

April 18, 1978

Evening Session**Second Reading of Bill No. 33 - An Act respecting the Right of the Public to Government Information cont'd.**

MR. S.J. CAMERON (Regina South): — It is in respect such as these, Mr. Speaker, that shows that this government is becoming fast one of the most reactionary governments in the country.

SOME HON. MEMBERS: — Hear, hear!

MR. CAMERON: — Is this the body that used pride itself on its sort of small 'l' liberalism. It is now in my view and in my submission to members and this shows it as they say is becoming one of the most reactionary governments. The whole notion of freedom of information has taken over in the United States in 1964 with the passage of an act there which was revised in 1974. The United States with its massive federal government now has a freedom of information act which is working and working very effectively there. In Canada the province of Nova Scotia passed legislation albeit rather weak legislation but nonetheless has legislation of this variety on its books. The province of Ontario is in the midst of conducting a thorough study of this whole area of freedom of information. The national government put out a white paper some time ago, a green paper with respect to it, which is drawing comment; legislation was passed in some areas. So a good start has been made although we have to go a lot further on the national level as well in this respect. Now we have yet to hear a peep from this government about freedom from information. So whereas other governments and jurisdictions in Canada including the national government are devoting themselves to this area, and searching for some answers. This government has not even begun to look at the questions. Mr. Speaker, the basic framework of this act would be to give the citizens of the province the right to apply to government for information, either information respecting that citizen or information about the public business of the province. The government then would have a reasonable period of time in which to respond to the request for information. If it in fact said, no, we are not prepared to give you the information, or neglected meeting the application, then the citizen would have the right to go to the Ombudsman and lay a complaint about not getting it. The Ombudsman would have the power to go to the government and say, in effect, I want the information. If the government was not prepared to give it to him the onus is on the government to show him that it falls within the exceptions provided for in the act and is information which should not be released. Members, I want to deal for a moment with the exceptions of the act. Mr. Speaker, there are four of them which are major exceptions — circumstances in which the government would not have to provide the information. Those four are these:

- 1) Where a statute expressly provides that information is to remain secret.
- 2) Information with respect to an investigation concerning the administration of the law or legal opinions within government.
- 3) Communications between public officials in the government that are clearly confidential and those between this government and other governments which have traditionally been confidential.

4) Where the information relates to the private affairs of a private citizen and where the Ombudsman would determine if, on balance, it is better that that information be made only available to that individual and not the public at large.

Those are the four major exceptions. There are three minor ones, that is, where the information is available elsewhere, secondly, where the request is so trivial relative to the cost of providing the information that it is not reasonable it should be done, or thirdly where the request for the information is frivolous or vexatious. So I have given the government those seven exceptions where they would not have to respond or at least could go to the Ombudsman and give him ample reason why they shouldn't provide the information. Four major ones and three minor ones. Unless the government could sit itself within those exceptions, the Ombudsman would have the power to order that the information be made available to the person making the request. I did that, as I said, earlier this year because last year when I introduced this act you indicated that you could not accept it because it was interfering with ministerial responsibility. I say to you that giving the Ombudsman this power is a practical way around if you are still concerned about ministerial responsibility, a practical way around that particular problem. There is another provision in this act which would provide that there is no cost to be attached to an inquiry by the Ombudsman, that is no cost for the citizen in requesting the information. It provides a quick way for a citizen to get the information from the government and a way that doesn't cost the citizen anything.

Mr. Speaker, lastly there are provisions in the act that if anyone within the government refused an order of the Ombudsman he would be subject to prosecution and the maximum fine of \$1,000. Mr. Speaker, by way of concluding comment, I want to read to members briefly from a publication of the Department of Labour with respect to the workings of the United States act and here is the fundamental premise upon which the act in the United States was based and the importance of that act to us is that that government is so large and has so many things surely of a far greater import in terms of its information retention than a government of the size of the government of Saskatchewan. Yet they found there that they could do it and we find here that we somehow can't do it. That was based upon, in the United States, this premise the bureaucracy of power has always tried to maintain secrecy beyond those specifically qualified areas where it is a necessity. They do so out of a sheer power instinct; it is not a democratic practice. The state should not be an entity unto itself; it should acknowledge the people's right to know. It must justify its decisions for not granting access to information rather than requiring the public to justify its need to know. The state should be regarded not as the owner of government records to be disclosed as it sees fit but as the custodian to serve society. That is the fundamental upon which the United States Freedom of Information Act is based.

As I say, there are now developments going on in other jurisdictions in Canada. All jurisdictions in the country, I believe, are far in advance of this government and that is why in this respect it is showing a reactionary approach to this whole question. It is something which, in due course, this province is going to have to face inevitably because as I said at the beginning of my remarks, the idea clearly is an idea whose time has come.

Therefore, Mr. Speaker, I want to move that this bill be now read a second time; that is the bill to provide for access to government information.

SOME HON. MEMBERS: — Hear, hear!

MR. MALONE: — Mr. Speaker, I take a great deal of pleasure in saying a few remarks about this bill that was moved by my colleague, the member for Regina South. I want to state my position very clearly at the outset though, Mr. Speaker, that I intend to ask for leave to adjourn debate after I have made my few remarks. My intention is not to stop a full-fledged debate on the proposal by the member for Regina South, but indeed to encourage further debates as the weeks go ahead on this particular bill. It has been the custom of the government opposite, when we have a bill of this nature which is embarrassing to the government, to simply get it into their name and stand it off the Order Paper until we finally adjourn sometime in May or June. So I don't want that to happen, Mr. Speaker. Members on this side of the House, members of both opposition parties, I am sure have many things they want to say about the bill, both critical and in favor of it and I think that the House should be able to debate this bill at its leisure over the next few weeks.

Let me say, Mr. Speaker, that one of the first things that I said on becoming Leader of the Liberal Party of Saskatchewan was that we are not only going to oppose, we are going to propose; we are going to bring about legislation in a positive way, resolutions in a positive way, dealing with the issues of the day. I don't think there is a person probably in Canada, that does not realize how big government has gotten, how much they are put at a disadvantage when dealing with the big brother of government. This bill as proposed by the member for Regina South, I believe will deal in perhaps a small way, with protecting the rights of individual citizens, individual voters within the province of Saskatchewan.

We in the Liberal Party, Mr. Speaker, are concerned about the rights of individuals. We believe that perhaps all members in this Legislature are concerned about the rights of individuals. At a time in our history when government has become so big, perhaps necessarily so, unfortunately the rights of individuals are often ignored and trampled over by big government such as the members who sit opposite me today. We believe that a bill of this nature will go a long way to protect the rights of individuals to determine what records governments have about them, whether those records are in order, whether those records contain the true facts. It wasn't too long ago, Mr. Speaker, that I believe a bill was introduced in this Legislature saying that people who do credit checks on individuals must make those records available to those people when they are concerned about the records that these companies have. I believe when that bill was presented to the Legislature it received unanimous consent of everybody here at the time. It was considered to be a good thing, it was considered to be something that would get over the evil of having records available to citizens that were not available to the people that were directly concerned.

The bill that has been presented by the member for Regina South, I believe takes into the public sector the same rights that have been given individuals in the private sector. I believe it is a good bill; I believe that all members should be voting in favor of it; I look forward in the days ahead, Mr. Speaker, to having other comments from members of this side of the Legislature, both the Liberal opposition and the Conservative opposition. I believe that we should give this bill a thorough airing and in order to do that, Mr. Speaker, I believe we must keep that bill in the name of the opposition and accordingly, Mr. Speaker, I beg leave to adjourn debate.

Debate adjourned.

MR. S.J. CAMERON (Regina South) moved second reading of Bill No. 35 — **An Act to**

amend The Ombudsman Act, 1972.

He said: Mr. Speaker, in every annual report of the Ombudsman, since I have been here, he has put his finger on a weakness in The Ombudsman Act and that is that he doesn't have power to inquire into the affairs of government when he receives a complaint beyond the doors of middle level civil servants. In other words, when he conducts his inquiries, when he reaches the door of the Deputy Minister, that door is closed to him. He can't get beyond it and into it and into the information that is there, or ask anybody any questions there, because it is denied to him. That is a fact — that is a fact. If the Minister of the Environment would read the act, here is what he will find. In some respects you have given the Ombudsman the power of nothing more than a powder puff — that is what you have given him by way of power to inquire into and investigate the government. When he gets his complaints and he goes to make his investigations, he has access to the lowest levels of government. He has access to middle level, when he gets to the most important level of all of government, the deputy minister and the minister, the door is slammed closed. That is why I say you have an Ombudsman who you have armed with little more than a powder puff in terms of getting to where it really counts.

In every annual report by the Ombudsman in the last three years, that is two different Ombudsman who have occupied the office, they have said, 'I want an amendment to the act.' There is need for the Ombudsman to be empowered to enter the deputy minister's office and ask him information and require of him a reporting in terms of his investigation. Each year, the government has said in response to that report and questions from the annual report, 'Yes, we think there is merit to the proposal.' (I think that was the Attorney General's words two or three years ago), 'Yes, there is merit to the notion. We are looking at it — it is something we ought to be able to do something about before very long.' And yet, the years come and go, again nothing is done. Each year when he files his report with us, he renews his request for the additional power that is denied him now under the act. So I thought what I would do is finally bring the matter to some head, that we draw something more from the government than these happy little assurances — 'Yes we think there is some merit in the notion, we will look into it, perhaps we will do something about it.'

The Ombudsman, when he is saying he doesn't have sufficient power, I say to the members of the Legislature, he is saying that to you directly. Because he isn't an official or an employee of the government, he is an employee of this institution right here — he reports to us — he is our servant. And he has said to us in each of the last three years in two different persons, 'We need the additional power.' You can see there needs to be additional power — and yet, as I say, we nothing except sort of half assurances from the Attorney General and the Premier that, 'Yes, there is some merit to it — we are looking at it' but three years have gone by — so now we have a bill before us, the government will be required, Mr. Speaker, to indicate in some more firm way than what it has done in the past, about what it intends to do about this request from the Ombudsman. Therefore, Mr. Speaker, I take pleasure in moving that this bill, An Act to amend The Ombudsman Act, 1972, now be read a second time.

MR. G.H. PENNER (Saskatoon Eastview): — Mr. Speaker, I take a good deal of pleasure in being able to speak to the bill that has been proposed by my seat mate, in part for the reasons suggested by the leader of our party a moment ago, because I think it is a positive step in improving the entire situation within the province. I think that the remarks made by the minister in charge of Sask Tel, indicate the need for all members to have the opportunity to peruse the remarks of my seatmate. There is obviously some

misunderstanding about the powers the Ombudsman now enjoys, and I would expect, Mr. Speaker, that the minister and other members opposite, would want the opportunity to peruse that, to consider it. I think the position that the member for Regina South has taken with regard to this bill is a very appropriate position and in order that all members may have the opportunity to take a look at it, I beg leave to adjourn the debate.

Debate adjourned.

MR. S.J. CAMERON (Regina South) moved second reading of Bill No. 36 — **An Act to amend The Saskatchewan Development Fund Act, 1974.**

He said: Well, Mr. Speaker, members can see the . . .

HON. R. ROMANOW (Attorney General): — Mr. Speaker, my point of order is as follows.

I submit to you and to the House, Mr. Speaker, that this bill is out of order, inasmuch as it proposes the expenditure of public funds, and this is the pith and substance of the bill, particularly under Section 18, which is Clause 3 of the printed bill, subsection 2 note the words, 'All moneys advanced to the corporation, whether advanced before or after the coming in to force of this section by the Minister of Finance of the consolidated fund or otherwise, shall bear interest to be paid by the corporation.' and so forth and so forth. That is a charge on the public purse and I say, Mr. Speaker, the rules are clear that a private member does not have the power to move a money bill.

MR. SPEAKER: — Any other comments with regard to the point of order?

MR. CAMERON: — I would like to say this, Mr. Speaker. Mr. Speaker should first understand the proposal in brief terms. The consolidated fund. The Minister of Finance out of the consolidated fund, has been advancing money to the Saskatchewan Development Fund without interest. What this bill would require is that those amounts that are advanced now and in the future, should have to bear interest. It is not a charge, Mr. Speaker, upon the public purse. It is to provide the public purse with some revenue which it ought to have had throughout all these years with that money being advanced interest free. My point there is that it doesn't cost the Consolidated Revenue Fund or the government money. Indeed, Mr. Speaker, it will put money in their hands.

SOME HON. MEMBERS: — Hear, hear!

