year. Then there is the section in the act that says they can bargain together whatever other items they mutually agree upon. They haven't yet agreed upon another item. The

trustees have taken the position that they will bargain only with respect to those six items. The teachers have said that there are a lot of other areas that they would like to bargain. The trustees say that unless there is mutual agreement between the two of us there is no obligation to bargain. You know the problems that that has led to on the local bargaining level between teachers and trustees.

What the teachers would want there I think, is to first of all, wipe out those six items and open up the field totally to free collective bargaining in every respect, including pupil-teacher ratio, and the matter of the plant, that is, the condition of the school and those sorts of things. There is a section that is not satisfactory to the teachers. There is a section which meets the requests of the trustees better than it meets the requests of the teachers. I use that only as an illustration to make my point again, that the act is an imperfect solution.

What is most of all required is some balanced thought in respect of it. Now I say all that to lay the groundwork for this. We should be searching, searching for ways and there are ways in my view with some better goodwill, to settle the main matters of contention that exist now between the teachers and trustees. The minister laughs at that suggestion, but I tell you if you sit down with good will and talk to these people, as we have all been doing now for weeks, I think that there are areas in which you could seek some agreement between them, if only you did not continue to run those inflammatory ads to begin with and if only you would somehow settle down the situation you created by your several changes of course, during the course of bringing this thing before us.

Mr. Speaker, I have not seen an example of wet finger politics, a better one, in my stay here than a letter sent out, a statement by Harold Lane, MLA education critic for the Progressive Conservative Party of Saskatchewan to all teachers and trustees. Now he sets about in a page to discuss Bill 22, a complex bill — a complex bill — in which we know there are areas where it is very difficult to draw consensus between the teachers and the trustees.

Does the letter address itself to any single one of those areas of difficulty? The answer is, No it does not. It says this: 'The education of our young people is far too important a topic to allow critical polarization to take precedence over common sense solutions to problems.' Whom does he think that is going to fool? A statement of that kind is motherhood in the extreme, we all agree — we all agree, no problem with that whatever. Then he says on the other hand, that fundamental decisions in education must be made in the Legislative Chamber by representatives of 'all political parties' — all political parties. But how do you get decisions made by political parties except in a political atmosphere in a political forum? Yet he says in his first paragraph, 'The decisions are far too important for the politicians to make.' He says, 'We believe strongly that political parties should never act on behalf of one group or another.' Well occasionally you have to make decisions. Sometimes your decisions will accord with the desires of one group and at other times they won't.

What I am saying here is that we have tried, in assessing this bill, to take stances in respect of each particular area — some of those the trustees will be in agreement with us — with respect to some others, the teachers will be in agreement with us. They will not agree with us in total any more than they will agree with the government in total. Believe me, neither one, after having received a piece of pap like this, will agree with the Progressive Conservative Party, you can be sure.

He says, 'For this reason, we believe that three basic changes should occur in the

development of education legislation in the province; number one, teachers must receive increasing respect from the community (as though you were going to legislate that) through, (to quote him) 'improvement in the rights as professional people, including increasing the rights of discipline of themselves as all other professional organizations have.' Now, who among us disagrees with that? None! That is not even an essential question before us. It is merely a paragraph thrown into the letter to somehow give the impression that we are getting over a little closer to the teachers' position.

Then it says, 'Secondly, basic education decisions must be made at the local level with the provincial Department of Education decisions in education confined to acting as an advisor and not a dictator.' Well again of course, none of us would disagree with that. What an insult is the whole letter to the intelligence of both the trustees and teachers to say that — to say that.

Then he says, 'Number three, fundamental decisions on education must be made in the Legislative Chamber by representatives of all political parties not in the confines of the Cabinet Office by one political party, through regulation.' Well the fact of the matter is that the bill is very extensive, one of the most extensive, if not the most extensive pieces of legislation we have ever had before us — 141 pages, 376 sections — very comprehensive because it is a compilation of several enactments. What does he think these are if these aren't decisions being made by the Legislative Assembly? The sad part of it is, I wonder why he did not address himself to those that are being made here — in these 376 sections of the bill.

Then they set up in this letter the three reasons why they are going to vote against this bill: first, because teachers have to be accorded more respect in the community; secondly, basic education decisions should be a matter of sort of a local level, not have the Department of Education being the big dictator; and thirdly, the decisions have to be made here as to what our school law is to be. It says the White Paper on Education Bill 43 and Bill 22 all fall in this respect, every one of them, every one of them. Well, what nonsense! There comes a time you know when every political group has to have the courage to say where they stand in respect of a given situation and it is true in respect to the sections in this act that cause problems between teachers and trustees — little value for the Conservatives to ream off three sort of general propositions with respect to which none of us would disagree. Some sort of calculated to gain the favor of the trustee and others calculated to gain the favor of the teacher and then said for all those reasons we have problems with respect to it. What I ask them is, is what would they do in these circumstances? And it is fair enough when government members say to us - what would you do - as they have been saying to us, because the situation is a difficult one because there have been disagreements for 17 years. What would you people do? We have been trying to tell you what we would do with respect to some amendments to the acts and we have had the courage to indicate what our view is with respect to those.

Now the one thing is, we surely in these circumstances, all of us here and all the trustees and all the teachers and all of the parents in the province should surely be able to expect from the Leader of the Conservative Party a statement on behalf of his party in this House as to where they are in respect of these contentious issues.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. CAMERON:** — Yet, of course, we hear nothing. And I am sure that this little effort at wet finger politics which we see the Conservative Party engage in so often, you know,

wet your finger and see which way the wind is blowing, is the kind of thing that is going to catch up with them and they are here dealing with two very intelligent groups, the trustees on the one hand and teachers on the other hand.

What I am saying now to the Leader of the Conservative Party and their former education critic, who knows more about education than any member in the Conservative caucus, to rise in the House and challenge them and tell them where they stand in respect of these issues.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. CAMERON:** — Why has the member for Rosetown-Elrose (Mr. Bailey) not spoken on this bill? Why? He was their critic in education. He knows more about education than any member in the Conservative caucus. We all know he wants to speak. We all know he has been telling the trustees he is going to speak and yet he hasn't spoken. The question you have to ask is why has he not done that? I think we all know the answer. We all know the answer that it's the wont of the Leader of the Conservative Party to get himself out every time he is faced with a tough issue. He doesn't want to make decisions. He didn't want to make them in respect of other acts that came before the House and he is not prepared to make them now. People will not accept that when they just understand that he, too, has got to make some tough decisions on where he stands in respect of some issues. He hasn't spoken on this bill, the most important piece of legislation before the House. He spent hours upon hours ragging around some piddling little issue in Estimates and doesn't address himself to this bill.

The member for Rosetown-Elrose, a respected voice in respect of education, he hasn't spoken on this bill despite his obvious desire to do it. The question is why? Because the Leader of the Conservative Party is afraid to have the member for Rosetown-Elrose speak in respect of the bill for fear that he simply is going to do a careful analysis of it. He isn't going to give you the sort of namby-pamby talk that appears in this letter. What he is going to do is give his analysis, section by section, of the bill in the same way we have been trying to do because that's his habit to do that. I would venture to guess that he would have two hours of speech if he could give it to us, but he is not being permitted to give it to us because the Leader of the Conservative Party is afraid of that kind of careful analysis that the member for Rosetown-Elrose would do in respect of the bill. Instead, he gives to us the member for Saskatoon-Sutherland (Mr. Lane), their new education critic, who gives to the teachers and trustees and gives to the House nothing in the way of any thoughtful analysis about what we ought to do in these circumstances.

Mr. Speaker, I want to underline that point by again saying to the Leader of the Conservative Party and the member for Rosetown-Elrose, that I challenge them both to rise in this debate and put their thoughts and their party's position clearly on the line as we have done. And I am going to send the Minister of Education the amendments I have ready at this point in time. I will also do another amendment for him and that's an amendment providing the right of appeal. I say to you that with a sincere effort to do it a quick right of appeal could be built into the act and I think that would go a long way in satisfying concerns of both the teachers and the trustees.

It is unfortunate, Mr. Speaker, that we couldn't have had this bill go before the Education Committee. If there ever was a time when a matter in the Legislature should have gone before one of its standing committees it was this one. There is no reason, no

defensible reason why this bill isn't in that committee receiving a clause by clause analysis with both the teachers and the trustees present so that they could make their arguments to us and so that we could seek some common ground to meet those arguments as responsible members. Those members who sat in on the committee of the Legislature which dealt with The Medical Professions Act or some of those other statutes that were before us saw the value in those committees, that you get a good analysis of the legislation clause by clause, you get to hear in full what exactly the concerns of each side are in the presence of both, incidentally, in the presence of all members and then there emerges among members a sort of general desire to kind of bring them together and put together some amendments which will meet both sides. Most opposition members are no less responsible in that respect than is the government. Yet the minister says he will not convene or refer the bill to the education committee. That is where the bill should be. Until we get some better understanding among teachers and trustees, that committee should continue to sit. It should not end when the session is over if it has not yet completed its deliberations. It should continue to sit. One of its mandates should be to try to bring the parties together and then it would continue on until they have reached the point, and I believe that it is a point that can be had, where there is some better consensus between the two groups than currently. Then it reports back to the Legislature and, if need be, the Legislature could be convened to deal with the matter at that stage.

I tell you where you failed is in talking to these groups, and we have all seen it in talking to them. We have spent now hours talking to both trustees and teachers. There are middle grounds. It just takes some ingenuity and some better sort of good will and understanding to bring them together. I think the education committee could have done that. I would urge again, as a last point, Mr. Speaker, urge the Minister of Education to reconsider that point and refer the matter to the education committee. With that, Mr. Speaker, until we reach Committee of the Whole, when I will be putting forward to the minister amendments in other areas more specifically, I have no additional comments but to again urge the minister to reconsider the course that he is on to bring the groups together and to bring about a better feeling of understanding and good will and trust among these people, who all are essentially reasonable people.