MR. SPEAKER: — Any further comments on the point of order? I'll reserve my judgment on the particular matter and refer back to the House at a later date and ask the matter to stand for the time being.

MR. M. KWASNICA (Cutknife-Lloydminster) moved second reading of Bill 38 - **An Act respecting References in the Statute Law to 'Cutknife'.**

He said: Mr. Speaker, it's indeed a privilege for me to bring in this bill, The Cut Knife Reference Act, 1978. Before I begin my explanation of the principle involved in this bill, I want to say that the constituency that I have had the honor representing for the past 10.5 years, is the finest in Saskatchewan. The people are hard working and friendly and I thank them for their excellent co-operation and loyal support. The constituency is

bordered by the North Saskatchewan River on the North and runs some 62 miles along the Alberta border and then proceeds straight East some 80 miles to the outskirts of Battleford. It is very rich in oil, as we know, Lloydminster is the heavy crude capital of the province. It is famous for its fine breeds of cattle, top quality grains including rapeseed, buckwheat and mustard as well as agricultural industries such as a honey plant and an alfalfa cubing plant. Mr. Speaker, I am proud to say the constituency has consistently elected CCF-NDP MLAs for the past 34 years. And since 1917 when the first provincial election was held, the constituency has elected progressive members 10 times out of 15 elections. The first progressive MLA elected was Andrew James MacAuley who ran under the Farmer-Labour ticket and he was succeeded by Mr. Toby Nollet who represented Cutknife for 20 years, 18 of these as the Minister of Agriculture for the province of Saskatchewan.

The principle of this bill, Mr. Speaker, is simply to correct the spelling of Cutknife to two separate words . . . Cut Knife. This act changes the spelling in two acts pertaining to the Legislative Assembly. The first is The Election Act, 1971 wherever the name Cutknife-Lloydminster appears, as well it corrects the spelling of Cutknife-Lloydminster immediately preceding the description and in the first line of that description in The Representation Act of 1974.

The second principle in this bill is that a reference to Cutknife as one word in any statute, order or regulation shall be deemed to be a reference to Cut Knife spelled as two different words. In doing the research necessary for this bill, Mr. Speaker, I would like to place on the record some of the evidence that I have found. The Canadian Permanent Committee on Geographic Names which is the federal agency that records and sanctions names and name changes, recognizes Cut Knife as the proper spelling of the town, the RM, the creek and the hill. This federal agency concerns itself with physical features such as lakes, river, bays, streams and man-made landmarks like cities, towns, villages, right down to settlements, post offices and trading posts.

Cut Knife is steeped in the history of the plains. During the inter-tribal wars of the late 1840s, Cut Knife, a Sarcee chief was slain in conflict with the Cree under Poundmaker on a high hill overlooking the creek. Indians named the hill Cut Knife Lookout. It is only logical for the province to follow the decisions of the federal agency in order to bring consistency to the spelling of the name. I have letters on my file from the town of Cutknife, the council and the RM of Cutknife requesting me to bring in this bill to correct the spelling. I would also like to take this opportunity to thank Mr. L.R. Barr, descendent of the Barr colonists of Cutknife for his help in providing me with pictures and maps indicating the proper spelling. I wish at this time to express my sincere appreciation to him. With these few, short explanations, Mr. Speaker, I'm pleased to move second reading of Bill 38.

Motion agreed to and bill read a second time.

COMMITTEE OF FINANCE - TOURISM & RENEWABLE RESOURCES - VOTE 39

HON. A.S. MATSALLA (Minister of Tourism and Renewable Resources): — Mr. Chairman, I am pleased to introduce my officials. To my right is my Deputy Minister, Mr. Art Hartwell. Behind me is Mr. Ray McBride, the administrative officer. The seat behind that to my right is Mr. Lyle Lensen, director of Regional Services. To his left is Mr. Walt Bailey, director of Forests. Then seated at the back to the far right is Mr. George Couldwell, director of Fisheries and Wildlife. Next to him is Mr. George Rathwell,

director of Assistance Programs. Next to him is Roger Franklin, the director of Tourism and Development Branch.

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MR. E. ANDERSON (Shaunavon): — Mr. Chairman, I would like to ask the minister, in the preceding months we have seen where we have been bypassed by such services as Night Hawk Services. We have been left out of a certain amount of tourism pamphlets that have been put out by the departments such as CPR, Air Canada. Do you have in your department a special lobbying effort or do you make a special effort to provide information and materials to these departments or to Air Canada, to travel agencies to sell Saskatchewan to be sure that we are included in such brochures or do you sort of leave it to chance?

MR. MATSALLA: — Mr. Chairman, with respect to providing information and assistance in developing tour packages in the province the Tourism and Development Branch of the department functions in that area. Mr. Roger Franklin, the director of Tourism and Development is one of the officials that is very closely connected with the development of tour packages in Saskatchewan and his branch and colleagues work very closely with the provinces as well as Canada as a whole, and for that matter, outside of Canada in developing tour packages within the province of Saskatchewan. We have attempted to work very closely with Air Canada with respect to providing tour packages that Air Canada might be able to use in the development of tourism and travel in the province. I might say that I have made representations to the federal Minister, Mr. Jack Horner, with respect to including the province of Saskatchewan in the low cost travel tour that Air Canada has developed. Apparently Air Canada has ignored our representation to a degree. Nevertheless we continue to press on Air Canada and the federal minister to include the province of Saskatchewan in their travel packages and I am very pleased to report that only recently the report has come through in the Star-Phoenix indicating that air travel into Saskatchewan by Air Canada is going to be changed and consideration will be given to including Saskatchewan in the tour packages that Air Canada is developing.

MR. ANDERSON: — Thank you, Mr. Minister. We have down in the southwest the proposed Grassland National Park. The study and the question has been before the people of the area for the last 16 years. As a result of this proposed park we have had a moratorium on any lease transfers, we have had the possibility of units being transferred so that the people in the area don't know whether they are going to be allowed to ranch there, whether they are going to be allowed to live there or whether they are going to be moved out. We were promised last year in Estimates by the minister that we'd be having the final decision in June of last year. Up to this point in time there has been no decision and I wonder if the minister could enlighten as to whether there will be a decision and when it possibly could be.

MR. MATSALLA: — With regard to Grassland, Mr. Chairman, I would like to report that the tourism and recreational study of southwest Saskatchewan has now been completed and our officials, as well as the federal officials, are reviewing the study and are going to prepare a summary of it as well as a summary of the recommendations with regard to that study. Following that, of course, we are going to consider it at the ministerial level, provincially and federally, and hopefully then we can come to some decision. I had indicated some time ago that I was hoping the decision could be reached by this summer, June sometime. I am still looking at the month of June of this year for a decision but whether or not this is going to come is very difficult to say

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because there are certain areas that we have not come to an agreement on. One of the areas is, of course, the gas and oil exploration. Another area is the matter of protecting the interests of the municipalities in the area as well as the interests of the ranchers.

I might also report that I had an opportunity to meet with the federal minister, Hugh Faulkner, about three weeks ago or so and we have discussed these outstanding issues. Hopefully, we might be able to either come to an agreement with them or at least come to a decision sometime this summer, or whether or not we are going to proceed with the park. But I agree with you that the matter of making a decision as soon as possible is very significant insofar as the ranchers are concerned. It has been some time since they have been waiting for a decision for that area. My sympathies are with him and I am hopeful that following the review of the study and the review of the outstanding issues, that we might be able to come to decision sometime this summer.

While I am on my feet, I would like to respond to some of the allegations that have been made here earlier. I didn't have an opportunity to respond to them. These are the allegations that were made by the hon. member for Assiniboia-Gravelbourg (Mr. Nelson) with regard to the gas and oil explorations in the southwestern part of the province. I think it was very unfair that these allegations have been made because we are still in the process of negotiating with the federal government. Through these negotiations we are, in fact, assuring the future interests of the ranchers in the area, the local communities, the rural municipalities and the people of the province as a whole. In the negotiations to date we have received a commitment from the federal government that they will share the costs of a tourism and recreation plan for the entire southwestern part of the province. This, of course, will be shared on a 50-50 basis.

Now it was agreed before conditional approval for the proposed park was given to the federal government last June that a final decision would not be made until the review was completed on the recreational potential of the southwest. As I indicated earlier, the study is now completed. We have also received commitments from the federal government that the acquisition of land for the park will take place only through voluntary sales and provisions have been made for ranchers to pass ranches on to their sons and daughters.

There are, however, a number of concerns which are still being negotiated and agreement may only be reached after these are satisfied. One of these, as I mentioned, is the cost share with the federal government. Another one is the matter of the interests of the municipal government and the provincial government for that matter, and then of course the oil and the gas exploration costs.

Now, the hon. member's statement at the time in the Legislature was that the province has agreed to share the costs of exploration and any return for oil and gas discoveries in the 72 sections of the core area with the federal government and that in the 300 sections in the surrounding area the province will bear the full cost of exploration but share returns with the federal government. Now this is totally wrong. The province has not agreed to share returns from oil and gas, either from the 72 square miles of the park core area or the whole park. I would suggest that the hon. member check the agreement and he will find that this is not included. I don't know where the hon. member gets his information, but certainly that is not part of the agreement. What the provincial government has agreed in the memorandum of intention was to share in the gas and oil exploration costs, but certainly there was no agreement which with regard to sharing of the returns.

MR. R.E. NELSON (Assiniboia-Gravelbourg): — Mr. Chairman, I don't know where this minister has been, he couldn't have been at his own press conference last June 29, 1978, he said these very words, he said that he would share in the 72 sections, he said he would share in the outer area. It's right and I have it in my office and I will bring it down to you any time, read your own press report, Mr. Minister. Secondly, he says now they are going to have a study, why did he say last spring that they would have a settlement by June. Why did you say that Mr. Minister, now you are going to wait for a study and why are you going to consider what's going on after all this study when last June you said you would have a settlement? You said again last fall you would have a settlement. For 20 years your government and the other governments held this over the heads of the ranchers in the area and you say you are going to wait till the oil exploration and you know right well, Mr. Minister that there will be no oil exploration until you sign a memorandum of agreement with both the federal government and the provincial government. I don't know where you have been, Mr. Minister, but you are definitely absolutely out of line, read your own press reports.

MR. MATSALLA: — Mr. Chairman, I will certainly read my press reports and my comments and I would like to read them to you as well. I want to say too, that I think you should take a careful look at the memorandum of intention, the agreement has been signed, all that it indicates here is not the sharing of the returns but the sharing of gas and oil exploration costs. Oh, now you have read something into it which is absolutely incorrect and they are two different things.

MR. NELSON: — I was at this conference. I listened to you then I got a copy of your report, ask the press, they have it too.

MR. R.A. LARTER (Estevan): — Mr. Chairman, Mr. Minister, I would like to ask if they you have forecast what the price of gasoline is going to do to the tourist business this year, have you made any forecast on what it will cut down tourist industry in Saskatchewan this year?

MR. MATSALLA: — Well, Mr. Chairman, I think any costs related to travel will certainly have an effect on travel and tourist trade in the province or in the area. Although, I want to suggest the fact that the travel costs are going to increase, we are looking forward that more of Saskatchewan people will travel in Saskatchewan and visit in Saskatchewan, but I think it's fair to say that any increase in travel costs will certainly have an effect on travel in Saskatchewan and the tourist trade.

MR. LARTER: — Mr. Minister, could you tell me if you have concentrated your advertising then towards tourism to Saskatchewan people to stay home, have you played any special concentration towards advertising for our local people?

MR. MATSALLA: — Yes, we have been advertising to try and persuade and encourage people to remain in the province and visit in the province. We have also advertised outside the province, in Canada and outside of Canada by various methods. We have used the news media advertising as well as sport shows and I think you will find that our advertising budget has been increased the last couple of years. One of the other services that we have that we think is a very good promotional item is the tourist services trailer that makes its rounds earlier in the spring in the southern part of the continent in the United States and then gradually moves into Canada and finally into Saskatchewan and we think that the trailer has done a lot to promote Saskatchewan. We say this because we have had quite a number of visitors. I don't know what they run into but they run into thousands of visitors that go through our trailer and show an

interest in our province through the comments that they make.

MR. LARTER: — I would like to ask the minister if this change back to the former rules on income tax on the American scene, as far as conventions are concerned, where they can deduct on conventions in Canada for their income tax, can you tell me if this has made any difference at all to Saskatchewan? Do you foresee anything at all on this end for this province?