**MR. C.P. MacDONALD (Indian Head - Wolseley):** — Mr. Speaker, I am going to adjourn the debate today but I want to add a comment to what my colleague has said. The more I listen to my colleagues, the more I have to try to straighten out my own thinking and I say that in all sincerity because the member has indicated it would appear that the only people who are interested on speaking on this bill happen to be the Liberal opposition. Now, the only two members on the government side on the most important piece of legislation that has been spoken or been introduced in this Assembly have been the Minister of Education, who had to speak, and the former Minister of Education, who started it. The Premier has been silent and the only person who has spoken from the Conservatives is, of course, the education critic and then they have been strangely silent now for two weeks or more than two weeks. Members of the Liberal opposition have been attempting to analyze the bill at a very constructive fashion and trying to discuss it in a public way so that people and citizens of the province of Saskatchewan have an opportunity to speak. I am going to make one comment and my comments on the bill are going to be this. I am going to speak the next time the bill is introduced but I would hope that when I sit down, other members of the government, including the Premier, will get up and discuss this bill. He was a former Minister of Education. He is well versed on the educational policies and problems in Saskatchewan.

Let me tell the minister that I said before, and I say again, there is no way that I can

support this bill as long as it is going to be one that is going to generate conflict and controversy in the forces that are supposed to be bringing in harmony and are supposed to be providing the leadership in the educational circles of Saskatchewan. There is no way that I can support a bill which has been introduced in the kind and the way and fashion that this bill was introduced as outlined by the member for Regina South.

What really bothered me more than anything else is that I think the original intention of the bill was destroyed and the government attempted to slip in the side door with the excuse of trying to consolidate education acts in the province — an opportunity to gain some political support from either one group or the other, at the expense of the other group which is so vitally concerned about the education of our children in Saskatchewan.

Mr. Speaker, I am going to sit down. I have quite a few remarks to make on the next occasion that this bill comes before the House. I would hope that before I resume speaking, putting forth the ideas and the thoughts that I have on Bill 22, we will have an opportunity to hear from the Premier. We will have an opportunity to hear from other members of the Treasury Benches who, like the Minister of Education, were responsible for changing their course in the middle of the stream and letting Bill 43 die on the order paper and reintroducing a bill with the controversial aspect of the bill taking a complete 'about face'. I would hope then that also not only members of the Treasury Benches get up and speak on this bill, but also members of the Conservative Party because of its importance and its significance. I do not think, and I am not going to be as critical as the member for Regina South, but I want to repeat that every time it seems we need the Conservative Party in Saskatchewan they sit silent. I think we do need them now and I would like to join forces with the Leader of the Conservative Party in trying to bring about constructive changes in this particular bill. Whether it was the potash debate or Bill 47 or whenever there is anything controversial and we need some help and support in opposition to the government, there seems to be a strange, strange, silence. I think it is time now that perhaps they will come forward and I think they should be given an opportunity as other members of the Treasury Benches, Mr. Speaker, I therefore, beg leave to adjourn the debate.

Debate adjourned.

## **COMMITTEE OF FINANCE - TRANSPORTATION AGENCY OF SASKATCHEWAN - VOTE 41**

**HON. G. MacMURCHY (Minister of Municipal Affairs):** — While we are waiting, Mr. Deputy Chairman, I'll introduce Gerry Gartner who is executive director of the Agency, and Ernest Stenen who is the administrative officer.

### **ITEM 1**

**MR. R. KATZMAN (Rosthern):** — Mr. Chairman, just one question here. Last night while we were in this article, all through the votes you identified sums of money for metric conversion, as was done in many departments within Municipal Affairs and the Transportation Agency and some of SGIO. Could you state the amounts if there is anything in items 1 to 4 inclusive that is for metric again?

**MR. MacMURCHY:** — There aren't any amounts at all in this 1 to 4 subvotes for metric conversion.

**MR. S.J. CAMERON (Regina South):** — I wanted to ask the minister, Mr. Chairman, whether there has been any thought given in the past period to some right of appeal from decisions of the Highway Traffic Board. As you know currently, the board operates in two respects that I consider to be bad . . .

**MR. CHAIRMAN:** — Order, order!

**MR. MacMURCHY:** — I would like to remind the hon. member that we are on the Transportation Agency, rather than the Highway Traffic Board.

**MR. CAMERON:** — If you like, I'll raise those questions with you at some later point.

**MR. MacMURCHY:** — It doesn't matter. O.K.

**MR. R.A. LARTER (Estevan):** — Mr. Chairman, could you tell us what the \$57,740 is for?

**MR. MacMURCHY:** — Permanent salaries.

**MR. LARTER:** — Mr. Minister, could you tell me what these three people do, what this portion of the item is?

**MR. MacMURCHY:** — It is the executive administration. It provides for salary for the special assistant to the minister. It provides for salary for the secretary to the minister and the assistant secretary to the minister.

**MR. LARTER:** — Mr. Minister, would you explain exactly the purpose of the Transportation Agency of Saskatchewan

**MR. MacMURCHY** — I think, to simplify it without a long speech, Mr. Chairman, the duties of the Agency are to develop greater coherence, strengthen compatibility in transportation policy, formulation and programming; provide a mechanism for effective government decision-making in the area of transportation policy and programming and lead the related agency in a process of developing coherent program efforts that will result in an optimum transportation system for the province. In other words, shortly put, it's an agency to try to develop overall policy strategies in transportation for the province. It has dealt specifically so far in the area of rail and in the area of air.

**MR. LARTER:** — Can the minister tell me just with CP and CN leaving the trucking lines, do you have anything further that this agency has done towards co-ordinating private trucking firms to offset the service that some of the communities are not getting at this time?

**MR. MacMURCHY:** — I don't think we can respond by saying that anything specific is happening with respect to the agency although they have been working with the Highway Traffic Board in an attempt to meet the short term problem as a result of CN and CP leaving. What is happening as a part of the Transportation Agency is a study that is being conducted by the Transportation Advisory Council into trucking services or transportation services into rural Saskatchewan. That work was begun last fall. I think, as I recall, the agency has held a number of hearings related to this issue and will be reporting back to the government probably this spring on some recommendations in order to meet the longer term problems of transportation.

**MR. LARTER:** — Mr. Chairman, could I ask the minister if he has had any indication - Mr. Minister, first of all, are most of these questions pertinent to this agency or to highway traffic?

**MR. MacMURCHY:** — Yes, this agency.

**MR. LARTER:** — I would like to ask the minister, does he have at the present time any indication that Soo freight is now going to pull back on some of its services, for instance Estevan and the Soo line?

**MR. MacMURCHY:** — We have no indication at this time.

**MR. KATZMAN:** — You said earlier that you did some research. Did you do any research - to advise on policy I should have commented - did you do any work on the tire size versus the weight of the trailer, how many tires, what weight, so forth, before some of the recommendations - it had been rather heated in this House - came before us?

**MR. MacMURCHY:** — No, not in any detail, so far as either of the Highway Traffic Board or the Transportation Agency in the past year. The Department of Highways, because of their new experimental track or whatever it's called, will be conducting that research and will be in a position to do so.

**MR. KATZMAN:** — Well, last year in the House there was much discussion about load limits and you said this department sent recommendations to the government for background on some policies. I am asking, did they do research and if part of this money for research went towards that type of thing?

**MR. MacMURCHY:** — I think I was careful to respond to the hon. member within his previous question an answer to indicate that within the past year and at present, that there has been a change in the situation so far as load limits are concerned on municipal roads and that has come about as a result of the Hall Commission's recommendations, particularly as they relate to the branch line system. After discussion with SARM whom we were working with on the load limit issue, it was decided to set aside the issue in terms of any kind of final decision until we were both able to see how the recommendations have all ended up.

**MR. KATZMAN:** — So nothing has been done in the last two years on this one, I realize. Did they do work before? I notice for an example, the staff complement in item no. 3 has gone from 11 to 19 where all other staff items — the first two stayed the same and what was the work that they were doing if it was strictly just rail and air, what type of rail and what type of air were they working on?

**MR. MacMURCHY:** — Well, you are talking about the last two years I take it. You are talking about subvote 3, are you, that the numbers have gone from 11 to 19? Now the increase in staff relates basically to the work with respect to the Hall Commission, the hearings and the follow-up to the Hall Commission and the increased emphasis in examining various air strategies.

**MR. KATZMAN:** — Also in the 1977 estimates you had a different vote for your fourth vote which was six individuals and it was called Community Service and now it is called Traffic Safety. Could you explain the change and what has happened there?

**MR. MacMURCHY:** — The Community Service became part of the transportation group when we established a special group, for last year, because of Safety '77 for traffic safety and we are continuing it, not to the level of last year, but we are continuing it this year.

**MR. KATZMAN:** — So what you are telling me is that six moved in with the 11, which gives you 17 and you have only had an increase of 2 staff, in item 3?

**MR. MacMURCHY:** — Yes.

**MR. KATZMAN:** — The fourth item is strictly going to be traffic safety and is their concept, you said rolled back and how far?

**MR. MacMURCHY:** — Well, the one person remains and that is Mr. Carl Shills, who co-ordinated Safety '77 and will continue with our traffic safety program, this year. You will note that the amount of the subvote has been reduced from \$410,000 to \$292,000, so it is slightly over \$100,000 reduction.

**MR. KATZMAN:** — On item 1, you mentioned who the three staff were. Basically, the three staff are an executive assistant and two secretaries to write the letters. Is that assumption right or wrong?

**MR. MacMURCHY:** — The people are - the special assistant to the minister, that is Mr. Cooper; the secretary to the minister, who is my secretary and that is Mrs. Zazulak and the assistant secretary to myself and that is Mrs. Harper.

**MR. KATZMAN:** — Well, my question is, I missed the first part of Municipal Affairs when you did them the other day and I apologize for that, but how many secretaries and executive assistants has the minister got, or special assistants, in each of his other departments? I may be off the wrong item, but for the first time I realize that that is where you have covered them.

**MR. MacMURCHY:** — Under Municipal Affairs there are no secretaries. There is one executive assistant, Mr. Ivan Patton.

**MR. KATZMAN:** — So you are saying this is the vote that all your secretaries are in and your vote for your executive assistant is in Municipal Affairs?

**MR. MacMURCHY:** — Yes.

**MR. CAMERON:** — Mr. Chairman, one of my great feelings in this House was to have voted, in the first instance, for the establishment of this agency. I remember when the minister brought it before us, three years ago. I thought, and he explained to us, that what we needed was a distinct arm of government, with the personnel and the financing to be able to look into, from a provincial aspect, some of the transportation issues that were confronting us and there were clearly very serious ones and serious ones continue to confront us. I actually voted to set up this agency. I remember saying, at the time, to the minister that I was a little concerned that it not become merely another political arm of the government, sort of propaganda machine for the government. I say that my assessment now having seen this in operation three years later, and the assessment of our group is that it is a failure and a fiasco.

What it merely is, it has become the propaganda arm of the government with respect to

transportation issues. We threw some \$700,000 into this agency in the first year of its existence. Last year \$1.2 million and this year \$1.1 million. That \$3 million has been \$3 million that has been used, by and large, for the political purposes of the NDP in Saskatchewan and not any very essential purpose of the government. What did it do?

It issued a booklet on the crowrates at great expense, great distribution. That booklet was a fraud. It was a fraud. It opened up, in its very first sentence by saying, the federal government had reached a decision to do away with the crowrates. I never once heard the minister give any apology for that, nor did I hear anybody from the Transportation Agency indicate that was in any way wrong. We all know it was wrong; he was challenged on it. Never an apology. It was the abuse of government funds to put across a political message and one that was a fraud, a clear fraud.

There never has been, and there isn't now, a decision to do away with the crowrates by any level of government. And yet that pamphlet opened by saying there was. And then it went on to make the most suspect analysis that one could imagine in respect to the transportation question in regard to rail and rail abandonment, or rail rehabilitation and the rates on rail for grain.

Even a political propagandist, who wasn't at all concerned about sort of having any balance in mind, because it is a government publication, couldn't have written a more one-sided piece than that pamphlet. All it has become, I tell you, is a propaganda arm for the NDP in respect to their own political concerns.

Secondly, if you look at the staff that has been hired by this agency, you will find not so much experts in transportation, but you will find a whole array of political scientists. The agency has become a dumping ground for political scientists. Tell me what a political scientist can tell you about analysing whether a given rate and a given situation is adequate, the way it is being done, or whether it should be done in some other way or whether the Canadian Transportation Commission should be given some information in one respect and not in another respect or any other question that deals with the real questions of transportation. You don't go to your political scientists and this agency has become ripe with them. What you go to is people that know something about transportation. You have done one good thing in this agency and that is analyse for the time that I know of (and honestly) some of the rail costs in respect of moving grain and put those before the Hall Commission or before Snavely rather, indicating (and it was an interesting indication from the provincial government of Saskatchewan that the railways were actually losing money on the movement of grain) that was one effort in the two years of existence of this agency that I thought had any merit to it. Otherwise it has been used principally for propaganda. Now we are seeing another area in respect of which the minister is using the agency for the same purposes and that's in the area of rail rehabilitation.

All members know that there has been the Hall study, the Snavely study, that for the first time in this province's history the questions that Hall was asked to address and the questions that Snavely was asked to address have been addressed in a fundamentally sound and honest way to determine:

- (1) What is the real cost of moving grain which was Snavely's term of reference and;
- (2) Hall - the essential term of reference being what sort of railway system are we going to have for the movement of grain in the future?

A good analysis made by each, an honest analysis, the first time anyone has really come to grips with these questions in some fundamentally sound way. And yet we continue to see politics played in respect of them by the minister and this agency.

What we want in the grain handling system is a grain handling system which is the best that money can buy realistically. We can't preserve 20,000 plus miles of line and the minister knows that. Hall recognized that. He took those lines, 12,000 some odd miles of them, set them aside as a permanent network. He then took a middle group of lines, some 2,000 of them and said they require some additional analysis and then, thirdly, with another group of lines said they ought to be abandoned. Those lines that ought to be abandoned, according to Hall, are being abandoned subject only to one thing, some additional analysis, careful analysis in the communities.

As to the second category of lines the minister would know and full well that to establish a prairie rail authority by way of legislation, given the make-up of that House of Commons, is a year and one-half proposition. So in the meantime, you establish a prairie rail action committee, members of whom are widely regarded in the community as fair-minded, non-partisans who are now making recommendations that have to be made (some of them quickly) to the Minister of Transport as to whether a line ought to be maintained or abandoned.

The Saskatchewan Wheat Pool has accepted that fully. They have had lines, occasionally, and the Spiritwood one is a prime example, where a decision had to be made quickly where you couldn't wait for a year and one-half or two years until some piece of legislation got through the House of Commons establishing a prairie rail authority. So the Prairie Rail Action Committee, in the meantime, recommended that that line ought to be put into the permanent network and work started immediately on its upgrading. That decision was accepted. The Saskatchewan Wheat Pool and other people in the grain industry accepted that recommendation, were very pleased to get it and get it promptly and that, of course, has given a whole new lease on life to those people in that community because elevators are now being rebuilt as a consequence of that. If the minister had his way we would wait two years before that decision would have been made.

What do I come back to? To upgrade the prairie branchline system in the prairies, as the minister knows, requires a commitment of funds of something in the order of \$700 million. That is more money for upgrading the prairie branchline grain system than what you have put into the purchase of potash mines. It's considerably more money than went into the construction of the Trans Canada Highway by the federal government as its proportion. That was a figure of some \$70 million or \$75 million. I give you those figures to show you the enormity of the federal commitment of funding to upgrade the prairie rail branchline grain system, Mr. Speaker, \$700 million. The first \$100 million was granted in respect of the last year and is now being used in respect of the purchase by the railways of equipment which will permit them to upgrade and secondly, in the actual work that is now going on on some lines.

Then the question was, how much further would the federal government go in terms of committing the money that was required? To go to the federal government in these circumstances and ask for some additional \$600 million is no small task. As I say, to put it into perspective, that's more money than you people spent on acquiring your potash mines. That's how large a sum of money is involved. The federal government has committed itself to the expenditure of some \$75 million or \$70 million over the course of the next eight years and has undertaken a large-scale complete rehabilitation of the

permanent prairie branchline system on the prairies, a tremendous commitment on behalf of that government. Yet we continue to see the minister and this little political agency of his continue to chip away at these things, chip away because a line here is being abandoned when Hall said it ought to be abandoned if we can't continue to have it completed in full. No recognition of the real problem and the real effort to solve the problem in some real way, but always play politics in respect of the situation.

I say this agency, in my view, is a complete failure, a complete fiasco and I am sorry that I ever got drawn in by the minister to vote for it. It is staffed with more political scientists in my view, and more politicians than it is with transport experts and it is doing nothing except to further the political interests of the NDP in this area.

**MR. MacMURCHY:** — Well, Mr. Chairman, I obviously differ with the hon. member for Regina who is the supposed transportation expert as well, by saying that I think the Transportation Agency has done an outstanding job for the people of Saskatchewan. I think if the hon. member went out to the small communities of Saskatchewan and talked with them about the efforts of the people who work in the Transportation Agency, particularly as it relates to their efforts in assisting those communities and making presentations to the Hall Commission, and attempting to deal with the trucking problems that they face as a result of the withdrawal of CN and CP, that the answer will be entirely different.

I want to make it very clear to the hon. member that the position of this government which is shared by the Manitoba government and the Alberta government and the British Columbia government, is that we support the implementation of the recommendations of the Hall Report. Now there are three or four key recommendations — let's say three. One, relating to the Crow's Nest rates and that is very clear. To say that this booklet is a political document of the NDP and doesn't clearly state a position of this government with respect to the Crow's Nest rates, I think that is false because certainly this is the position of this government on the Crow's Nest rates and if it differs from the position that hon. member would like to put forward as the Liberal Party or as the federal government, then fine, but there is not a question, Mr. Chairman, that there is consideration by the Ottawa government in terms of dealing with the Crow's Nest rates. There is talk about the benefits of Crow's Nest rates and all of the other items that come forward from the federal government, additionally the comments of the minister with respect to user-pay.

The second major item in the Hall Report so far as western Canada is concerned and Saskatchewan is concerned, is the matter of agriculture related and the movement of those goods at Crow's Nest related rates.

The third which the hon. member talked about is the branch lines, and Hall made it very, very clear that the railways should be paid the difference between what it costs to move grain and the Crow's Nest rates. That payment should be made from the federal government. He said, given that fact then, the lines in the permanent system should not receive any kind of rehabilitation money from the taxpayer. He also said though, that there were some lines which would require rehabilitation money. Those 2,300 miles he designated to be placed under a prairie rail authority — a body with some power and some bite, a body to do some things. Not a committee of the ministers to recommend but a legislative body, a Crown corporation in a sense, a corporation to run in a sense, a railway, to administer some lines and enter into contracts with the railways to operate on those lines. That sort of thing.

Now I don't know whether it would take a year and one-half in order to put legislation forward before the House of Commons to establish such a Crown corporation or such a body. It doesn't seem to be that difficult. In fact in discussions earlier with the Honorable Mr. Lang, the Minister of Transport, he talked in terms of legislation as early as this year, during this session. Now it has obviously become a problem because of the election but that is the case.

So while the hon. member and his friend at Ottawa can criticize this government and other western governments for being negative with respect to the policies brought forward by the federal government with respect to the implementations of the Hall Report, I don't think that the hon. member can accuse us of being negative with respect to the recommendations of that report. In fact we have been very, very positive and it's to the benefit of all western provinces, particularly the prairie provinces, to see each of those Hall recommendations implemented and implemented fully.

**MR. CAMERON:** — Mr. Chairman, the principle function of and I am sure the Minister understands this, was to determine what the prairie branch line system for the movement of grain was to consist of into the future. We all know that the prairie branch line system was constructed back in the early 1900s. We have on the prairies some 20,000 miles of line. We all know that we can't, however desirable it may be, maintain those 20,000 miles of line because the expense is prohibitive. Circumstances have changed immensely since that 20,000 miles of line were constructed. It was leading to much inefficiency as the minister will know between the CPR going one way and the CNR going in another direction. There were lots of inefficiencies. I didn't get into all the detail, the minister understands the details very well. But that was the subject that Hall was to address himself to in the main. Tell us, in other words, Hall was told, how is the prairie branch line to look into the future? How many miles can we have by way of permanent lines, realistically? How many miles should be abandoned? What additional sorts of measures have to be taken as between the two railways to improve the efficiency of the operation because many inefficiencies have grown into the system? That was his principle area of concern.