MR. MATSALLA: — I don't think that we are able to tell just yet; it is a little too soon to tell. I think one of the other things that we must consider is that we are in strong competition with many of the other convention centres. There is Winnipeg, Edmonton, on the west coast Vancouver and there is Toronto and so on. Nevertheless, that doesn't mean that there aren't any of the national or international conventions held in Saskatchewan but I think it is really too soon to tell whether it has much of an impact.

MR. LARTER: — Mr. Minister can you tell me if your department has any kinds of courses for either the public or the private sector as far as learning how to handle tourists — hospitality? I think that your courteous treatment by people working in both the private and the public sector is our best form of advertising. I wonder what you have done in this line. Have you done anything in order to promote this in Saskatchewan?

MR. MATSALLA: — Mr. Chairman, in participating in the program of the hospitality industry, our department works very closely with the hotel and restaurant industries in participating in their workshops. Officials of the department participate by providing for lectures as well as some financial assistance.

MR. LARTER: — Mr. Minister, are you satisfied that this is going far enough though to do the job for the tourist industry in Saskatchewan? Do you think it should be extended? The restaurant and hotel courses or seminars that are put on, do they really match up with at we need in the tourist industry here in Saskatchewan?

MR. MATSALLA: — I believe that you can go a long way in attempting to improve the training in the hospitality industry; there is no question about it. Our department has been working very closely with both the hotel and the restaurant industries and it is continuing to do so. If there is a need for improving and expanding in the training and the courses, our department is quite prepared to do so. As I said earlier, I think there is really no end to learning and no end to training. I think we should also recognize that if we do have a very specialized course in hospitality, I would then of course presume that the people graduating from these courses would of course expect to receive much higher wages and then again you run into the problem of wages, high wages and so on.

MR. LARTER: — Mr. Minister, that answer does not surprise me a little bit. I am very surprised to hear that if they do have these courses they would be demanding higher wages. I thought if we were going to go after the tourist industry in Saskatchewan we should have really good people working, for instance, in the resorts. I would like to know if you have any special courses for students that are working at either provincial or regional parks. Do they take any special courses as far as meeting the public is concerned and what is their training? Do they just get into the booth there and sell entrances to the park? Is that their complete training?

MR. MATSALLA: — Mr. Chairman, most of our full time staff in the parks have the two year resource course that is provided for at the Kelsey Institute in Saskatoon. The part time people that are hired during the summer, of course, don't have this training. Some do, but most of them don't because they're hired as students from the university that is really not related to resource area. But all those that are hired on a full time basis certainly have the training and they receive their training at the Kelsey Institute and most of them, of course, would be the two-year graduates.

MR. R. KATZMAN (Rosthern): — Mr. Minister, I agree with you that your people at the parks that are full time employees are well trained. I have no quarrel there at all. I'm asking these questions because you do employ a lot of students during the summer and I just wonder if they don't get some kind of initial training when they go on to this job of meeting the public in the case of Last Mountain Park, Kenosee. They need twice as many people as anywhere else in Saskatchewan. I think these people should have some kind of a briefing, some kind of a course in order to meet these people.

MR. MATSALLA: — With regards to the summer staff that we hire, that's the students, they do have a very short course, about a week, with some of our officials. That of course, covers park administration as well as public relations.

MR. W.H. STODALKA (Maple Creek): — I would just like to make a few comments in line of what the member for Estevan has been saying. It seems to me that the latest change in the provincial gas tax in Alberta has just added one more thing to the many disadvantages that the people in tourist industry have to work under here in the province of Saskatchewan. I think when most people start thinking of a holiday, particularly if they're going to be camping, some of the things that they like to look at, for instance are the moving along, finding a campsite or probably staying in a hotel. The women probably like to do a bit of shopping. There's a fair amount of driving in it. The odd time, I think a few of them have refreshments around a camp fire at night. I just like to point out some of the things in Saskatchewan that our tourist industry people are really faced with.

For instance, if you're moving along the Trans-Canada Highway, shortly out of the city of Medicine Hat, they have a camp-site there that you find most summer nights is absolutely packed, because it's free. There is no charge. If you moved along a little farther you'd find Killibrook which is a very elaborate camp-site. If I remember last year, the rates to stay at Killibrook were about \$1.75 a night. Then if you proceeded along towards Bassano on your way to Calgary you had another free camp-site. In Saskatchewan, again the one at Maple Creek, which is a fine camp-site, I believe our rates are something like \$4 or \$5 per night to stay in it. We also have a 5 per cent sales tax on all our hotel rooms. We have the 5 per cent sales tax on commodities that people shop for or buy. Then we have, of course, the 19 cents provincial gasoline tax that we have in Saskatchewan, that we don't have in the province of Alberta. These are so many of the things that are sort of adding up. I just can't see how the minister can feel that there's going to be anything but extreme hardship in the tourist industry in the province of Saskatchewan this year. I would like to know what the minister has done in Cabinet to recommend that some change be made, particularly in the idea of maybe, eliminating the 5 per cent sales tax on hotel rooms as they've done in the province of Ontario, I believe, or something along the idea of a reduction in gasoline tax to encourage people

to come into the province of Saskatchewan. Has the minister made any representations at all to the Cabinet to try and help out the tourist industry?

MR. MATSALLA: — Mr. Chairman, certainly in my capacity as the Tourism Minister, I'm certainly concerned and hope that there is improvement in the industry as it relates to Saskatchewan. Nevertheless, I think that the member will realize that we as the government have to consider all sorts of priorities and therefore our budgets are set according to priorities. Certainly, tourism is being considered as well. With regards to the effect that travel costs may have on tourists, I want to say that the travel patterns do change and I think that tourists do consider the costs of travel but they, I think mainly consider the destination that they want to go to, rather than just simply the travel costs. Travel costs is one of the factors. I think the destination is probably one of the top considerations. Sometimes they may travel thousands of miles without consideration as to the cost of gasoline and their stay in hotels, at other times they will only travel a short distance because of the fact that is the destination they would like to reach. I agree with the member that all these have a certain amount of impact on the tourist travel. But as I mentioned earlier, the government has to consider its priorities and therefore the financial considerations are set accordingly. I might report to you that last year, from our statistics, it is indicated that the hotel business has been quite good and the hotel receipts have been up. The same thing applies to the motels and the same thing applies to the restaurants. So, perhaps this could have improved with reduced costs but nevertheless the trend is there towards improvement.

MR. STODALKA: — I realize, too, that a government has certain priorities, but certainly the tourist trade in Saskatchewan is probably one of our larger industries and there should be some consideration given here. I could have mentioned also that in the line of alcoholic beverages, the differentiation that exists between Saskatchewan and Alberta right now; some of those things I don't know whether they have an effect or not but certainly they are another factor.

I would like to go into another area. In the south west we have been, the last few years, talking about the Grasslands Park, and then moving down to the provincial park in the province of Saskatchewan, and then we moved to the Fort Walsh Park, then we moved to the west block to the Cypress Hills Provincial Park, then we move into the Cypress Hills Provincial Park in the province of Alberta — a sort of real recreational area you might say, really a sort of part and parcel of one large area. Now there have been some suggestions in our area that possibly one of these areas will not be part of that park concept in the future. The minister I think will know what I am going to ask him by now and that is about the west block of the Cypress Hills Provincial Park. There has been some indication that possibly in the matter of Indian land claims settlement — I know that the Minister of the Department of Northern Saskatchewan is the person responsible for Indian land claims but seeing that the west block of the Cypress Hills Provincial Park is under your jurisdiction, I wonder if the minister would give us some assurance that this very beautiful park, a park that as I say really belongs to the total area, will not be transferred out of the parks system as the matter of settling Indian land claims.

MR. MATSALLA: — Mr. Chairman, with regard to the west block that the hon. member refers to, and the Indian land claims related to it, the Indians in the area have identified the land as a possibility for claiming it for their land. This, of course, is their business, and they are doing that right across the province. Nevertheless, there is no commitment on the part of the government to release this land to settle any land claim at this point in time. I am of course hopeful that that land will be kept within the parks as occupied Crown land for park purposes.

MR. STODALKA: — The minister then is saying, what I understand, is that his own personal position then is that he will do his utmost to see that the west block of the Cypress Hills Provincial Park will remain as part of Saskatchewan Cypress Hills Provincial Park. (Inaudible interjection) Could I also pursue this just one step further. There are grazing permits that are issued in this west block and I believe these are yearly permits that are issued. Again would the minister assure us that these grazing permits would continue as they have in the past?

MR. MATSALLA: — Mr. Chairman, the grazing permits will continue in the park on an annual basis.

MR. G.N. WIPF (Prince Albert-Duck Lake): — Mr. Minister, you are in the enviable position of being the minister in charge of the second largest industry in Saskatchewan, which lost around \$10 million last year. I feel sorry for those that are in charge of the others that are below yours. But Mr. Minister, we have got to encourage tourism into our province. I am just wondering what percentage or what part of your advertising budget is spent nationally and provincially and internationally. What type of advertising campaigns have you got going or will you have that will try and encourage people to come into our province for their holidays and spend a little bit of their money here?

MR. MATSALLA: — Mr. Chairman, let me first of all correct the hon. member with respect to tourism being the second largest industry. I hope it was and I hope that we can strive for that but it is the third largest industry in Saskatchewan at this point in time.

With regard to advertising in the province, tourism advertising in the province, I have mentioned some of these earlier. We have the development of packaged tours within and to the province, an advertising tour incentive program for carriers and tour wholesalers for the development of Saskatchewan programs and then there is the showcase trailer that I have mentioned earlier. The statistics expect the number of people who will likely go through the trailer this coming season will exceed something like 100,000. So there is quite a number of people that go through it. We also have our Sask Travel information service; I am sure you are aware of that. This information provides a direct response, both by telephone and letter, to some 70,000 Saskatchewan travellers every year. Our staff maintains 6 travel information centres to serve the travelling public in an attempt to divert the traffic off the major routes in the province. Then we have our showcase, travel show program which has been increased to 16 shows, an increase of 7 over the previous year.

Now, with regard to dollars in advertising, direct media advertising on tourism in Saskatchewan, the department spends \$109,000 in round figures. The total promotion effort, which includes such things as travel counselling, publications, sports shows, custom tour program and a community and regional tourism development program runs into \$617,044 and if you include the staff that is involved in this, it is well over \$1.4 million.

MR. WIPF: — Mr. Minister, just before I forget, I would like to express how pleased I was with a film we saw the other night which was done by your department, I believe on the Yellowhead route, and that is an exceptional film. I believe that films of that type will be a great promotion to try to get people to stop in Saskatchewan. As you said, there are a lot going through, but it is the idea to get them to stop here. Your advertising budget is fairly high. Can you break this down into regions for me? What dollars are spent in each

region and now much in each region?

MR. MATSALLA: — About the only program that we might be able to break down for tourism promotion is the Regional Tourism Development Program which covers the 6 regions and that is \$20,000 per region. But in terms of publications and advertising we don't have the breakdown. When these are published they are of course provided for wherever there might be a demand for it. It makes it very difficult to get an accurate figure on a regional basis.

MR. WIPF: — Mr. Minister, there is a general feeling in the northern part of our province, that is on this side of the northern administration district and across the, I guess you'd call it the central part of the province, that you could be doing some more advertising to increase our tourism population up there. I have been asked by the people in that part of the area to encourage you to do more advertising, to get more people in the central part of Saskatchewan instead of having them come through on the No. 1 highway. Many of the advertising packages just leave Saskatchewan flat — like it seems like all Saskatchewan is in the south part of our province in the prairies here.

Mr. Minister, the regional grants of last year were \$20,000 and I understand there was some talk about increasing that. Is the \$20,000 going to be increased? I believe, and I stand to be corrected here, that the Prince Albert area is going to be a region by itself, they are going to opt out of there. If they do, do they receive \$20,000 like the other 6 regions do, or where are we at on that at this time?

MR. MATSALLA: — Mr. Chairman, may I first of all answer the member on his first concern and that is with regard to advertising and promoting the entire province rather than the southern part, the central or southern part. I think that in our advertising we are promoting the entire province, in almost every publication that we may have — I would like to refer to one publication, or one advertisement that we have and this one is in the Reader's Digest, where it promotes the entire province. As a matter of fact, it is the Prince Albert National Park, that is a northern park but it is a national park which we could promote as a provincial park but it promotes the entire province of Saskatchewan. This piece of advertising cost the government \$13,000 because there is quite a lot of advertising in it . . . (inaudible interjection) . . . That refers to the big and the small and it refers to the single and the family people. Now with regards to the \$20,000 allotment that was provided for to the tourism regions, we are continuing with that this year. There is no increase in that sum per region.