What did he do? Well, he described the permanent branch line system. Immediately that he did it, I think it was within two or three weeks, certainly within the first month following Hall's recommendations, the federal government established that as the permanent network. We now have for the first time in most of our memories the fundamental decision as to what will be the permanent network going into the next 20, 30, 40 years on the prairies. We now know what lines will stay permanently. There is another little category of lines where there is some uncertainty. Hall said that I can't really make a firm decision here because I need some additional information - 2,000 miles of line, approximately. He said it requires additional study, requires some additional sort of temporary operation until we can get a better handle on this thing in terms of the experience. The third category of lines he recommended should go because he said we can't afford to maintain the 20,000 miles of line. That was the principle thrust of Hall.

Along the way I agree with the minister that he said the crowrates should be preserved. He at least said this, too, that the difference between the real cost of moving grain and what the farmer is paying to move it by way of his rate has to be guaranteed by the federal government. The federal government has always said and continues to say that the difference between the rates the farmer pays, which are the crowrates and the real cost, which is quite a higher rate, will continue to be guaranteed by the federal government. It has said that we recognize that commitment; having been made first of

all in 1897, repeated in 1925 and continued ever since by the national government of this country that that is guaranteed to us in the way of something permanent and it will remain permanent. The federal government has always said it was going to be permanent. Not only are they saying it, Mr. Chairman, but they are meeting the responsibility.

Why do you think the federal government bought 8,000 hopper cars at the cost of \$250 million which are used exclusively to move prairie grain? It did so because the rate that the producer is paying was not meeting the cost and it was making up the difference by the purchase of 8,000 hopper cars at the taxpayers' expense. Why did it launch itself on a boxcar rehabilitation program four or five years ago when the boxcars were being put into the junk heap by the dozens daily? Since it stopped that and it took those old boxcars and said to the railways, rebuild them and we'll pay half the cost and they did it. They did that too recognizing that it is their responsibility to pay the difference between what the producer has to pay by way of the crowrates and what it's really costing. That was the second practical demonstration of its commitment.

Then it said, thirdly, that we, the federal government, on behalf of the nation will undertake to rebuild the prairie branch line system. The question is, why don't the railways do that? The question is, why don't the farmers do it? Those were the questions that were being asked. The federal government said, we're going to do it. We will undertake the responsibility to rebuild the prairie branch line grain system at a cost of \$700 million or \$800 million, a fantastic commitment of funding. Why? Because again it was living by what it has always said and that is it guarantees the difference between what it costs the producer on the one hand and what the real cost on the other hand is. Never has it said that it has decided or that it will ever decide to do away with the crowrates.

That's why I object to the minister's booklet and tell him that it was a fraud and it was a fraud. It opened up by saying that the decision has been made to do away with the crowrates. And that's nonsense. He knows that what the federal government has been saying in this entire piece is: 1. We recognize the responsibility that we have to cover the difference between the cost to the producer and the real cost. That's our responsibility because we have made the guarantees ever since 1897. We continue to accept that responsibility. The question is: how is it best met? That's the question. The federal government has said this is a decision for the prairies. If the prairies want to continue to have the benefit of the crow bestowed upon producers by the way of the crowrate, fine! If they would rather have it bestowed in some other way, which may solve some other problems along the way too, that's a decision for the prairies to make. The crowrates they have said is not going to be altered until the prairies themselves decide how they want to take the guarantee between real cost and what it cost the producer. That is a decision which remains in the prairies.

It's one thing to say — and I'm sure I don't waste my time in addressing some comments to the minister in some rational way in this way. You know and Hall recognized the difficulty between preserving the current rate on grain and the federal government making up the difference either by payment directly to the producer and to the railway because you are left still with the problem of the differential between the rate on grain and the rate on grain products. This part of the country, and Saskatchewan is the chief beneficiary of the problem, suffers a great deal because we have a low rate on grain, one that hasn't changed in 80 years and a much higher rate on grain products, livestock, rapeseed oil, rapeseed meal, to mention some examples. The consequence of that difference, the one being a rate that's been held at the same place for 80 years

on the raw product, and the other, paying the regular real rates on the finished product is to draw the raw product from out of the prairies to be processed elsewhere. The minister knows that. It's happening in respect of hogs, happening in respect of finished meat and livestock, happening in respect of rapeseed meal and rapeseed oil. The system is now of great disadvantage to the prairies because it's drawing the raw product elsewhere, whereas we ought to be finishing it here. We shouldn't be exporting barley to the Japanese, we should be exporting hogs or else some finished products. Our feed grain that that is fed to animals in Quebec, Ontario and in the Maritimes ought to be fed to the animals here. The rapeseed out to be crushed here, we should ship the meal, we should ship the oil. Why aren't those things happening in the way in which that they should be happening if we had the advantage naturally that we should have. Because of a differential between the low rate on grain on the one hand and the higher regular rate on all those other products, naturally it draws the raw product out of the region to be processed elsewhere.

You address yourself to the solution of that problem and tell me how to solve it, except by way of bringing all those products down to a freight rate that would have to be reduced back to an 1897 level, and I am prepared to listen to your agency's solutions. But that's not one that you have ever taken on that I have ever found any evidence of. Tell me how you would solve that problem, maintain the crowrates on grain which is 80 years old and at the same time, stop the raw product from going out of the prairie region to be processed elsewhere. Because as long as your rate on grain products being the rate on livestock, being the rate on hogs, being the rate on meat, rapeseed meal, rapeseed oil and so on are the rates way up here, it's only natural the raw product goes out. How would you solve that problem? You could take the rate on all those products and you can reduce it to the 1897 level which would be the same rate as the crowrate. Question: how much does that cost? The cost alone between the difference on grain, the cost to the producer, and the real cost as you know, is now in the order of \$200 million, \$300 million or \$400 million per year and becoming much more. Now, you may persuade a national government to cover that which we have all done but how do you persuade a national government to cover something that may be in the nature of \$1 billion a year by way of special subsidy to the prairie provinces?

**MR. COLLVER:** — Easy!

**MR. CAMERON:** — My friend says, easy. His old buddy in Prince Albert had several years to tackle this problem and didn't do one blessed thing to meet it. As a matter of fact, he only exacerbated it. He had a government with every prairie and every Saskatchewan member behind him. How did he meet these problems? Did he meet the problem of rail line abandonment that was going on? No, he didn't. Did he meet the problem withdrawing the raw product out of the prairies in the way in which it has gone on all these years? No, he didn't. Did he come to grips with what it costs to move grain? No he didn't. He hid from the problem. Because of course, what they always said was, we don't want to know what it really costs, because that's going to cause us problems.

What I say here to the minister is, why don't you tell us how you are going to solve that problem with this agency? You say the prairie provinces have agreed in respect to some of these questions. I say to you, that is nonsense. Alberta has never agreed with you on your position with respect to the crowrates. Alberta has said, bluntly, and I will be interested to know whether my friends support this, that the crowrates on domestic grain ought to rise to their natural level.

**MR. COLLVER:** — Nonsense.

**MR. CAMERON:** — Well, he says, nonsense. I am happy to show him the telegram and the minister will be happy to show him the telegram, too. The minister got a copy of it in which the Alberta government said that it was prepared. And how imperfect a solution that would be, to say to producers that on domestic grain, there ought to be a rate that is higher than the crowrates. In other words, export movement of grain and you pay the crowrates; grain moving domestically you pay the natural rate, which would be three or four times the crowrates and he knows it, or ought to know it. And what an imperfect solution that would be, the one advocated by the Alberta government. I use it to show you only that there isn't agreement in the prairie provinces in this respect.

Mr. Chairman, I come back to my original point and that is that this agency, by and large, and in my view, with the one exception, and I granted that one to the minister, was some of the effort in respect to Snavely, which was particularly good; some modest effort in respect of Hall, but even that had some political sides to it that it shouldn't have had; by and large, it has become and is continuing to be used by the government as little else than a political tool. I, for one, am not happy and am not prepared to see \$1.1 million spent in the coming year for those purposes.

Accordingly, Mr. Chairman, I want to move, seconded by the member for Kindersley (Mr. McMillan):

That the budget expenditure for the Transportation Agency be reduced to \$1.

**MR. COLLVER:** — Mr. Chairman, in debating this particular motion by the member for Regina South, who purports to represent the views of western Canadians and purports to represent the views of the people of Regina and of Saskatchewan, in this transportation question, he suggest, Mr. Chairman, that somehow the government of Saskatchewan should not address itself to the problems being faced by western Canadians pertaining to the transportation question.

Now I didn't happen to vote as the member for Regina South did. I didn't happen to vote in favor of this Transportation Agency when it was created last year. I felt that the minister had sufficient numbers of people in these other areas, in the other departments, and that this was an additional expense that the government of Saskatchewan didn't need. Since that time, however, I believe that the minister has shown that this particular Transportation Agency has, in fact, done some very positive things. I am prepared to say, to the minister, that my vote of a year ago was misappropriated in terms of voting against this agency. I am rather pleased that this agency exists. I am not prepared to comment on whether or not, at this point in time, because we have some more questions to ask the minister as to the actual efficiency of the Transportation Agency as it relates to the government of Saskatchewan. But they have done some good work. What they have done is addressed themselves to very serious problems presently being created by the government that the member for Regina South wishes to join.

Mr. Chairman, I was most interested in hearing his comments today. He appears to be like a sign; he is presenting views that are an exact image of the Minister of Transport for Canada. I think, quite frankly, that there should be a new name given to the member for Regina South. His name should be, for this forthcoming election campaign, Auld Lang sign, because that is what he is. He is a sign, a repeat, a mirror image of what old Lang has been attempting to perpetrate on western Canadians for some considerable

time.

You might also say, Mr. Chairman, with reference to the really key gut issues facing western Canadians and especially Saskatchewan farmers and producers and I'm looking for a word . .

**AN HON. MEMBER:** — The cat got your tongue?

**MR. COLLVER:** — Yes, the kitty has got my tongue on that one. Also the processors — that's what I was looking for, the processors in western Canada are aching for a change in the transportation policies by the government of Canada. Have we seen them? No. What we have had, again today, is a suggestion by the member for Regina South (Mr. Cameron) that somehow western Canadians should subject themselves to the vagaries of the Parliament in Ottawa and allow the crowrates which has been the only thing that was guaranteed to western Canadians to join in confederation, should somehow be looked at again. And the question and the point is that the people of Saskatchewan and western Canadians are not prepared to turn over to the majority of population centres in Ontario and Quebec that absolutely essential quality of western Canadian life, and that's the crowrates. We were promised that in confederation. Our forefathers were guaranteed, were assured that, for settling here in western Canada and we are not prepared as western Canadians and that, I think is what the government of Saskatchewan has said and it is what we have said. We are not prepared as western Canadians to accept the Parliament in Ottawa to allow the Parliament in Ottawa who are controlled by the population centers of eastern Canada to fiddle around with the crowrates under any circumstances. That was our guarantee in coming into Confederation.

**AN HON. MEMBER:** — . . . 1897.

**MR. COLLVER:** — It certainly was, Mr. Chairman, for what it is worth, the crowrates was in existence at the time the province of Saskatchewan entered confederation, in 1905.

**MR. BYERS:** — 1897!

**MR. COLLVER:** — That's correct, it was brought in in 1897, but it was one of the assurances given to the people of Saskatchewan that it would not be tampered with in any way in 1905.

Now, Mr. Chairman, for what it is worth, the member for Regina South tried to suggest that somehow his government, the Liberal Government in Ottawa, somehow was doing something about the rail line situation and in fact the transportation system in western Canada and I would like to suggest that what the Liberal government is doing in Ottawa pertaining to transportation can be likened to a stop sign a red, yellow and green, with the crowrates gets the red 'stop'. That's what they want to do. With the implementation of the Hall Commission Report, it's the yellow - go slow - says the government of Saskatchewan and with rail line abandonment it's the green - go fast get them out of there quick so that the people in some of these centres like Arborfield and Zenon Park and other areas around Saskatchewan have got to be faced with the kind of nonsense that this member for Regina South has just laid on the House today.

Now the reason, or the transportation agency and the government of Saskatchewan have presented some of these positions and presented them, I believe, on behalf of the people of Saskatchewan to a government in Ottawa that has not been hearing. They spend millions and millions of dollars on hearings, Snavelly. What do they do? Nothing!

Hall Commission, millions of dollars, yet what do they do about these things? Nothing! The Hall Commission Report which everybody in western Canada supports, everybody in western Canada supports and the member for Regina South says, well, we've got these little problems with it and we have these studies and we have to keep on stalling and delaying, but right now just before an election we can maybe suggest that we might do something in future and then as soon as the election comes we will have the stop, caution and go signal again from the Liberals in Ottawa.

Now the member for Regina South has asked a question. He says, how do you solve the problem with reference to the extension of the crowrates to the processors, rapeseed, feed grains for example, how do you extend this benefit that is given to the western Canadian farmers? I am going to give him a suggestion. Here's how it should be extended. It should be extended by adjusting, by placing into a pool, the tariffs on the merchandise that is purchased in western Canada to protect eastern Canadian manufacturing industry. That's how you finance the program, Mr. Member for Regina South. We have been paying for 100 years to protect industries in eastern Canada. I might like to suggest to the member for Regina South that in the furniture industry alone, one of which I had some experience with, you could land, in the city of Regina today for less money, furniture from North Carolina, and perhaps double the quality of furniture produced in Ontario and Quebec. Yet, after customs duties and excise taxes by the federal government are placed on that furniture at the border, the furniture from North Carolina becomes excessively expensive, even though it is a better quality of furniture and could be landed here for less money. The fact of the matter is this. Of course we have to see a furniture industry in eastern Canada. We have the materials; we have the people to do the job. Of course we have to see it and of course we have to protect that industry; but why should we, in western Canada, Mr. Member for Regina South, persist in paying full price to protect eastern Canadian industry while at the same time, we have to get world price, or very close to it, for the products that we produce in western Canada. What the western Canadian grain farmers and what the western Canadian processors have been suggesting is that the crowrates, which are the guarantee that has been extended to western Canadian farmers, be extended to cover the processing of those products so that we could develop a manufacturing and processing industry for those products, here in western Canada.

Now the way that can be financed, Mr. Member for Regina South, is precisely that. A calculation can be made, and if you suggest a billion dollars is too much, I suggest to you that it is far more than a billion dollars in tariffs that we are paying to protect and subsidize eastern Canadian industry, far more! What we could do, Mr. Member for Regina South, is set up a fund out of those tariffs that western Canadians have to pay, in order to finance the extension of the crowrates to these processing industries. In that way the western Canadian is protected by law, without throwing it into the House of Commons which is controlled by the population centres, which is what we object to, and I know that the minister is going to say that they object to it as well and I am sure for the same reasons.

Second, and most important, we would then have a fund that would finance this extension to the western Canadians and would finance this extension of the rates out to the processing industries so that processing industries could grow here in western Canada.

Now, the member suggests that the expense for that would be prohibitive. I would like to suggest to 'old Lang sign' that there are other costs. The federal government is presently attempting to show that they care about western Canada, they are

supposedly pouring into western Canada for example, the kind of subsidy that they say they are giving here, in terms of grants and grant structures, that would not have to be here, Mr. Member for Regina South, if we had those jobs and opportunities in the province of Saskatchewan, that would be created by extending the crowrates to the processing industry. We would not have to have all the additional costs of unemployment insurance, for example, that are pouring in here because there would be so many jobs for these processing industries that that would save the federal government more than enough to cover the extension of that rate without having it go back to those population centres and having to do the political thing with the industries of Ontario and Quebec, controlling the number of people in parliament. That, Mr. Member for Regina South with a smile on your face, is precisely why the Progressive Conservatives and the government object to any adjustment or fiddling around with crowrates of any kind whatsoever. We do not control and do not have the population to control that parliament in Ottawa and it could then be fiddled out of the law to the detriment of the rest of us. How expensive would it be, Mr. Chairman,? Well, in my judgment, it would not be expensive at all. In my judgment, the extra benefits derived from the creation of that processing industry and the help of the processing industry in western Canada would save the federal government millions and millions of dollars, if not billions. We would develop the jobs and opportunities here so we would not have to educate our young people to go down some place else to find jobs and the federal government could say that they had done a very positive thing for Canada, and that we in western Canada in fact, were paying for it because we were paying it from the tariffs and excise duties that are placed on the goods and services that we buy in western Canada to protect eastern Canadian industry.

Mr. Chairman, I have absolutely no intention of supporting the member for Regina South on this motion.

**MR. CAMERON:** — Mr. Chairman, the Leader of the Conservative Party should have stayed out of it. All he has shown in the process is his lack of education both in terms of this problem and in terms of his own political party. Who was it who visited on this country the old national policy that we have lived with for 110 years — it was the grandfather of the Conservative Party, Sir John A. MacDonald. Who was it who continued that policy of high tariffs in eastern Canada to the disadvantage of western Canada — a succession of Conservative governments.

It is know traditionally, if the Leader of the Conservative Party knew anything about the history of his party, that they are the old tariff protectionist people.

(inaudible interjection)

**MR. CAMERON:** — That is correct. Don't you know anything of the old national policy of Sir John A. MacDonald? Then he is so uneducated as to tell us that somehow a tariff results in a pool of money. How stupid! A tariff doesn't result in a pool of money at all. It's not a tax that accrues to the treasury. A tariff is stopping goods from coming in at a cheaper price. There is no money generated in the process available to a pool. It looks as though his party which instituted the tariff policy to begin with, — if he understood the history of his Conservative Party and now he misunderstands the real nature of a tariff, a most interesting thing — very adept at playing the politics but not very well educated in terms of the history of his own party and what it did in those years with their national policy.

He is not very educated either with respect to this issue, the proposition he puts

forward. Another thing he talks about is old Lang sign. There is no member in the House who understands signs better than he with the old Pelly signs — that he thought you could somehow re-do and therefore juggle your accounts to cover them. It doesn't surprise me that a thought like that should occur to you as being an expert on old signs, believe me. The thing is that he doesn't understand you see. He plays the politics with respect to the issue.

The only rail line in this province as a matter of history that was ever abandoned, was abandoned when John Diefenbaker was the Conservative Prime Minister of this country and Tommy Douglas was the provincial Premier of Saskatchewan. That is the only time that a line has been abandoned in this province. The Conservatives were in power federally, the CCF was in power provincially and you can check the record and get yourself educated a little bit in that respect. It was when the national Liberal Party came to power after your term in government that it froze it. That's right, ask your colleague, the member for Moosomin. Ask him when the rail line was abandoned in that area. Tell me, what was the year? Who was the Prime Minister? Who was the Premier?

**AN HON. MEMBER:** — Trudeau.

**MR. CAMERON:** — He knows very well that it was under John Diefenbaker. Say the great things, you see — say the great things but when it comes down to effecting what they say, it is an entirely different story. The only time in history that a rail line was abandoned and the minister will know this, is when the Conservatives were in power nationally. It was the Liberals who froze any abandonment until the problems could be taken a look at and solved.

He said, listen. Here is something else he said, and bear this in mind carefully. He said you do study after study and what do you do? Nothing, he said. Here you have Snavelly and you didn't do anything about it. What did Snavelly say? Snavelly says, do away with the crowrates, and then he berates us for doing nothing about what Snavelly said. What do you want, to implement Snavelly? Now he says, no we don't. Well then why do you say to me, they do study after study like Snavelly - they did Snavelly and they won't do anything about it. Snavelly said, do away with the crowrates. Now he doesn't want to answer that one. That's the problem with rising in a debate when your understanding of the situation is so embryonic. You see, he says, move on Snavelly and Snavelly said, do away with the crowrates. Then he ways, oh the crowrates are guaranteed, and we know it is all guaranteed. Certainly, you don't advance the guarantee with your sort of embryonic suggestions about how one might solve the problem by taking some fund that never existed and never will exist and say, that's the fund that ought to be used to protect it. If that is what we had to rely on in guarantee, I'll tell you that I wouldn't want your solution very long because the money wouldn't be there even to preserve what we've now got preserved. That is the problem with having so little in the way of real understanding about this. He says everybody agrees with Hall and, again, interesting, interesting misunderstanding of much of what Hall said. I am going to give you one example. Hall said, build a terminal in Yorkton. That party over there is opposed to the construction of that terminal in Yorkton. The Saskatchewan Wheat Pool is opposed to that construction of that terminal in Yorkton.