With respect to Prince Albert and the northern region, my understanding is that the Prince Albert city and area is holding discussions with northern people, the northern outfitters and until the time they might be able to resolve their differences and come to some sort of an agreement as to how the northern part of the province should be promoted, I don't think there is too much that we can do. We, of course, are participating with them and work with them in an attempt to try and resolve some of the problems they may have there and, perhaps, come to some sort of an agreement with regards to promoting the northern area.

MR. WIPF: — Mr. Minister, you have had, I understand, or I believe, some presentations - quite a few presentations - made to you with the idea of increasing this \$20,000 grant, which really doesn't go that far in the regions now that they are so large. Can they expect a little softheartedness from you, for the upcoming year to try and bring more tourism into our area? There was a question here, before, I hope that they can expect it, but there was a question before about the training of your staff at these parks.

What has been the increase in the staff at the regional parks over the last two years? What has been the average increase?

MR. MATSALLA: — Are you referring to regional parks or provincial parks?

MR. WIPF: — Provincial parks.

MR. MATSALLA: — Last year the staff in the provincial parks was increased by 16 permanent and 28 temporary and we are continuing on the same basis. There is no increase this year.

MR. WIPF: — O.K. Mr. Minister. Again, I want to encourage you to put together some special packages for central Saskatchewan, for our area up there that is hurting because of the lack of tourists coming into the most beautiful part of the province and show the people who are coming to Saskatchewan that there is more than prairies.

The other area that I want to talk about is the Duck Mountain Park, over in your constituency. Is your department involved in the building of that ski hill that is to be put in there?

MR. MATSALLA: — Mr. Chairman, I am proud of Duck Mountain Provincial Park, but it is not in my constituency. It is in the constituency of Pelly. I suppose the hon. member would remember when he was working in the Pelly campaign. With regard to the development of the ski slope, I think this is what your question was, I might say that that area, the proposed ski area, was established as a regional park so, therefore, the assistance to the ski area, the development of the ski area, is going to be provided on the basis of regional park formula, which is at present, 60 per cent capital and 50 per cent maintenance.

MR. WIPF: — The 60 per cent capital and then the other capital is going to be supplied by the municipalities. Is that it? Is the town of Kamsack involved in that? Are they putting any money into it?

MR. MATSALLA: — Yes, they are.

MR. WIPF: — How much? What percentage?

MR. MATSALLA: — There are two RMs that I think are involved and I believe there is a village.

The municipalities are going to be committed to provide \$108,000 and that includes the three RMs, the town of Kamsack and, I believe, the village of Veregin as well. But we don't have the breakdown as to how much the town of Kamsack will provide.

MR. WIPF: — Mr. Minister, on this particular ski slope and the development that you are doing in this area - you said that is a regional park where the ski slope is? Is that within a provincial park?

MR. MATSALLA: — The land in that area is going to be leased to the regional park authority for the purpose of developing this ski slope.

MR. WIPF: — What plans does your department have, or the government have, for

development in that area? What other development is going to go ahead? Are you going to build a chalet or a hotel or motels?

MR. MATSALLA: — Mr. Chairman, that area is under the jurisdiction of the regional park authority and of course that is going to be their plans. I think they have laid out some of their plans with us, nevertheless, they are the ones that make a request for approval of their plans for development. I understand that the ski slope of course is going to be developed as well as a chalet in time. The major projects of development there are going to be the ski slope and the chalet and of course the development of the ski trails, as well.

MR. WIPF: — O.K. Mr. Minister, there is some development going on there and you said it has been referred to, I forget the name of the committee. Are those people here and could you tell us what other development, if that motel is going in there or what other developments.

MR. MATSALLA: — Mr. Chairman, there will be no hotel or motel development in that area. As a matter of fact, we don't approve of developing hotels and motels in park areas.

MR. WIPF: — O.K. Mr. Minister, that is what I wanted to hear you say, that there would be no hotel or motel development in that general area. Are you going to be running a road or putting a road in over to join the highway in Manitoba — now I forget the number of that highway that runs up to the The Pas, the west side of Manitoba. Will there be a juncture or a road going over to meet that one — that highway?

MR. MATSALLA: — Mr. Chairman, there are no plans for a road development suggested by the hon. member. An access road has been provided from the park core area onto the ski area. That is the fire guard road — it has been referred to as the fire guard road. Nevertheless it has been improved and could be used as an access to the regional park area.

MR. CHAIRMAN: — Order, order! I am sorry to interrupt but I wonder if the members to my right would please keep the noise down just a little bit. I am finding it very difficult to hear what is going on. So if they will please confine .. Proceed.

MR. WIPF: — Thank you so much, Mr. Chairman. Mr. Minister, the one question that I want to give and then I should be finished here. There is some concern in the Kamsack area through a meeting that was held with I don't know, some of your officials or government officials, that had indicated to the people they would or could take over this resort, even though the surrounding municipalities and the town of Kamsack had put money into it. Is there any fact in that you can eventually take this over without compensating the RMs and the town of Kamsack for the moneys and the energies that they put into it?

MR. MATSALLA: — Mr. Chairman, there is no intention of the province, and no indication has been given to anyone, that the province would be taking it over after it was developed or half way developed, for that matter.

MR. MacDONALD: — Mr. Chairman, thank you very much. I want to change the direction of the questioning and bring to the attention of the minister and ask him a few specific questions. But first of all, I would like to make a few comments. To me for the

Department of Tourism, certainly one of the major problems in Saskatchewan, is located right here in the city of Regina. And of course I speak about the Regina airport. Mr. Speaker, the tragedy of it is that if there is anything that is destroying or hindering tourist expansion, not only within the province of Saskatchewan but the holiday opportunities outside the province of Saskatchewan, is the complete stagnation of the Regina airport program. In fact, what has bothered me very much, is that I think it is about time that all the people of Saskatchewan mounted a general protest, and I think it is also about time that the minister of Tourism and the government of Saskatchewan led the fight concerning the Regina airport — and for some strange reason, the only person that I hear making any kind of a fight at all, is the member for Regina South . . . (Noise and comments) . . . Now let's for a moment, and if you have a guilty conscience over there, boys, restrain yourselves, particularly the Minister of Consumer Affairs, the Attorney General and any of those MLAs who are located or live in Regina. I sympathize with them because they should have a guilty conscience! Let us just stop for a moment and examine it. (Inaudible interjection) I say to you that . . . just then the Minister of Finance has got a guilty conscience to . . . We may think . . .

MR. CHAIRMAN: — Order, order, order please! Any member will have an opportunity if they so wish to speak but while the other one is speaking I would certainly prefer if they would listen and be as quiet as possible, so ..

MR. MacDONALD: — Mr. Chairman, we senior members recognize that some of those young upstarts over there have a very, very difficult time.

I want to sit down for a minute and start off by saying, I would suggest to you that the only capital city in Canada without an international flight out of, that can leave and return to the capital city in Canada, is the city of Regina in the province of Saskatchewan. This is the only one that I know of. Now I know that you can out of Halifax. I think you can out of St. Johns or Gander in Newfoundland. I certainly know you can out of Montreal, Toronto, Winnipeg, Calgary, Edmonton, Vancouver, but in the city of Regina in the province of Saskatchewan there isn't a single opportunity, particularly the city of Regina, to go on an international flight. Now what is the reason for it, Mr. Chairman? It is because there is a complete lack of customs facilities.

(inaudible interjection)

MR. MacDONALD: — No you can't blame Otto Lang; it has been here for years and years but it is about time that we started to do a little fighting about it, Mr. Speaker. We have no customs facilities in the city of Regina and you know what happens if somebody wants to take an international flight or if some group wants to charter an aircraft to Las Vegas or go to Hawaii or wherever it may be, the first thing you have got to do is to fly to Calgary on your return home and clear customs.

(inaudible interjection)

MR. MacDONALD: — Now listen to the Attorney General sitting up there just yakking away and you know it is about time he gets up here and . . .

(inaudible interjection)

MR. MacDONALD: — His city has that opportunity unfortunately, but he doesn't give that opportunity to the Queen city and the capital of Saskatchewan .. city of Regina. Not only that, Mr. Speaker.

AN HON. MEMBER: — Shame!

MR. MacDONALD: — Yes, and shame on whoever is responsible, but the biggest problem is that the government of Saskatchewan has sat quietly by and ignored it. That is the real problem, Mr. Speaker. We have, all of a sudden, a new policy in relation to air fares in the Dominion of Canada — something that is protested by Canadians right across the country is that domestic fares are very, very high. It costs as much to fly to Halifax as it does to fly London, England and that happens to be a fact, within a few dollars. All of a sudden now, Canadians are resenting the fact that domestic air fares are going up and so all of a sudden they call for a new kind of air fare so all of a sudden they have introduced the charter class fare and all of a sudden they have introduced the Night Hawk. But who can't fly on the Night Hawk? The citizens of Saskatchewan and the citizens of Regina, and that is unfortunate.

(inaudible interjection)

MR. MacDONALD: — Well maybe I would, or some people who can't afford to fly first class like the Attorney General in the province of Saskatchewan.

(inaudible interjection)

MR. MacDONALD: — That's right. People who have to pay their own way, Mr. Attorney General. They don't get the taxpayers to pay it. So there are some real problems in Saskatchewan. I know that you can go, and the government, if you ever turn around — if you want to look up in Public Accounts the NDP last year spent over \$.5 million on air fares to Air Canada and that is not counting all kinds of other air fares. There is no question about it. You can fly, and you don't want to fly Night Hawk, but there are a lot of poor people in Saskatchewan who would like to go to Toronto at the same kinds of fares that the people in Calgary and Edmonton and Winnipeg can. Those are the kind of people who should have that opportunity.

Mr. Speaker, there is another problem, and you know that is unfortunate that I haven't even heard anything from the Member of Parliament for Regina; that's right. That is why we are going to have a couple of new ones after the federal election.

SOME HON. MEMBERS: Hear, hear!

MR. MacDONALD: — Mr. Speaker, the one member and candidate who is trying to fight for this problem happens to be, as I said, the member for Regina South.

Now, Mr. Chairman, there are some problems and I think the members over there should look at them very seriously, and that the government should be taking the leadership and providing some kind of an opposition and an organized opposition; there should be a research program to indicate the number of people who want to fly on the Night Hawk; there should be the number of people who fly internationally out of the province of Saskatchewan and are unable to do so out of the city of Regina. We should be able to find out how many international flights go out of Winnipeg, Calgary and Edmonton which are denied to the province of Saskatchewan and particularly the city of Regina. We should look very carefully at the causes and there are several causes. The number one, of course, is that we need expanded runway facilities — no question about that. We can find that 747's can land in the city of Saskatoon but they can't land in the capital city of the province of Saskatchewan, Regina, Mr. Chairman.

There is another thing of course — our airport. The actual facility itself needs expansion and needs growth and whether it needs to be moved or what, I don't know and I am not trying to get into the problem of where the airport should be located but I do know this, that it is a tragedy that when you come from Minot or the United States, the maximum number of people who can clear customs is 30.

AN HON. MEMBER: — Shame!

MR. MacDONALD: — Now that is a shame and this happens to be the capital city of the province of Saskatchewan. Unfortunately, I don't know whether the Minister of Tourism is writing letters but he is being very, very silent on it. I don't know if the government of Saskatchewan is making any kind of a massive protest but certainly the people of Saskatchewan don't know whether they are. And I want to say to the Minister of Tourism, if you want to help the tourist industry in the province of Saskatchewan then number one, let's have a gateway city in the capital city of Regina and we can then fly international. That is the first thing we want to do — let's have a gateway city. The second thing, let's have the kind of custom's facilities here that will accommodate the international desires of the people of Saskatchewan. Anybody, for example, flying to Hawaii flies from Regina to Calgary or Edmonton or to Vancouver, then they go or they have to land in Calgary, Edmonton and Vancouver. And I'm not going to tell you how many thousands of people today are flying internationally out of the province of Saskatchewan and unfortunately they are denied the same kind of privileges as the travelling public in every other province in Canada. And I want to ask the minister to indicate to me if he has a permanent lobby in the federal capital with the CRTC or the Canadian Transport Commission who has a responsibility there. I want to ask the minister when is the last time he has had a meeting with the Minister of Transport in regard to this. I would like to ask the minister if he would mind tabling for the members of the Legislature the kind of correspondence that has been written to the Minister of Transport in order to try and obtain these kind of facilities. I'm not talking about joining with the delegation from the city of Regina or any of the normal things. I'm asking whether or not the minister is actively taking a leadership role in this and I'll tell you this, Mr. Minister, if you can accomplish those things for the city of Regina and the province of Saskatchewan you will do more than doubling your budget as far as tourism in the province of Saskatchewan is concerned.