**MR. MacMURCHY:** — No, we are not.

**MR. CAMERON:** — Well, stand up and advocate its construction. I will be interested in that. I will, because certainly the Saskatchewan Wheat Pool doesn't want that terminal built in Yorkton and it has advanced some very cogent reasons why it ought not to be

built. It is interesting to hear you say that you would take a very different position.

Other aspects of Hall, the member says, the other aspects of Hall as well. Hall had recommended the abandonment of some lines that are now being preserved. Would you rather have the lines abandoned than preserved? Well, you ought to go to some of those communities who have since had their lines preserved. You ought to go out and see the railways that are being reconstructed, too. What does the member want? Does he want to give back the 8,000 hopper cars that we drew from the taxpayers of the country at a cost of \$250 million? Does he want to give back the rebuilding of the prairie branchline system at a cost of \$700 or \$800 million? Does he want to give back those old boxcars that were rehabilitated again at millions and millions of dollars, decisions that have been taken in the last three or four years? What does he want to do, wipe all that out? He says it is not very satisfactory, so I presume he would have done something different, which is do nothing at all, because that is exactly what his government did when it was in power. They did nothing. Threw two little things at the farmer. One was \$200 cash grant immediately before an election and the other was - and I give him some credit for having done it - and that was that they at least established a system of advance cash payments. Those were the two things that were done by the national government while the Conservative Party had power, for the prairie farmer. That's what was done. Overwhelming, isn't it, overwhelming! Two hundred measly dollars and I presume the Leader of the Conservative Party would support that as well.

As I say when one has such a sort of embryonic, and uneducated view with respect not only to this problem, but with respect to his party and its past and what it stood for, because it has traditionally been the tariff party, to protect the giant industry in the East, when traditionally - and I say this of the old CCF and the NDP at the moment and the Liberal Party - traditionally on the side of free trade. The member he knows so little of some of these issues, I think, Mr. Chairman, he had better let them slide by instead of always wanting to make the sort of populist political appeals in respect to some of them.

**MR. MacMURCHY:** — Well, Mr. Chairman, I don't want to get into a very long debate. I do want to make it clear to all hon. members with respect to the motion that is before us, that it is important for the government and the people of Saskatchewan to retain this agency. I think if there is one job that has to be done, over the next short period of time, is to see that the Hall recommendations are, in fact, implemented. No question about that. The efforts of this agency in terms of the background work that is necessary, in terms of co-ordination with the other western provinces, is absolutely essential.

I say that with respect to the particular comments and the particular recommendations that have been suggested by the hon. member for Regina South, that, in fact, the federal government has taken a position on. The problem, Mr. Chairman, with respect to the federal government position on those key recommendations, is that they haven't supported the Hall Commission recommendations. There is no question. There is no question, as the hon. member says that they are taking a softening position with respect to crowrates. They talk about retention of crowrates but Hall talked about retention of crowrates in statute for all time and he recommended that the difference between crowrates and what it cost to move grain, be paid to the railways.

I have yet to hear any federal minister, I have yet to hear the federal candidate, say that that was their position. That is a very key one in terms of the other recommendations, because the second area that the hon. member talked about, was the area of agriculture related.

Hall said that those products should also move at crowrates because he said they should move at parity with the raw product. That's what he said. Therefore, the rapeseed crushers, the meal and the oil should move at parity and therefore at crowrates; the alfalfa and dehydrated products should move at parity and therefore at crowrates and the agriculture - the livestock sector should get the same kinds of benefits. Those are the key agriculture related industries so far as Saskatchewan is concerned.

Now the hon. member talked about the costs, the costs to the federal government in dealing with these two particular key recommendations. I don't know where he gets his estimates of cost, Mr. Chairman, but the estimates that have been provided for me (and they come from the financial experts) would cost the federal government today \$140 million to pay the difference between crowrates and what it costs to move grain - \$140 million. The estimates, so far as the prairie provinces are concerned, are in the neighborhood (on the agriculture related industries) of roughly around \$30 million.

Now, Mr. Chairman, that's \$170 million and yet the hon. member talked about the horrendous costs and it is a fact, Mr. Chairman, that the subsidy to the dairy industry is \$250 million. A very large portion of that is being paid in central Canada and, therefore, I don't see the cost as the problem. I see the problem being the federal government just unwilling to come to grips with the two key recommendations in that Hall Report. If this agency can co-ordinate with the other provinces, if it can provide for us the kind of information we need to see those recommendations implemented, it will be a very worthwhile operation of this government and I ask all members to vote against the motion put forward by the hon. member for Regina South.

**MR. COLLVER:** — Mr. Chairman, I would like to just add a few things to clarify a few remarks made by the member for Regina South. He attempted to suggest that the cost factor involved in extending the crowrates to the processing industries might be prohibitive in terms of the government of Canada. He said in his remarks that the tariffs are not a fund at all, there is no fund in the tariff. Well here, Mr. Chairman, are the public accounts of Canada which indicate that in 1977 the federal government took in on excise taxes \$485 million; \$600 million on other excise taxes; \$485 million on excise duties; \$2,097,000,000 on custom and import duties. Now if that's not a fund in excess of some \$3 billion, I don't know what a fund is nor does anyone else know what a fund is.

In the year 1977, the government of Canada took in over \$3 billion paid for by the people of Canada to protect our eastern industry primarily. Much of that was spent by the people of western Canada. If you assume that one-third of the people who live in western Canada are paying one-third of that \$3 billion or \$1 billion to protect that eastern Canadian industry, that \$1 billion could have been set up in a fund that could have financed the extension of the crowrates package to the processing industries. That doesn't count the saving to the federal government through DREE and all of these other agencies in which they are trying to pour money through grants (and it is not working) into western Canada, whereas the actual jobs and opportunities could develop here, Mr. Chairman, as a direct result of that one transportation policy.

Now the other thing suggested by the member for Regina South, is that somehow political parties retain over the years the same policies over one hundred years or more and, of course, the member during my question to him when he was on his feet was — name one tariff that has been dropped under GATT by the present government of

Canada. Unlike the member for Regina South, Mr. Chairman, we would like to talk about two things that's the future because the past frankly is past, the future and we would like to talk about western Canada. What the member for Regina South obviously wants to do is to talk about the past and eastern Canada and the interests of eastern Canada. He is forgetting that it was under John Diefenbaker was the only Canadian Prime Minister in the last 100 years whoever gave any, even paid lip service to western Canadians. I suggest that he go out on the hustings in his campaign to try to become a member of parliament and talk about John Diefenbaker the way he did today in this House, to suggest that John Diefenbaker did nothing for western Canadian farmers. That's what he was suggesting, that he did nothing for western Canada, that's what he is suggesting. Well, interestingly enough, the people of western Canada and the people of Saskatchewan don't believe the remarks of the member for Regina South and they know, under the government of John Diefenbaker that western Canada's interests were in fact protected and that western Canadian farmers were at last at long last, after a great drought, they were at long last recognized, in some of their views and hopes and aspirations, were recognized by the government of Canada. What has happened in the last 10 years, Mr. Chairman, with reference to the member for Regina South Old Lang Sign? What has happened, or what's happened, Mr. Chairman, is that the government of Canada persists in protecting eastern Canadian industry without any policy to assist the western Canadian farmers to help pay the extra price that has to be paid in terms of western Canada. The fact is that the devalued dollar that has been allowed to drop below 87 cents, the fuddle bucks, yes, Old Lang Sign fuddle bucks, are making it such, Mr. Chairman, that again there is no apparent understanding of the needs and aspirations of western Canadians. Western Canadian farmers don't have for example, the industry here to buy their equipment here, they don't have the processing plants and the raw materials so that has to be shipped out. We have to send our products out on world market price then pay the price for the inefficiency of the Minister of Transport, the one that the member for Regina South wants to emulate and after that's all done and the prices are allowed to drop and the costs are allowed to rise, then and only then, the member says, well look it, we will give you an advance payment on great scheme of ours coming out of our, oh, we will give you an advance payment of \$60 million. And by George, we'll bet just anything that there will be another \$60 million says Old Lang in six months time. I bet the member for Regina Victoria would doubt that another \$60 million will be coming out of that program in six months time. It is an election payment and election ruse and nothing more than that in the attempt by the Liberal government of Ottawa to buy votes in this country.

Mr. Chairman, I believe that it is essential to the people of Saskatchewan to present their real feelings and their real views with reference to transportation because it is key, because it is necessary and the fact that parties 100 years ago may have been productionist, doesn't mean that they haven't changed because over the years, parties have a tendency to change as most of the defectors will know who have defected from, the member for Regina South party to another party in Saskatchewan as he will well know, that parties seem to lead them and they change and as a result people don't support them anymore. I think Old Lang Sign will find out in the forthcoming weeks and months how little support this kind of policy that he has been suggesting here today, this kind of reason, this kind of logic that he is going to sell and they'll find out how it's going to sell to the people of western Canada.

**MR. CAMERON:** — Mr. Chairman, a question, what not to do of course is to let all that go by because the other side of the submission made by the leader of the Conservative party is so much more attractive so I want to outline that to him.

I said to him, if he took a sheet of paper and he put on one side what the Conservative government did when it had the power to do something for our part of the country. It was nothing except to pay lip service to the problems that he mentions. He is quite right about lip service, saying that at least they paid lip service to it and that is all they bloody well did was pay lip service to it. What did they do? As I said before, on that side of the page in terms of what they did, and the members opposite will know this as well as I, they gave the farmers a \$200 cash grant which didn't begin to attack the fundamental problems they had but it was a popular little political thing to do. The other thing they did was to give cash advances and I commend them, at least, for instituting the cash advance.

Let's look at the other side of the ledger; let's look at that. I said 'sold wheat' and that was another great fraud you perpetrated on the people, after the contract had been signed, sending Alvin Hamilton over to sign the contract; we all know that story much better than you guys do, believe me. Look at the other side of the ledger; what's there? A new quota system that farmers were wanting for a long time. The resolution in one way or another, not very satisfactory to the members opposite, but it at least resolved an irritant over the course of the years when the Conservatives had power and that was with respect to the marketing of feed grain and the pressure that was put upon the Canadian Wheat Board. That problem solved is Number 2.

Number 3, to appoint port co-ordinators for the ports in the west coast because of the bottlenecks we used to have there. They now put through 800 and 900 cars a day, whereas under his friends the Conservatives, they put through 200 or 300.

The bulk shipping system, designed in consultation with the prairie industry on the prairies including the pools and the other participants in the grain industry, again, something they had wanted for a long time and weren't getting, including out of the party that had the power then.

Two priced wheat system — this is the Liberal ledger as opposed to his Conservative ledger, with those two little items I mention. The two price wheat system, again great lip service paid by the members to my left but never any action with respect to that and we now have it.

The stabilization program which is now being advertised, I notice, by the Saskatchewan Wheat Pool in other parts of the country to gain their support for it because of the costly nature of it. This is a very good action by the Saskatchewan Wheat Pool now recognized, as members opposite clearly do because they say nothing more about it, as being a tremendous program to stabilize farm income in the prairie provinces; 8,000 hoppers cars, as I said earlier, at a cost of \$250 million dollars recognizing in practical terms the guarantee between the real cost and the crowrates; Railcar Rehabilitation Program, where they rebuilt at the federal government expense, thousands of grain cars to keep them in operation and building new at a fantastic cost of \$700 million of the entire permanent prairie branch line system, of benefit only to western Canada; the \$10 million marketing fund that was set up to assist in marketing our grain and grain products and which has been in operation every year, costing \$10 million to the federal government, continuing sales by the Canadian Wheat Board guaranteed by all the people in the country which is again, massive guarantees that the country as a whole has undertaken in respect to the sale of prairie grain. These show how the ledger is weighted on the one side in the last 8 or 10 years as opposed to the ledger when those people had some power to do something and didn't do it.

I want to make one last comment to the minister because I think he misunderstood what I was saying. The difference between ..the crowrates currently raise about \$80 million or \$90 million per year. The cost of moving grain, even on your figures, in 1974 dollars, is \$75 million more than that. You said when you made your submission to Snaveley and based upon 1974 cost it cost \$75 million more than what the crowrates generated to pay to move our grain. Railways, of course, used a much higher figure. Snaveley said it was \$160 million or \$140 million. That was in 1974. He showed, how by the year 1980 and 1982 it would go to \$400 million and it has grown in the last four years much more than the \$140 million that Snaveley found. What does that say? It is really saying you are raising \$80 million with the crowrates, that the real cost is much greater, double, as a matter of fact, on the basis of 1974 dollars and now much greater than that. It won't be very long before the difference between what crowrates raise and what it really costs is .5 million dollars.

The federal government has said we guarantee that. We guarantee the difference between what the producer has to pay and what it really costs. For the edification of the Leader of the Conservative Party it has said we guarantee it as a trade-off for the tariff policy that western Canada has lived with all these years. As long as tariffs are in place we are entitled to that protection and will continue to get it and we have been guaranteed it. No question about that guarantee. The question I put to you is the tougher one, if the difference between moving grain and the crowrates and the real cost is now \$300 million or \$200 million growing to \$400 million or \$500 million, what is the difference between what would be the crowrates cost and the real cost to moving rape seed oil, rape seed meal, hogs, livestock, meat, all the grain products? That is where I said to you that we are looking at something in the nature of perhaps one billion dollars. (Inaudible interjection) You aren't? It cost that much for grain — it cost that much for grain, it is clearly going to cost a great deal to cover all those other products.

What I am saying to you in realistic terms is that you are not going to persuade the nation as a whole, to undertake that kind of cost. No! Where do you stop it? That's the question. The members opposite, the members to my left, continue to say that the deficit that the federal government currently has, which is some \$10 billion or \$11 billion, is too high. Yet they continue to bring forth solutions that would cost another billion dollars a year. I ask you, how realistically is that going to solve the problem? And it isn't — it isn't realistically going to solve it. I wanted to make that point to the minister because I think he misunderstood. All I was saying is that there is no answer. To say that we should legislate the rate with respect to all grain related products, that would be an 1897 rate — that is totally unrealistic. We have to find a practical solution to that. That is the real dilemma that all of us face. Because it is of no value, it is of no value to us for us to continue to say that we ought to have the crowrates guaranteed, and we will have that guarantee, and that somehow we are going to have the crowrates still apply on grain but at the same time have the raw product shipped out in terms of the finished product in respect of grain. How do you get to the answer to that dilemma? That is the real problem all of us confront.

It is very easy, very easy as the member for Nipawin does, to stand up and mouth platitudes — I can do them equally as well as he — I am behind the crowrates 100 per cent — I don't want to see the crowrates changed. And the crowrates won't be changed until the prairie provinces themselves want some different solution. It is a western problem, it is not a national one. We have to do ..No, the federal government has said, 'Look, we guarantee it, we guarantee it. You go on with the crowrates as long as you want to go and we will make up the difference between the crowrates and the real cost.'

That is solved. The question we now have is, what are we going to do about grain related products, because of the jobs and the opportunities that are being lost, and have been lost to us for a decade, because of the tremendous differential between grain and grain related products? That is what we have to address ourselves to in substance. As I say it is of little value to sort of mouth the platitudes as the Conservative Leader does. All of us agree with those statements.

The question I want to put to him, finally, is as he is always in favor of reducing the cost of government, as we all are here, that in my view, is an opportunity to reduce the expenditures of this government by \$1,100,000 which in large part I say to him and to all members, is used for political purposes and here is a chance to reduce government spending by \$1 million. A concrete example given to him, a way in which we could reduce it, and he says, no, I won't support it.

Motion negatived.

Item 1 agreed.

## **ITEM 2**

**MR. KATZMAN:** — There are four individuals here. Could you, seeing as the last ones seemed to be all related to you, yourself . . . I would like to know the four jobs and hear what they do.

**MR. MacMURCHY:** — The executive director, Dr. Gartner, who is here, clerk steno, administrative officer and an accounting clerk.

**MR. KATZMAN:** — Executive what?

**MR. MacMURCHY:** — Executive director of the agency, that's Dr. Gartner clerk steno IV, administrative officer who is Erna Stinnen here and an accounting clerk.

Item 2 agreed.

## **ITEM 3**

**MR. KATZMAN:** — On the transportation services you indicated here earlier that under the old vote of 77 when the department was created that the six who were in item 4 have moved into here. Would you inform me what studies are planned in the coming year and which ones have you completed in the past year?

**MR. MacMURCHY:** — The following studies which will be going on are, one, an examination of the Bruck concept. Now the Bruck concept is a vehicle, a bus which will provide passenger and freight service in the given vehicle. To give the hon. member an example the SPC operation from PA to Creighton is a vehicle which carries passengers and carries freight and that's called a Bruck. An examination of that concept so far as northern Saskatchewan is concerned particularly the trucking study information for the Transportation Advisory Council on the trucking study, the rail costing order and study on transportation, sensitivity and selected industry area.

**MR. KATZMAN:** — Let's take that, start with one and we'll go through them all before we're done. The Bruck bus concept as you call it, many private operators are running

with that concept in the northern area with half a bus of freight and half a bus of passengers. How far into your study are you and I understand from STC people that they are finding this concept is not working even though Greyhound is using quite a bit of it, in fact Greyhound at times runs a full bus. They pull the seats out with nothing but freight in it. How serious is the concept do you think going to get?

**MR. MacMURCHY:** — Well I don't think STC in terms of the particular run that I referred to, from Prince Albert to Creighton, have really had enough experience to say whether the concept is a bad concept. I think that there has to be experimentation with different kinds of vehicles but I think that so far as service in the North and using ground transportation for service in the North, the idea is a good one and the studies need to be done relating to the kind of vehicle that would be the best one to use.

**MR. KATZMAN:** — I agree with the minister on this particular study. The question I am referring to is, there has been some experience I know out of the Saskatoon terminal, I have watched this style of bus pull out, loaded half with freight or packages and half with passengers. I understand from the STC people that when you have a Brucks-type bus you have no washroom facilities and that's the reason they are opposed to this system.

**MR. MacMURCHY:** — I think, Mr. Chairman, that will be part of the experimentation. I think obviously on short distances they are not a problem but on the longer distances and where we are concentrating our efforts, is the long distances and obviously you need to adjust the vehicle to accommodate the problem the hon. member raises.

**MR. KATZMAN:** — Has there been any study on the concept of the (for the lack of a better word) a 'pup' behind the bus? For example the big truckers use a pup.

**MR. MacMURCHY:** — No, not yet.

**MR. E.C. MALONE (Leader of the Liberal Opposition):** — I just have a couple of questions I would like to direct to the minister, Mr. Chairman.

I have been sitting here most of the afternoon listening to the minister's justification for the existence of this agency. About all he has told us, he feels he needs the agency to pick fights with Ottawa about the Hall Report and about the crowrates and so on. I think it was fair to say that when this agency was originally established we expected many more things from it than have occurred to date.

So my question to you is: is this agency at the present time undertaking any type of research or planning to develop a comprehensive, rational transportation system within Saskatchewan? Where we talk about highways, air transportation, rail transportation and so on, are you making any study at this present time to improve the situation in this province? Now, you know very well that the communities of Swift Current, Yorkton, Prince Albert and North Battleford have legitimate complaints about air service. I hope you just don't go into your long tirade as usual about the federal government. That's a provincial problem and nothing to do with the federal government.

Now, are you doing any studies at the present time to rationalize this system so that we can have a system in the future that will not only be for the benefit of hauling freight but for getting people around the province in a manner that would be more meaningful than there is now?

**MR. MacMURCHY:** — In terms of long term studies, Mr. Chairman, there is a long term study going on now as it relates to roads and road transportation because really that's the only area where we have specific kind of jurisdiction, so that's the long term one. In response to earlier questions we talked about the short term ones; the real short term ones involving Hall and the Hall recommendations and involving the need for small community transportation service, the rural Saskatchewan problem of service. So there is a long term one and the shorter term ones to deal with with the sort of immediate problems.

**MR. MALONE:** — The long term, all you are talking about are roads but you are not studying the — that's what you just told me, wasn't it? Your mandate only went to roads. Is that not what you just said a moment ago?