MR. MATSALLA: — Mr. Chairman, I agree with a lot of the things that the hon. member has said except criticizing me and the provincial government. I think that we have done as much as we can do. We have made representation, I have made representation to the federal authorities with regard to the facilities, the poor facilities that we have, the custom facilities that we have in the Regina airport. I have attended the minister's conference in Ottawa a couple of months ago with regard to better transportation facilities and tourism industry as a whole. I personally have indicated to the conference that if we are going to expand custom clearance facilities that one of the first considerations should be the capital city and this has been agreed by the ministers at the conference. It was indicated very clearly to the minister that very serious consideration be given to designating each and every capital city in the province of Canada with international airport status. I think what is necessary, if the hon. member would talk to his federal colleagues with such vigor and strength as he is doing here this evening, that too would help. I think that a shaking up of the Transportation Minister and the Minister of Industry in Ottawa would certainly assist and I think we have done all we can. As a matter of fact I think that the release that I pointed to you earlier with regard to the air travel plan may be changed. I think this has come about by my representations

being made to the federal ministers and indicating our dissatisfaction and objection that Saskatchewan has been left out, out of the Share Canada Program and out of the Night Hawk Program.

MR. MacDONALD: — Thanks very much. It's nice to have the minister say, if the member would speak as strongly to the Minister of Transport. I will be glad to speak as strongly, but you happen to have the responsibility in the province of Saskatchewan to speak to the Minister of Transport. Can the minister tell me exactly when he had the last meeting with the Minister of Transport or the Department of Transport in Ottawa to discuss No. (1) the customs facilities in the city of Regina, No. (2) the expansion of the runway, No. (3) a new airport and No. (4) the Nigh Hawk Service? Can the minister tell me? I'm not interest in a press release. You are free to speak strongly. I will speak strongly. You tell me when the last time you or an official of the government of Saskatchewan had a meeting with the Minister of Transport or the Department of Transport to discuss these problems.

MR. MATSALLA: — One of the problems meeting with federal ministers is that it is difficult to get a time for a meeting. We were hoping that at the time of our tourism conference that the Minister of Transport would be at hand along with the Minister of Industry. The Minister of Industry, Jack Horner, was there but apparently the Minister of Transport wasn't available for that meeting and this is one of the difficulties that we are having. Nevertheless I have corresponded, communicated with the Minister of Transport with regard to the problem that we are addressing ourselves to.

MR. MacDONALD: — Well, I'm going to give the minister the opportunity to speak a little more strongly and all the members of the government to support a simple motion and I'm sure it should receive the approval of all members of the Assembly and it is related, of course, to this committee and the Legislative Assembly of the province of Saskatchewan, calling upon the federal government to do certain things.

Before I move that, I would like to ask the minister one more question. Can he tell me if there has been any proposal or any information provided to the government of Saskatchewan by the Department of Transport, nationally, which would indicate when a solution might be anticipated for the citizens of Saskatchewan in relation (1) to customs facilities; (2) improved runway facilities?

MR. MATSALLA: — Mr. Chairman, we have no commitment from the federal minister. There might be a possibility that, perhaps, there might have been a communication with the Transportation Agency or the Minister in charge of Transportation Agency, but there hasn't been anything of a commitment from the federal minister with regard to this.

MR. MacDONALD: — Mr. Speaker, I would like to move, seconded by the member for Regina South (Mr.Cameron), that the following motion be presented to the committee:

That this committee expresses its desire: (a) to preserve the present location of the Regina Airport; (b) to expand the capacity of the Regina Airport by constructing a new runway approximately one mile south of the current second runway.

Of course, when I talk about this, it gives the opportunity for the large 747s to come in. When I say the mile or two miles, or three miles, or whatever it might be, I am referring to the need for a new and larger runway.

(c) to expand the capacity of the terminal, and (d) to provide customs and clearance facilities; (e) to proceed immediately with all necessary zoning changes.

Mr. Speaker, I so move and I would like to speak, very briefly, to this.

Mr. Speaker, in making this particular motion I tried to make it so expansive, or at least to cover the majority of the problems relating to the city of Regina and its airport facilities. I would hope that, in discussing it, members of the committee might consider the purpose behind the motion and the intent.

(a) to preserve the present location of the Regina Airport, I think makes a great deal of sense. First of all, when we talk about the present location, we are talking about not expending the kinds of hundreds of millions and millions of dollars that were required, for example, to change the airport location in the city of Calgary, we hear about the tremendous expenditures at Mirabel and so forth.

(b) to expand the capacity of the Regina airport by constructing a new runway, approximately a mile, or wherever it is, South. Of course, what we are really saying is that one of the unfortunate things about the city of Regina and the airport in the city of Regina, the capital of this province of Saskatchewan, is that you can't land a jumbo jet here. You can't even take off, for example, with a Stretch Eight, a DC Eight, that is fully loaded with gas and fully loaded with a passenger capacity. That is very, very unfortunate for the capital city and the province of Saskatchewan and that happens to be a fact. You can't even take off with a Stretch Eight loaded to capacity. Therefore, there is a need for the reconstruction of a runway.

(c) to expand the capacity of the terminal. Of course, I don't think I have to tell anybody the projections for air travel in the future, or 1985; the projections in Regina, Winnipeg and across Canada are fantastic, the growth in air traffic.

(d) to provide customs and clearance facilities is self-explanatory. One of the reasons we are not a gateway city, in the city of Regina, is, of course, because we don't have the customs and clearance facilities.

(e) to proceed immediately with all necessary zoning changes. That, of course, now requires leadership from the government of Saskatchewan as well as the city of Regina.

Mr. Speaker, I would hope that all members of the House would look at this particular recommendation or this particular motion, in a positive and a progressive way so that it is what is best for the city of Regina and the province of Saskatchewan. It would be very helpful, as a matter of fact, for the minister and other members of the government to stand up and support this particular motion, so that we could send it down to Ottawa, unanimously, from both the government and the members of the opposition, because it certainly expresses the needs and the desires of the citizens of Regina and the citizens of the province of Saskatchewan.

Mr. Speaker, I so move.

HON. G. MacMURCHY (Minister of Municipal Affairs): — Mr. Chairman, I think we can appreciate the hon. member's motion with respect to the airport. Perhaps all hon. members will be interested to know the background to the particular motion. I think it is

a very positive motion, it is lacking in the necessary specifics in order to deal with the Regina airport situation. A report to all hon. members that, at the initiative of this government and the city of Regina, a study into the Regina airport was established involving the federal government, the provincial government and the city. That study was completed I think shortly after the new year and the recommendations of that study were released to the public for public comment. This then could be followed by meetings involving the federal Minister of Transport, myself and the city officials. The recommendations, in the broad sense, are in keeping with the motion put forward by the member for Indian Head-Wolseley, and I think that everybody supports those. I think the study people made those recommendations, I think the city supports them, I think they are prepared to deal with the controls and the zoning and we are prepared to work with them in that area, and I think that the federal government agrees with the recommendations.

The recommendations of the study puts some time frames on implementation, and I think that those are fairly important. I know that, in the hon. member's motion, those time frames were not included and in the recent weeks we have been seeking an opportunity to sit down with the federal Minister of Transport and the city to not only just discuss the recommendations of the study in the broad sense as put forth by the hon. member, but to discuss with them the kind of time frames for implementation. In terms of the time frames proposed in the study certainly our feeling by the government was that it could have been brought in in a shorter period. However, we were willing to accept the recommendations of the study team and that is basically our position. However, there has been no opportunity to meet and therefore we have not been able to provide a positive response to the study. Since we have been seeking that opportunity, (I know the federal Minister of Transport is busy and obviously will likely be getting busier), we are still seeking the opportunity and still seeking an opportunity to get more specific commitments than the motion proposed.

In light of this then, Mr. Chairman, I would like to move a further amendment to the motion amend the motion, by adding the following words at the end of the motion as presented.

And express its extreme regret the failure of the Minister of Transport, Canada, to meet with civic and provincial officials, to resolve the said concerns thereby downgrading the status of the City of Regina.

MR. MacDONALD: — Mr. Speaker, before we vote on the amendment there are a couple of questions that I would like to ask the Minister of Tourism and the Minister of Municipal Affairs.

I would like the Minister of Tourism to stand on his feet and tell us when he contacted the Department of Transport, since the latest progression in the airport situation, which will be discussed in a moment, Mr. Attorney General. Would the Minister of Tourism please stand on his feet, and the Minister of Municipal Affairs, and tell us the exact date, because I will be interested in finding out, because I am very concerned about this, this exact date when the last occasion he requested a meeting with the Minister of Transport, Mr. Lang, and what particular date did he suggest - and because this is rather important - from some of the additional information that we are going to provide. Would the Minister of Tourism please indicate that before we vote on the motion, Mr. Chairman?

MR. MATSALLA: — Mr. Chairman, I am unable to give the hon. member the exact date

of my correspondence with the Minister of Transport. I did correspond with him, I think it was sometime last summer, with regard to this. I expected to see him at the conference, which he didn't attend. Now how do you get to a minister when he doesn't make himself available?

MR. MacDONALD: — I just want everybody to listen to what has happened here. Just let's everybody listen to what has happened! The Minister of Tourism said he contacted a letter last summer, but the report just came out a short time ago. Well, that is par for the course. When is the city . . . inaudible . . . tell us that. Let's ask the minister. That is par for the course. Then the minister expects us to support a thing like that, when the last letter, the last correspondence he had with the Minister of Transport . . . please tell us Mr. Minister, and I ask the Minister of Municipal Affairs, to tell us what has occurred since last summer in relation to the airport issue in the city of Regina and the province of Saskatchewan. . . and then have the audacity to say that the Minister of Tourism could support the amendment, or the Minister of Municipal Affairs.

SOME HON. MEMBERS: — Hear, hear!

MR. MATSALLA: — Mr. Chairman, my correspondence with the Minister of Transport was in connection with custom clearance facilities at the Regina Airport. At that time there was nothing about the Night Hawk.

MR. MacDONALD: — Then how can you support that motion?

MR. MATSALLA: — I certainly will be supporting and I am just wondering how your colleague over there is going to support the motion and that is the hon. member for Regina South (Mr. Cameron).

MR. CAMERON: — I will be happy, Mr. Chairman, to tell the minister how I intend to support the motion and vote against the amendment.

The minister has indicated that there was, in fact, a study which was undertaken in co-operation with the three levels of government and it was a very good effort on behalf of his government and I want to give him credit for it. I am happy to do that.

The study looked at a variety of alternatives, but on this base, it found clearly, that the past number of passengers in Regina is likely to double over the course of the next 15 to 20 years, that is first. Secondly, the number of incoming and outgoing flights is expected to increase dramatically in that same time period. The question is, what are we going to do to meet that problem, because these are already the facts?

The noise levels in the southern portion of the city, and some of you will be familiar with that, are already too high and they are a major irritant. Secondly, is that the safety levels with respect to the use of the main runway are now causing a problem. Those aircraft are coming in very low and the danger of the situation is building with the increase in the traffic. That is the second problem. What is the solution to it? The minister's study, in co-operation with the federal and provincial governments, has suggested that there ought to be a major runway expansion by building a second runway a mile south and west of the existing runway, running in an east-west direction. That could mean that the incoming flights would come over west of the by-pass, west of Kiddie Land, that area. They would come over non settled areas of the city, which is a very good solution.

Secondly, of course it would solve the noise level problem by and large with the

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exception of the small use of the eastwest runway. That, in my view, was a good solution. The study recommended that there had to be zoning provisions made in order to accommodate that and there had to be some action taken, in co-operation with the Saskatchewan Housing Authority as the minister will know, to be certain that settlement was not taking place to preclude those options. Again I give the minister credit — he made some tough decisions and it was his decision in the main that saw to it that those options were not foreclosed in the decisions that you made last summer. I give you credit for that, much credit as a matter of fact. What has transpired recently now is that the city of Regina has approved the zoning, that land that was required of it, I believe, about a week ago, and I would give the city of Regina credit for having done that as well. I think there are now additional zoning requirements which is now resting with you. That is, the provincial government has to take some action in this area as well. As the minister will know, Saskatchewan Housing Authority owns some land as well that may be required if the expansion is to take place.