**MR. MacMURCHY:** — Roads, roads meaning highways and the related municipal factors but also urban transportation where we have significant input into urban policy, significant funding from the Department of Highways in urban transit.

**MR. MALONE:** — But what I'm trying to point out to you is that surely it is a very limited study at best. There are better ways of getting around the province other than roads. That's one alternative. It may be the appropriate alternative to haul freight if you're trying to get freight from Swift Current to Yorkton but I suggest to you that there are other methods of transportation, air, rail and so on. And surely if your agency is going to be doing any kind of meaningful job in the years ahead, it should be talking about all elements of transportation, not just attacking the federal government about Hall, not just considering roads in the future but the whole package.

One of the great problems as you know, Mr. Minister, in this province is getting around the province quickly, being able to get to Regina from North Battleford or Saskatoon to Moosomin and so on. Are you doing any kind of study at all which would rationalize the existing system and say that in this area the best way of doing it is through air; in this area the best way of getting around is through rail, through roads or whatever. Are you doing that type of study?

**MR. MacMURCHY:** — The lead role in rail and air obviously is the federal government and there is a co-ordinating effort and a co-operative effort between the federal government and the Transportation Agency in the areas of rail and air and in fact in the area of roads as well. So while maybe the member opposite is not appreciative of the efforts of the agency, certainly the federal officials and federal authorities are because it has provided them with a good deal of information and co-operative effort.

**MR. MALONE:** — Let me go to something specific. I think it is pretty apparent that one thing we need in Saskatchewan and we needed for years is an air transportation system within the province, not so much Regina to Calgary or Saskatoon to Edmonton but Regina to Swift Current, Swift Current to North Battleford and so on. Now, are you doing anything along these lines? It may be that it is far too expensive but you won't know until you study the existing situation. Are you doing anything? Have you made recommendations to the Department of Transport? Have you talked to the Chambers of Commerce in Yorkton or Swift Current or North Battleford? We have been talking about this for years.

**MR. MacMURCHY:** — Yes, discussions are going on with various Chambers of Commerce and with city councils in those respective communities. As a matter of fact, I

have been requested to go and meet with the Chamber of Commerce in Prince Albert as soon as the session prorogues and sit down with them with respect to their particular air problems. So that, in fact, is going on. In terms of examination of solutions, if the hon. member is suggesting that we should establish Sask Air once again, we can perhaps look at that although we aren't at the present time looking at that approach in terms of solving the air transport problems that he has put forward.

**MR. MALONE:** — Finally, just one question, Mr. Chairman. If you are not doing it now, would you not agree with the minister that one of the roles of the Transportation Agency of Saskatchewan should be to be doing exactly that, to be considering the options so that when you go and meet with the Chamber of Commerce at Prince Albert or wherever you are going to, you can be able to say to them, look, we have decided that this is impossible because of the costs involved. Or, we have decided we can have a limited service because of the costs involved. That is what your officials should be doing. They should be looking at the long range prospects of transportation in Saskatchewan by road, rail and air. What you have told me today is that you are not doing this. The only thing I can assume from your remarks today is what your agency has been doing; it has been talking about the Hall Commission, talking about the federal government and very little else.

**MR. MacMURCHY:** — Mr. Chairman, I can take the hon. member's suggestions because I think they are worthwhile. With respect to being specific and examining all of the alternatives, may I suggest to the hon. member that the government was involved in a specific situation as it related to the Yorkton community and we had to withdraw from that situation because of the position taken by the federal government with respect to it. I think that we have not been so bold since that time; however I can take suggestions in terms of studies relating to air transport and laying out the alternatives, and they are very much appreciated.

**MR. L.W. BIRKBECK (Moosomin):** — Mr. Chairman, Mr. Minister, I think we could agree that the Leader of the Liberal Party is having great difficulties in getting around this province but for him to ask the government to assist him in that respect and to blame the government because he cannot get around the province is a bit unbelievable. More specifically, Mr. Minister, I think that possibly the Leader of the Liberal Party did make some good comments and specifically, we do have a problem with regard to the transportation of the freight volume we have in this province with the CNR and CPR out of Saskatchewan. Quite specifically, what studies have you done or what measures do you have — Do you have any measures at all to implement to alleviate the problem that our implement dealers and our small businesses have in transporting a great volume of these types of supplies in the province? Could you give me an indication, Mr. Minister?

**MR. MacMURCHY:** — I am sorry, Mr. Chairman, I indicated earlier that we are not in the position to announce any change in government policy or any policy with respect to dealing with the existing situation. I did indicate earlier, Mr. Chairman, that the Transportation Advisory Council is looking at this issue and will be coming forward with recommendations very shortly. I think there has been an effort by the Transportation Agency and the Highway Traffic Board to try to find some immediate solutions to assist the communities, but in terms of any kind of raw term policy, it is not in place yet, and might not be for awhile yet.

**MR. G.N. WIPF (Prince Albert-Duck Lake):** — Mr. Chairman, Mr. Minister, let us get back to the study you said was going to be done on, I believe you called it the Bruck bus that will be running between the Creighton area and Prince Albert. You have been doing

a study on that to see what kind of a vehicle, I believe you said, you would have to be using and you had a feasibility study. However, over the last 20-25 years that type of concept has been used by a Saskatchewan transportation company, I believe, in hauling freight and passengers to La Ronge, over much the same type of roads that you will be driving on, going up to Creighton.

I was wondering if they had kept any records of what type of vehicle was best or what type of maintenance had to be kept up if there was a specific problem relating to their buses? How long will this study be going on on these buses going up to Creighton? Could you not use some of the information that, I expect, would have been kept by the Saskatchewan Transportation Company over the last 20 or 25 years in hauling and doing the very same type of work on that run as they are doing on the road to Creighton?

**MR. MacMURCHY:** — The information that has been gathered from the experience of STC will be the basis for the kind of study that is going to go on. I suspect that one of the issues is an option for southern Saskatchewan. That is one of the issues and making the information from the study available to the Transportation Advisory Council, in terms of preparing its report. I don't think there is any question that they will be drawing upon STC information and past experience.

**MR. WIPF:** — What amount of this budget has been set aside for this item, has been set aside for the study of the Bruck's Bus, or whatever you call it, for this run up to Creighton?

**MR. MacMURCHY:** — About \$10,000.

**MR. WIPF:** — Mr. Minister, you mentioned that you will be going up to Prince Albert, when the Leader of the Liberal Party was speaking, in the near future, I suppose, to talk to Prince Albert about the air route, which we have been trying to bring into Prince Albert for a long time. What specific studies has this agency done in regard to the Prince Albert route, or air route association, or whatever you are going to call it, to get air transportation in there? Have you done any specific studies on this yet or is it a fact finding trip that you are going on so that your department will have something to work on in the future?

**MR. MacMURCHY:** — Well, Mr. Chairman, we haven't done any studies with respect to Prince Albert, as such. I just had a request from — I think there is a committee of the Chamber which deals with air. I don't know what they call themselves, probably the Airport Committee of the Chamber of Commerce or Air Service Committee of the Chamber of Commerce and they have invited me to come up. I don't know what they plan to talk to me about. I will find out when I get there and then based on the meeting we can, perhaps if necessary, follow up.

**MR. W.C. THATCHER (Thunder Creek):** — Mr. Chairman, I would like to ask the minister if this particular item is the appropriate one to inquire as to what his government's intentions are towards load limits, a subject on which he has initiated discussion, the minister has initiated the past couple of years. Would the minister like to deal with it on this item or would you care to wait for the Highway Traffic Board or what is the minister's pleasure?

**MR. MacMURCHY:** — Mr. Chairman, I can certainly deal with it on this item because the item is transportation. I indicated earlier to one of the hon. members opposite, I can't remember which one, that as a result of the recommendations of the Hall Commission

both the SARM and the government have sort of stood the issue of load limits for municipal roads until there's a clear picture of what kind of a branch line system will come out of those particular recommendations. So that's where it's at and I think there is a sort of wait and see at the present time before any further proposals or discussions take place.

**MR. THATCHER:** — I thank the minister for his comments. While I am on my feet, Mr. Chairman, perhaps you would allow me to just digress very briefly. I would like to thank one of the minister's officials for a very kind gift that he sent across to me this afternoon. Some of you may recall an incident in the House about a year ago when it was a very hot particular evening and I looked at the head of the Highway Traffic Board and he looked so comfortable in an open shirt. I think I drew it rather forcibly to the House's attention and they found a tie for him. Anyway, Mr. Glendenning is in the House today and was very kind to send me this beautiful 97 cent tie that was reduced down from \$1.57. I think I was on television in it and the first question was, 'Where did you get this beautiful tie?'

Anyway, does the minister not agree that the system we are going to evolve to is becoming a trifle clearer than you chose to bring it up and then you chose to let it die. Now if you are going to leave it dead for the foreseeable future I think you would be doing everyone in Saskatchewan a favor who is related to the grain industry, if you would say, it's dying. Fair enough, that's the end of it. On the other hand if it is just dying for 14 or 15 months until the provincial election is conveniently behind us, I think it would be appropriate for you to indicate that.

**MR. MacMURCHY:** — Well, Mr. Chairman, I would argue with the hon. member about who raised the issue of the load limits and I would argue by saying that it was in fact SARM who raised the issue of uniform load limits on municipal roads.

There is no question that in trying to evolve a policy with respect to it, that I proposed to them, at two different conventions, a system of limits. Now, I think that there is concurrence on the position that I outlined to the hon. member earlier by both the SARM executive and directors, that we should wait until there is a clearer picture on the Hall Report.

If the hon. member had been in the House during the debate that was going on between the leader of your party (the Conservative Party) and the member for Nipawin and the member for Regina South, he would see that there is still confusion with respect to the federal government's clear position on those recommendations of Hall's. I think the hon. member would also know that there is a consent at this point in time by the SARM councillors and reeves (I don't recall and I'm not sure). I don't recall any resolutions before the SARM convention this past month dealing with load limits, so I think there is a consensus that the matter should stand until we are able to see the kind of rail network that is going to be available to us and the kind of country elevator system which will be available to us before there is any final determination of province-wide load limits.

**MR. THATCHER:** — Mr. Chairman, I have some additional material or questions that I would like to bring forward this evening.

The Assembly recessed until 7:00 p.m.