Now, the current situation we are in is that there is, in my understanding, some additional zoning and other requirements of the provincial government which I hope that the minister will move on fairly quickly. Then it would be a matter of persuading the federal government, in a period of restraint, to come forward with the \$30 million or \$40 million that will be required for the project.

First I want to address you in a serious sense of respect to this. This is a major problem of this city and it has been a problem which is growing in intensity and will continue to grow in intensity. There has been good co-operation by the three levels of government to this point to solve the problem. We are now coming to the point where action has to be taken. One is, we want to preserve the location of the airport. There are some voices that don't agree with that, as the minister will know — not governmental voices but other voices — who want a new airport constructed elsewhere and we would lose the convenience of the present location. What now is required, in this last step, is the continued high co-operation between the provincial government and the federal government. The record of co-operation at this point in time has been excellent and I give your government credit for it — sincerely I do. Now we have one last step to go and that is, the ministers now have to meet with their federal government counterparts to finally make some decisions with the base of the information that has been gathered, the zoning has been done and the minister's housing decision that he took last summer.

Now is the time when we have to make the decision. Now is the time when we need the \$30 million or \$40 million in times of restraint. I think the minister would find it helpful in his meeting with his counterparts in Ottawa, to have this resolution with him at the time he goes. And if he thinks it is of any value to have my address in respect to it, along with him, I would be happy if he would take that too because I can tell you, two months from now or three months from now, when I am dealing with this problem at another level (Laughter), I will find this very helpful to have this resolution.

SOME HON. MEMBERS: — Hear, hear!

MR. CAMERON: — So I want all ministers, all members too — we will not only arm those ministers with the value of this resolution in their negotiations, but I ask you to do me a favor too and arm me with the resolution because it will help me in my persuasions three months down the road! (Applause and inaudible comments) What I say is . . . well members will know it is cost of association that I am associated with some money to advance these propositions by way of popular support and so on. I want to say, in respect to the amendment, the problem with it is, that it plays easy politics you see —

that is what it does. Well, for the Attorney General — the Attorney General — he would like to express some regret for the fact that they have not been able to meet with the Minister of Transport — ever. The fact is, they are now in the process of trying to arrange that meeting. Atmosphere at the moment is good, there has been good co-operation, there can only be good co-operation in the future if we make an effort to co-operate.

Is it helpful, to send your minister, who is now trying to arrange the meeting with the federal government, is it helpful to send him with a resolution that this House condemns the fact that they haven't yet met? Of course it isn't! What difficulties there are would only exacerbate the difficulties. (inaudible interjection) You see, good politics from your point of view ..(inaudible interjection) ..makes lousy administration — and when you have to balance good administration against bad politics, I much prefer the good administration.

The resolution, the amendment of the Attorney General is good politics, lousy administration. I say to him, for a change and to the minister, for goodness sakes — the atmosphere of co-operation you now have got going — don't go off on some political tangent and ruin it all, but take a good positive sound message to Ottawa, that is the way we will get things done.

SOME HON. MEMBERS: — Hear, hear!

MR. MacMURCHY: — Well, Mr. Chairman, my only comment will be that, that sort of 'politics' started from the utterances from the member for Indian Head-Wolseley. I think it is true that the co-operation between the federal government, the province and the city on this issue has been excellent. There is no question, Mr. Speaker, that when the report was released it was an agreement between the federal Minister of Transport and myself, that we should meet before any final decisions were made with respect to implementation of the report and that was very, very clear and that no one would move, that involves the city, the province and the federal government, until such a meeting took place. I think that is obviously important. It has been quite sometime, Mr. Chairman, since that report was released and through the officials of the Transportation Agency who are in contact with the ministry of transport people the efforts to have such a meeting have been tried without success so far. I don't think there is any question about that. Officials from Transport Canada forwarded to the officials in the Transportation Agency a general press release which covered, to a degree, similar in terms to the motion put forward by the hon. member which I just did not find acceptable. I instructed my officials to seek once again an opportunity to meet and get on with the serious business of the implementation of the study committee's recommendations. Those are, in fact, the facts. Now I think that the best thing this Assembly can do and all members can do and I suggest this to the hon. member for Indian Head-Wolseley, that he withdraw his motion and I'll be glad to withdraw my amendment and we will really get on with the serious job of doing something about the Regina Airport.

MR. MacDONALD: — You know, it's rather interesting that this is the first public discussion that has ever been held in this Legislative Assembly about the customs facilities problems in Regina, about the airport problem in Regina, about the sound levels in Regina, about the runway facilities in Regina and then the member for Last Mountain stands up and says, withdraw the motion. I suggest to the member for Last Mountain that he read that motion very carefully. That motion is a very positive motion. It is neither negative to the province of Saskatchewan or the government of

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Saskatchewan nor is it negative to the government of Canada.

MR. ROMANOW: — Read the words that supported the motion.

MR. MacDONALD: — Yes, absolutely. It is about time that the federal government knew that there was an expression of unanimous support from this Assembly to carry out the implementation of that survey.

SOME HON. MEMBERS: — Hear, hear!

MR. MacDONALD: — Then the minister says in order to save his political hide, he stands on his feet and he says, well, let's go down and start that meeting with an insult. Let's go and start it with an insult, when the zoning regulations were just completed a week ago. All I'm saying to the minister, I'm saying that the amendment is a bad amendment and I say that he should withdraw it and I say that the original motion is a very simple one. It merely expresses on behalf of the Legislative Assembly of the province of Saskatchewan a desire that the federal government get on with the job of co-operating with Saskatchewan and the city of Regina and get the job done and I say that we should all support it.

SOME HON. MEMBERS: — Hear, hear!

Amendment agreed to.

Motion as amended agreed to.

MR. E.C. MALONE (Leader of the Liberal Opposition): — Now that we have had the political debate between the Minister of Municipal Affairs and the people on this side, I want to get back to the minister what have you done about establishing customs facilities at the Regina Airport? You told us you had some communication last summer with the minister, now what has transpired since that time?

MR. MATSALLA: — Mr. Chairman, I indicated earlier that I had corresponded with the Minister of Transport some times last summer with regard to improving the customs clearance facilities in Regina. Following that of course there was the study on the Regina Airport and earlier this winter we had the Tourism Travel conference and I have made representations there with regard to the provision of custom clearance facilities in the capital cities of the provinces as well as designating or improving the facilities in the airport of the capital cities, and giving them the designation of international status. This was only a few months ago.

MR. MALONE: — A few months ago — May I suggest to the minister that much more can be done. You are well aware of the inconvenience put to passengers who want to get to Regina; they have to stop somewhere else — Calgary, Vancouver, Winnipeg, Saskatoon, as the case may be. Have you had any communication with the Chamber of Commerce in Regina to take your case with you to Ottawa? Have you talked to the travel agents in Regina about making arrangements for these customs facilities? Have you talked to customs brokers within Regina? It must cause them a great deal of difficulty to carry on business in this city.

I suggest to you that there are many, many things that could be done that you haven't done and I say to you, that it is your duty as the minister in charge of this particular portfolio to start doing something to get the situation rectified. Now we put a motion

before this committee to assist you in this regard and the Minister of Municipal Affairs and the Attorney General have chosen to play politics with it. I'm suggesting to you as well that if you need another motion in this regard that we can all support we would be prepared to do so. But can you give us your assurance that at the very least, you are not going to let the matter just slide away and that you will instruct your officials tomorrow to start making communications with Ottawa, start talking to the people in Regina who are most directly affected and get going with the job?

MR. MATSALLA: — Mr. Chairman, we have ongoing discussions at the official level between the various travel agencies, the Chamber of Commerce and all of the other various agencies interested in travel and tourism — these are ongoing and certainly it is my intention to continue to press on the federal authorities to improve the facilities here in Regina.

MR. R. KATZMAN (Rosthern): — In the minister's budget are there any (I notice on the Heritage Fund area we have a \$200,000 for Moose Jaw wildlife park development) other funds in any other area of the estimates for that project or a project for any other city in that line?

MR. MATSALLA: — The \$200,000 represents the funds for the development of the Moose Jaw recreation complex.

MR. KATZMAN: — My understanding of the Moose Jaw complex is before it is going to be done, it is going to cost \$2,054,440. Now you only show the one figure. Where is the rest of the money being budgeted for and are you having to put in a subsequent amount later on?

MR. MATSALLA: — The \$200,000 that is set aside there is for the development of the phase one part of the project. Additional funds will be provided as time goes on but in this year's budget we have \$200,000 that has been set aside. It depends on how the development proceeds. It is our intention to be requesting for an additional \$265,000.

MR. KATZMAN: — That's in the first year's estimate — you have \$200,000 now; you are going to request a special warrant for \$265,680 roughly. Is that correct?

MR. MATSALLA: — That's right.

MR. KATZMAN: — So what you are suggesting is that that is phase one which is 1978-79 and phase two and so forth — What is the city of Moose Jaw and district's contribution to the same project?

MR. MATSALLA: — This is totally a provincial project for the city of Moose Jaw and therefore the city of Moose Jaw is not a contributor towards the project.

MR. KATZMAN: — Well basically, the government of Saskatchewan is making a commitment of roughly \$2 million plus for this over the next five years. That is my understanding. Is that correct?

MR. MATSALLA: — Yes, it is projected over the five year period and totals \$2.7 million or \$2,054,440.

MR. KATZMAN: — Is there any other provincial park of the zoo type which this is, that has received money in the past years?

MR. MATSALLA: — No, there weren't any other projects of the zoo type that have received any assistance.

MR. KATZMAN: — So, for example, Saskatoon has a zoo type with, basically, all the animals, I am informed, going into this atmosphere and there is no funding from you at all?

MR. MATSALLA: — No, there was no funding to the Saskatoon animal park. There have been representations made in form of a request for a funding.

MR. KATZMAN: — Could you tell me why no funding has been available and what makes this a special case to receive this kind of guarantee?

MR. MATSALLA: — There was no formal request made for a contribution from the provincial government, nevertheless discussions have taken place.

MR. KATZMAN: — Let's try that one, one more time.

MR. MATSALLA: — There was no formal request made from Saskatoon for assistance, nevertheless discussions have taken place.

MR. KATZMAN: — How about any other of the zoos, for example, on the way to Prince Albert. We see the Buffalo Station and so forth. Are you involved in any of those?

MR. MATSALLA: — No. The provincial government is not funding any other zoo.

MR. A.N. McMILLAN (Kindersley): — I would like to pursue a different subject with the minister and that is the question of the revenues generated for the province as a result of stumpage fees, etc. in the province of Saskatchewan. I note, here, that the fees that were paid in this annual report by Sask Forest Products Corporation were in the neighborhood of \$303,000. I would like the minister to point out to me if I am mistaken there, if that in fact is fairly accurate.

MR. MATSALLA: — May I ask the hon. member to repeat his question, please.

MR. McMILLAN: — Well, I am trying to establish the revenues generated for DTRR and consequently the province, as a result of the forestry usage fees. I see that in 1976-77 this annual report, Sask Forest Products paid, roughly, \$303,000 in stumpage fees for saw timbering non-licensed areas, pulpwood non-licensed areas and other products in non-licensed areas, for a total of roughly \$303,000. I wonder if that was, within a few dollars, roughly what Sask Forest Products paid the DTRR this year?

MR. MATSALLA: — Yes, that is correct. I think the hon. member is using three figures, non-licence area figure of \$30,000 some and then the saw timber non-licence area — \$18,000 plus, and then the other products — \$254,000.

MR. McMILLAN: — That is right. Now, I am also under the impression that the amount of timber that Sask Forest Products Corporation used this year roughly doubled from that of last year. I would like to know if it is possible that the relationship may not have been a complete doubling. There may have been considerable inventory held over one year or the other. But I would like to know if, in fact, this year the amount of timber that they used in Saskatchewan, or took out of the bush, was increased very greatly over last

year? If so, can you tell me how much of an increase there was, percentage wise?

MR. MATSALLA: — This year's cordage that has been used is roughly 160,000 cords. The increase over the previous year would be in the neighborhood of 30 per cent.

MR. McMILLAN: — O.K., if that's the case then, I assume that last year - the point I want to make is that there has been a serious change to the best of my knowledge in the approach that DTRR and the provincial government have used with respect to Sask Forest Products Corporation. Last year that corporation paid to the province of Saskatchewan for the utilization of our timber \$1,031,900 roughly and I'm under the impression they received a \$200,000 rebate and Mr. Bailey might be able to confirm that with you but in any event roughly \$1,031,900. This year they used 30 per cent more product in the bush which one would assume, if they paid at the same rate they did last year, their stumpage fees, their total fees would have been roughly \$1.3 million or \$1.4 million. This year the corporation paid \$303,000, not \$1,300,000. If the same set of fees were being applied to Sask Forest Products this year that were applied last year and I would appreciate it if the member could point out to me or the minister where we might be wrong here, if the same fees were applied this year as were applied last year, Sask Forest Products Corporation would have paid an additional \$1 million in stumpage fees to the province of Saskatchewan. Their loss would not have been \$4.9 million but \$5.9 million. My question to you is, what justified a complete reduction in the fees to Sask Forest Products Corporation while the amount of timber that they used from provincial forests went up 30 per cent?

MR. MATSALLA: — Well, Mr. Chairman, in accordance with the annual report the dues paid were in the neighborhood of \$300,000. This year the dues to March 31, 1978 amount to just a little over \$1 million.

MR. McMILLAN: — I'm interested only in the annual report for 1976-77. Now I don't know what you are going to pay this year; we will have to assess that at the end of the year. My point to you is, if you charged Sask Forest Products Corporation the same rate for timber in 1976-77 as you had charged them in 1975-76, it would have amounted to an additional \$1 million in levies to Sask Forest Products Corporation which would have resulted in an additional \$1 million of loss bringing the total in SFPC to \$5.9 million, instead of the already horrendous \$4.9 million. I want to know why there was a change in 1976-77? The volume of product that they used went up 30 per cent and if anything there should have been an increase in the stumpage fees paid to the province.

MR. MATSALLA: — Mr. Chairman, in the year 1975-76 there has been a change in the plywood dues. The plywood dues were based on the selling price of softwood sheeting in Regina and it was at a rate of \$14. I don't know whether there is any sense in that or not and in round figures \$14. Then in 1976-77 there has been a change or an adjustment made in the dues and the stumpage dues were based on the net mill selling price and this is more in line with other operations, which are up \$9.

MR. McMILLAN: — Let me warn the minister, if you expect to get a return for the people of Saskatchewan from the use of their product in this province, you had better not base it on the net return to Sask Forest Products Corporation because we will never see a dime in this province.

Now all I want to know is how you can justify, as the Minister of Tourism and Renewable Resources, cutting the cost or the expense or the revenue to the people of Saskatchewan by about 400 per cent from the use of the product that Sask Forest

Products Corporation uses. They have taken the volume out of the bush; you say this year an increase of 30 per cent over last year. They took 30 per cent more of our resource and paid us 400 per cent less for it. My question is, how do you justify that? I'm telling you what the result of it is, regardless of how you manage to do it or what bookkeeping method you use, the result of it is to spare Sask Forest Products Corporation some serious embarrassment on top of that which they have already gotten this year. You cut their expenses by \$1 million. You made it up in other areas. I see your net revenue from your timber resources in the province for this year is roughly the same, but I will tell you who paid the difference, who made up the \$1 million, Simpson Timber saw timber licence area fees this year at \$921,000, last year \$563,000. You picked up \$400,00 right there from one of our fine corporate citizens - Simpson - to pay for Bowerman's and Messer's folly, Sask Forest Products Corporation.

Now I want to know how you justify to the people of Saskatchewan selling our Crown corporation 30 per cent more timber this year than last and charging them 400 per cent less? They used the timber, but they didn't pay for it.

MR. MATSALLA: — Mr. Chairman, I am quite sure that the hon. member will agree that it is only fair that the charge, that the stumpage dues charges against Sask Forest Products, shouldn't be that much out of line with other operators in any other province in Canada. The adjustment that has been made on the stumpage dues to Sask Forest Products, even at that, the in-rate is higher than many of the other operations in Canada and, therefore, I don't think it is fair to say that this has been done specifically to try to assist Sask Forest Products in its difficulty. If we had reduced the dues to an unreasonably low level in comparison to other operations in other provinces that would be different. But the dues presently at \$9 are higher than the dues with many of the other operations in the province.

MR. McMILLAN: — Well, what you said to me then is last year we were charging 400 per cent too much money against our Crown corporation then, is that what you have said? Because you have reduced their fee by close to 400 per cent according to the figures that we have been given in your annual report and the increase in volume that you have just given to us. Now what was the problem there?

MR. MATSALLA: — I am just wondering, Mr. Chairman, whether we are talking about the same years. We were discussing '75-'76, the dues that were being charged in '75-'76 as compared to the dues that have been charged in '76-'77. I have indicated that there has been an adjustment from \$14 to \$9. I don't know where the hon. member got the other figure on which he established is 400 per cent increase. For what year is that?

MR. McMILLAN: — Mr. Minister, I will tell you where I got my set of figures (and they are both your sets of figures), one from the annual report '75-'76 tabled in this Legislature last year and we went through it, the other from this report. Last year Sask Forest Products paid, for pulpwood non-licence areas, fees of \$26.6 thousand. This year those fees increased marginally to \$30.7 thousand. Saw timber, non-licence area . . . last year Sask Forest Products paid \$123,500; this year they paid \$18,404. Now, figure out the percentage reduction there. That isn't the only area, other products non-licensed areas. Last year Sask Forest Products paid \$881,800; this year they paid \$254,000. Figure out the percentage decrease there. Now, that is bad enough, but if they had harvested the same amount of timber last year, their reduction would still be in the neighborhood of 300 per cent in their rates according to these figures. But they

didn't; they harvested an additional 30 per cent of the timber that they had taken the year before and their rate, therefore, became an approximately 400 per cent reduction, according to the figures you have outlined in your reports.

I want to know why that is? You say that the stumpage fees were \$14 in 1975-76 and are \$9 now. That isn't going to account for a 400 per cent reduction in the rates they pay this year.

MR. MATSALLA: — Mr. Chairman, I apologize to the hon. member for taking that much time. I am informed by my officials that the payment of dues is on a cash basis and unless the dues are paid within the period, the fiscal period, they wouldn't be included here and, therefore, that may be the problem with the figures that we have here. But, again, I want to repeat what I said earlier, that the adjustment in the fees were with respect to the plywood that was \$14 to \$9. I would like, at this time to inform the House with respect to the rate of dues in other provinces as compared to Saskatchewan.

In Saskatchewan, I have indicated \$9 and they are \$9.30; in Ontario it is \$2.40 a cord; in Manitoba \$2.50 and in Alberta \$1.50. Saskatchewan is \$9.30.

MR. McMILLAN: — Well, Mr. Chairman, I want members of the House to note what the minister just said to me. He said, the discrepancy may lay in the fact that SFPC didn't pay all of their stumpage fees in the year under review. That is exactly what the minister said and if the Attorney General would like to quarrel with me on this point, on what the minister, he will have every opportunity to get on his feet.

You said to me that the only reason that you can see why your reports indicate that SFPC paid over \$1 million in 1975-76 and only \$300,000 now is that they didn't pay their stumpage fees in the year under review. I assume, then, that at the end of your fiscal year you wrote that \$1 million in stumpage fees owing off, as an uncollectible debt, because you have a responsibility to the people of Saskatchewan to collect the stumpage fees incurred in the year, your fiscal year, within the year between March 31 and April 1. Now I assume that you made arrangements to collect those outside the fiscal year in which they were incurred. Why didn't you put in your annual report that Sask Forest Products owed the people of Saskatchewan — I don't even know how much it would be under the reduced rate — still an additional \$300,000 or \$400,000?

I am saying in the year 1976-77 according to the same fees that they would have paid in 1975-76, they incurred about \$1.4 million in fees owable to DTRR. You say, no, they didn't, they incurred somewhat less than that. I say they incurred \$1.4 million and they paid \$.3 million. You said there was a reduction in fees from \$14 down to \$9. I don't know what percentage reduction that is. It isn't 400 per cent less than they paid the year before so all I can assume from that is that there is an outstanding amount of stumpage fees owing by Sask Forest Products to DTRR which wasn't collect in the year under review.

MR. MATSALLA: — Mr. Chairman, I would like to ask the hon. member a question. Where does the hon. member get the figure of \$1.4 million in dues?

MR. McMILLAN: — Well in 1975-76 the corporation paid \$1,031,900 in fees to your department. I have added up all of the figures found in table number 16 in your report from 1975-76. In 1976-77 the corporation paid \$303,000 in fees, not on the same amount of lumber as they had the year before but on 30 per cent more volume. So I am saying that if in 1975-76 they had harvested or paid on the same volume as in 1976-77

they would have in fact, paid \$1.4 million.

AN HON. MEMBER: — I don't know if that is a good sign or not. I'll be you John Burton knows where that money . . .

MR. MATSALLA: — In 1975-76 the hon. member indicates that we have (the department has collected) just a little over \$1 million. For that year there has been an adjustment made in the dues and these amounted to approximately \$350,000 and this was held as a credit to Sask Forest Products. Therefore in the subsequent year, 1976-77, the dues in fact, amounted to about \$650,000 and then adjusting it by the \$350,000 credit, leaves a net amount of \$303,000.

MR. McMILLAN: — Well I'm not sure that I follow the exact bookkeeping that would be necessary to arrive at that calculation. What you are saying is that in 1975-76, Sask Forest Products had in fact, prepaid dues for 1976-77 and that applying those dues that they had prepaid in 1975-76 to this year they would have paid \$650,000 in dues instead of \$700,00 that was owing last year after they took the rebate into consideration. So that would work out that they paid roughly the same this year as they did last year for a 30 per cent increase in timber, so their reduction was then 30 per cent roughly.

MR. MATSALLA: — The increase in the production that was indicated earlier (I think I have indicated earlier that there has been a 30 per cent increase in the amount of timber used). That 30 per cent was for the year, 1977-78 rather than 1976-77.

MR. McMILLAN: — In 1976-77 Sask Forest Products said their production doubled over 1975-76 and in fact their sales doubled as well. My question to you was on the basis of those figures, did that reflect a corresponding doubling in the amounts of timber they took out of the bush, or did they only take out half that much and had to use what was in inventory before it got worm-eaten or whatever? They say they doubled their production. I want to know if there was a corresponding doubling in their bush harvest.

MR. MATSALLA: — I think, Mr. Chairman, here we have a problem. I believe the hon. member is using the Sask Forest Products Annual Report and using it alongside the departmental annual report. The fiscal years of these reports are different and this may, perhaps, account for the difference that the hon. member is referring to.

MR. McMILLAN: — Does the minister not admit then that in 1976-66 the fee structure for Sask Forest Products Corporation, the amount charged, was reduced approximately 30 per cent per unit? Is that a fair assessment? We could have arrived at that initially if you guys had not gone about your pre-payment and rebate. If you simply decided that you went from \$14 down to \$9, or roughly 30 per cent reduction. Is that fair enough then that there was about a 30 per cent reduction in fees from 1975-76?

MR. MATSALLA: — Yes, I believe that is correct, but that would be for only one product, the plywood, that we would be referring to.

MR. McMILLAN: — All right, what was the change in fee structure for dimensional saw timber - spruce, jack pine and I imagine they are different for white spruce, black spruce and for jack pine and I doubt if they sawed any aspen. I doubt if anyone took out aspen permits but if they did, I would like to know what the structure, the change was in

stumpage fees there.

MR. MATSALLA: — There has been no adjustment made in the fees for saw timber. It has been the same.

MR. McMILLAN: — I can't say that I am happy to hear that because one would assume then if there was no change in the rate for saw timber and Sask Forest Products Corporation doubled their production in 1976-77, then in fact the fees from stumpage fees for saw timber that they used would have increased greatly. In fact, we wouldn't have been faced with them paying approximately the same rate as the year before.

MR. MATSALLA: — Mr. Chairman, the explanation to the question put forward by the hon. member is that the agency, Sask Forest Products just hasn't remitted the dues in time to be entered into the annual report. As I indicated earlier there has been no change in the dues structure, nor has there been any forgiveness on that portion of the dues.

MR. McMILLAN: — Is it safe to say they are late in paying their account?

MR. MATSALLA: — This could happen.

MR. McMILLAN: — Pardon me?

MR. MATSALLA: — This could happen.

MR. McMILLAN: — I didn't ask you if it was possible for it to happen, I asked you if they were late with their account. What would be the typical length of credit you would extend to Simpsons Timber or PA Pulp in the payment of their dues, would you give them 30 days, 60 days? Are they due at year end? If they are not paid at year end do you extend them 30 days and then charge them interest or 60 days and charge them interest? What's the level of interest and do you apply the same procedures to Sask Forest Products Corporation?

MR. MATSALLA: — The terms are 30 days with 7 per cent interest and this applies to Sask Forest Products as well.

MR. McMILLAN: — Do you want to tell me how late they are paying their dues to DTRR for stumpage incurred in '76-77, or whatever?

MR. MATSALLA: — Well, they may be late for two years, it's hard to say.

MR. McMILLAN: — I don't recall seeing that in the annual report either.

MR. MATSALLA: — Mr. Chairman, was the hon. member's question, how late was Sask Forest Products . . .

MR. McMILLAN: — How late are they and what's the amount outstanding?

MR. MATSALLA: — The dues are paid up to date at the moment but there were occasions that there has been a three month period within which the dues were not paid.

MR. WIPF: — Mr. Minister, what would the reason be for Sask Forest Products prepaying their dues? You mentioned that Sask Forest Products had prepaid their dues

of \$300,000 for the year coming up. What would be the reason for them prepaying those dues?

MR. MATSALLA: — Well, I go back to the time that the 1975-76, the Sask Forest Products had been paying a due of about \$14 and then there was an adjustment made in 1976-77 down to \$9. Therefore, because of this adjustment in rate there has been a credit or a rebate you might call of it of \$350,000 to Sask Forest Products and this has been kept as a credit to Sask Forest Products and was applied on the 1976-77 dues.

MR. McMILLAN: — That is where the 30 per cent reduction came in in the plywood area, is that it? And was this 30 per cent reduction also given to the other companies like Simpson Timber?

MR. MATSALLA: — They don't manufacture plywood. This only applied to plywood.

MR. McMILLAN: — Mr. Minister, I would like to know who applied the pressure to you to have the rates, stumpage fees for Sask Forest Products Corporation reduced firstly. Secondly, I would like to know if the reductions applied to that sawed timber that Prince Albert Pulp cut in their lease or cut on behalf of SFPC, or exactly how you work it. Do you trade if Prince Albert Pulp cuts light spruce, standard white spruce while they are pulping, do they pay the stumpage fees on that?

Firstly, I would like to know whose decision it was or who ultimately made the decision, but I would like to know where the pressure came from to have the stumpage fees reduced.

MR. MATSALLA: — Mr. Chairman, representations were made by Sask Forest Products to me as the minister of the department and we made a review of the plywood rate, and the decision was made to adjust them downwards to the level that they are now.

MR. McMILLAN: — If Simpson Timber, for example, is cutting dimensional saw timber that ends up going to the mill at Carrot River, who pays the stumpage on that? Does Simpson Timber pay the stumpage initially and then get a rebate from SFPC, or do they just bill the stumpage fees directly to SFPC? How do you make those arrangements? Same with Prince Albert Pulp.

MR. MATSALLA: — There is no transfer of timber from Simpson to Sask Forest Products, and our policy is — Oh Carrot River, I am sorry. Our policy is that the user shall pay the stumpage fee.

MR. McMILLAN: — I would like to ask you some other questions with respect to forestry while we are on it. I would like to know what your annual allowable cut of white spruce was in 1976-77?

MR. MATSALLA: — Mr. Chairman, the annual allowable cuts for various areas I will have to give it to you in areas, that is the way we have it. Meadow Lake area, this is for white spruce, 125,000 cords; Prince Albert area, white spruce, 125,000 cords, the Hudson Bay area, white spruce, 220,000 cords.

MR. McMILLAN: — Would the minister be good enough to help me with my conversion to board feet, how many million board feet?

MR. MATSALLA: — We require two cords to 1,000 board feet, so therefore in the

Meadow Lake area it would be roughly 63 million and the same in Prince Albert and about 110 million in the Hudson Bay area.

MR. WIPF: — Mr. Minister, the White Spruce Lumberman's Association has asked for a green white spruce cut and it seems that the only thing they can pick up right now is the fire kill cut. Have you got policy or any change in plans to allow these people to go into the white spruce cuts, or is this going to be held strictly for Sask Forest Products?

MR. MATSALLA: — Our policy hasn't changed and we don't intend to change our policy with regards to the use of white spruce. We have allocated quite a large area of timber to the White Spruce Lumberman's Association. During the past year they operated in the fire kill area and they have done a very good job, a commendable job in helping us salvaging that timber.

The operators under the White Spruce Lumberman's Association are entitled to cut the black spruce and the jack pine, as well as aspen, but with regards to white spruce, there is no allocation for their operators unless it is a salvage situation, a fire kill area, or perhaps a flooded area.

MR. WIPF: — In other words then you have the White Spruce Lumberman's Association set up as a gopher operation to go for the stands that you yourself won't go for, that Sask Forest Products won't go for. You say that there is a large allocation of white spruce for the White Spruce Lumberman's Association. Where is it and how many board feet have you allocated to them for this year? Is this all located within the fire kill area?

MR. MATSALLA: — The allocation of the white spruce to the White Spruce Lumberman's Association was in the Fishing Lake fire kill area and we will get you the . . . (apparently there were other areas as well) we will get you a figure.

There were 56 permits issued to individuals to cut 5.5 million board measure of white spruce saw timber in the fire kill area. There were five permittees of the White Spruce Lumberman's Association that received permits, that I am aware of. In total they have cut 2,100,000 feet board measure.

MR. WIPF: — What you are saying then? The only place that this association can go into cut is only after an act of God, a fire, or something like that, that you do not give them a new stand of timber to go into. It is a clean-up job or a gopher job, as I said, to go and clean up an area that our own Crown corporation wouldn't go into.

You mentioned five permittees, or whatever you call it there. Where are they located? . . . think you said, and where are these located?

MR. MATSALLA: — . . . Lake area, the Pasquaca area, the Mission fire area, those three.

MR. WIPF: — Have you any plan at all to allow these men and this association to go into a new area other than a place that has just been fire killed or are you going to rely on fires, or do they have to rely on fires in order to keep themselves working?

MR. MATSALLA: — No, our policy, as I mentioned earlier, hasn't changed, not our intention to change the policy. Nevertheless, the operators of the White Spruce Lumbermen's Association could make application to cut other species — jack pine, black spruce and aspen.

MR. WIPF: — Then your policy is definitely to squeeze out the little operator in Saskatchewan, the little bush operator up there. In order to get a permit he has to go to some other timber. You have reserved all the rights of the white spruce in Saskatchewan, then, for Sask Forest Products. Is that right?

MR. MATSALLA: — Well, it is not necessarily Sask Forest Products. You are aware that we have other operators as well. Our policy is, as you are aware, to try and obtain the greatest utilization of our forest resource and this is what we are attempting to do.

MR. WIPF: — Last spring, in Budget, you talked about we have squeezed out some 41 or 42 small operators that are working now only only by the grace of God, because of the fire, and I think you had said you had left four or five operators, at that time, up in the Meadow Lake area or the northwest part of the province and they would probably be working for another two or three years until they were squeezed out, also, by the government, the regulations, because they only had a small stand of timber to work in. Are these people still working up there and how many organizations, or how many permits or companies I suppose you would have, how many groups are working in that area and for how much longer will they be working in that area? The member for Meadow Lake is yelling over there, you should be standing up and fighting for your own people instead of sitting back there and letting your government knock down the little businessmen in this province.

MR. MATSALLA: — The only contractors that we have in the northwest part of the province, the Meadow Lake area if you wish to call it that, are those who are in contract with the Saskatchewan Forest Products Corporation and they have agreed to the phasing out process.

MR. WIPF: — Well, it's been agreed to this phasing out process but, Mr. Minister, did they have any alternative other than to agree to your policies of phasing out the small businessmen, small contractor and bush operator in northern Saskatchewan?

MR. MATSALLA: — I think it's wrong to say that we are squeezing them out because they have an opportunity to continue as logging contractors for Saskatchewan Forest Products.

MR. WIPF: — All the members from the White Spruce Lumbermen's Association, all the members you say then have an opportunity to work for Saskatchewan Forest Products but they don't have the opportunity to go out on their own and work as free individuals on their own and get contracts. They must work for Saskatchewan Forest Products, is that what you're saying, and that is one of the reasons for the squeeze-out of the small businessman in northern Saskatchewan?

MR. MATSALLA: — Mr. Chairman, I just want to repeat what I said earlier that the hon. member indicates that the operators are being squeezed out. They are not being squeezed out because they are given an opportunity to continue bush operations as logging contractors for Saskatchewan Forest Products.

MR. WIPF: — You mean that opportunity that you are giving these small businessmen can be . . .

MR. MATSALLA: — I beg your pardon?

MR. WIPF: — Would you explain this opportunity that you are giving these small businessmen in the White Spruce Lumbermen's Association? What opportunity is it that you are giving them? It's an opportunity only to work for Sask Forest Products, is that right? They can't cut timber for some other company, they must work for the monopoly of the Saskatchewan Forest Products?

MR. MATSALLA: — They may work for the Saskatchewan Forest Products or work for the Prince Albert Pulp Company. Or they may cut other species, as I mentioned earlier. There is the black spruce, jack pine, aspen.

MR. McMILLAN: — Mr. Chairman, I would like to add to what the member for Prince Albert-Duck Lake has said. There is no doubt you people are well aware that you undertook an intentional policy to eliminate any competition from the forest industry with respect to the sawing of white spruce in Saskatchewan. Now you may have made a few exceptions to either personal friends of the New Democratic Party or in stands where you feel that someone might be able to help you clean up (scavengers in Northern Saskatchewan). You just finished telling me that the allowable annual cut for white spruce in Saskatchewan last year was 225 million board feet. Sask Forest Corporation sawed about 50.4 million board feet at the most — that was their total cut and that doesn't include eliminates whatever black spruce and jack pine they cut in there. Yet you say to these people who are white spruce cutters, the only place you've got for them to go is into a fire kill or a burn area, scavengers, you won't even put them in scattered stands that Sask Forest Products Corporation's equipment is too big to go into. It's not even a matter of economics that you won't let them go in, it's strictly your political philosophy. You haven't been able to give these people one good reason why they shouldn't be cutting white spruce and sawing it in Saskatchewan. You say, if you want work go out and cut jack pine and saw it and aspen and black spruce. Sask Forest Products Corporation can't make money sawing white spruce. How in the devil's name are these people supposed to make a living sawing jack pine and aspen in Saskatchewan? Mr. Chairman, 225 million board feet and you told these 43 different operators roughly that you didn't have any timber for them, unless it was timber that was going to get worm-eaten next year because it was burned. I say your decision to do that (and this has been a question before this Legislature for three years) was a political decision, nothing more. Maybe your mills are overbuilt in Saskatchewan. It wouldn't be an indication by that strictly the figure that you have given us for the annual allowable cut for white spruce. You heard, your gentleman sitting to your right and Mr. Burton your forestry man heard the white spruce cutters give him several examples of where good saw timber was rotting in Saskatchewan. You can't tell these people you don't have it there because your allowable cut this year was 225 million board feet and SFPC only cut 50 million. That means that there was probably 175 million board feet of mature timber that could have been harvested and sawed that wasn't. That is not only not making good use of our timber resource in Saskatchewan but it's making darn poor use of our human potential in Saskatchewan. You put these families out of business three or four years ago and you have continued to stomp on them. Your first excuse was that they weren't efficient. Now talk about efficiency — Sask Forest Products Corporation, clear cutting merrily along in complete contravention of the spirit of the NDP Party in 1971 — clear cutting. Sask Forest Products Corporation says they can't go into small scattered stands because their equipment is too big, the roads they have to build into them are too costly for the timber that they can get out. The private operators have small portable sawmills that have been prepared to go in and build their own roads at their own expense in the past to get into scattered stands, and you won't give them the opportunity, for philosophical reasons.

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It would be, in a perverse way, understandable if they were a serious threat to Sask Forest Products Corporation's ability to make money. We know how politically bad you people are scared of looking with them; you look bad, I will guarantee that. You've got one argument to make or the other. Either you can't afford to give them the resource when it is ready to be harvested because it has to go to Sask Forest Products Corporation in order to maintain that corporation's economic viability . .

The Committee reported progress.

The Assembly adjourned at 10:04 o'clock p.m.