

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
April 27, 1978

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

On the Orders of the Day

WELCOME TO STUDENTS

MR. R.H. BAILEY (Rosetown–Elrose): – Mr. Speaker, to you and through you to the members of this Assembly, I would like to introduce a group of students from the Rosetown Division III School. I believe, Mr. Speaker, that this is the fourth group to visit this spring from the Rosetown Division III School. They are 25 Grade Eight students and they are accompanied by Mr. DeBoice and Ted Brumwell.

We are very, very pleased to have them here. I will be meeting with them for some pictures and for some refreshments a little later on. I would like to wish them a very safe journey home.

Mr. Minister, while I am on my feet I would also like to introduce Mrs. Pat Smith who is seated in the Speaker's Gallery. She is the president of the urban section of the Saskatchewan School Trustees Association, one of the first ladies to be elected to this position, and she, along with Mr. Hanlon, the chairman of the Swift Current Comprehensive School Board, are seated in the Speaker's Gallery.

To you people, we wish you a pleasant stay here in the Legislature and a safe journey home.

HON. MEMBERS: — Hear, hear!

MR. A THIBAUT (Kinistino): – Mr. Speaker, it gives me a great pleasure today to introduce another fine group of students from the Cudworth School. They are accompanied by their teachers, Ms. Patti Henderson and Mr. Peter Yuzik. Their bus driver is Mr. John Diakiw. They have been visiting the city here this morning, they have visited the RCMP barracks and this afternoon we will have bear pit.

I am sure that the members of this Legislature will join me in welcoming them here and that the impression that they get of the Legislature will be the kind that these students will appreciate. I also want to wish them a very safe journey home. Thank you.

HON. MEMBERS: — Hear, hear!

HON. E. WHELAN (Regina North West): – Mr. Speaker, through you I would like to introduce to all members of the Legislature, 72 Grade Eight from St. Peter School in Regina North West. They are seated in the west gallery with their vice principal, Mrs. Vanderlinde, and their teachers, Virginia Selinger and Michael Federko.

We plan to have a chat with them and have a picture taken. I want to tell the members of the Legislature that this was one of the first separate schools built in the north side of the city. It has a very fine scholastic record.

We extend to each one of the people in the group, a very warm welcome and we hope that their stay with us today is pleasant and educational.

April 27, 1978

HON. MEMBERS: — Hear, hear!

MR. J. WIEBE (Morse): — Mr. Speaker, as well, I would like to take this opportunity to introduce to you and to other members of this Assembly, for what I believe is now the fifth year in a row, approximately 26 Grade Twelve students from the Herbert High School. I might say that this is the school in which I received my high school education as well as the school in which my daughters presently are receiving their high school education.

I had an opportunity to meet with this class shortly after the new year when we presented the school with pictures of the Queen and Prince Philip and the students with silver pins. I found the questioning period afterwards to be very enjoyable and very interesting and I look forward to meeting with them briefly again later on this afternoon.

I would like all members to join with me in welcoming them to the Legislature this afternoon.

HON. MEMBERS: — Hear, hear!

HON. D.L. FARIS (Arm River): — Mr. Speaker, on behalf of the Hon. Gordon MacMurchy who is on government business in Swift Current this afternoon, I am pleased on his behalf to introduce to you and through you to the members of this House, a group of 17 Grade Eight students and their teacher, Mr. Scott Richardson, from Nokomis School. These students are seated in the Speaker's Gallery.

I look forward to meeting them at the conclusion of the question period and having an opportunity to talk with them and answer some of their questions. I am sure we all wish them a safe journey home.

SOME HON. MEMBERS: — Hear, hear!

INTRODUCTION OF GUEST

MR. J.L. SKOBERG (Moose Jaw North): — Mr. Speaker, it gives me a great deal of pleasure this afternoon to introduce to you and to this Legislative Assembly the Mayor of Moose Jaw, Mayor Herb Taylor. If you will please stand up in the Speaker's Gallery. With the presence of His Worship Mayor Taylor we are now presenting this afternoon the momenta of the 75th anniversary of the celebration in Moose Jaw of her anniversary. I am sure that all of us here appreciate the fact that we are a couple of years ahead of the province of Saskatchewan and we are pretty proud of that fact and also the fact that we are a friendly city. We believe in co-operating with the governments of Saskatchewan and of Canada and we believe in a municipal council that this is a momentous year for Moose Jaw. We wish everyone here to join with us in congratulating Moose Jaw and the citizens that made it that way.

HON. MEMBERS: — Hear, hear!

QUESTIONS

Cancer Commission — Motion of non-confidence

MR. E.A. BERNTSON (Souris-Canington): — A question to the Minister of Health, Mr.

Speaker, I have here a copy of a letter from the Regina and District Medical Society wherein the society has passed a motion of non-confidence in the Saskatchewan Cancer Commission and is strongly critical of the composition of the Saskatchewan Cancer Commission. Has the minister seen or been made aware of this letter?

MR. E.L. TCHORZEWSKI (Minister of Health): – Yes

MR. BERNTSON: – Supplementary, Mr. Speaker. The letter I have today and the letter that I gave to you yesterday indicate that the problems in the Saskatchewan Cancer Commission are much more serious than you and the Premier have led us to believe. Will you now take our suggestion to expand Dr. Watson's term of reference to include the operations of the Saskatchewan Cancer Commission and that such a review be made in the form of a public inquiry?

MR. TCHORZEWSKI: – Mr. Speaker, I don't know how much clearer one would have to make it to the Conservative members opposite next to drawing them a picture, that the scope of Dr. Watson's review is as broad as is required including the total operation of the cancer services in the province of Saskatchewan. I said so yesterday and I say it again to the member opposite today. But allow me to say this, Mr. Speaker, in further response to the member's question, in order that we might repair some of the damage that members opposite and some of their connections outside this Legislature may have done to the confidence of people in the cancer program in Saskatchewan. Everything possible is being done to maintain the standards and the quality of service at the Allan Blair Memorial Clinic.

We have engaged Dr. Watson from London, Ontario to do a review on assessment. We have an active recruitment program to fill the positions which are vacant. Indeed, within the last two weeks, four potential medical recruits have been interviewed and have shown some interest. We have engaged, on a contract basis, a local physician to be able, on a part-time basis, to assist with the treatment that the Allan Blair Memorial Clinic provides. The Executive committee, after my checking further after the member's question yesterday of the Cancer Commission, has met with the staff at the Allan Blair Memorial Clinic and has met with the Regina and District Medical Society.

I just want to point that out and hope that it will help to clarify in the public's mind that indeed steps are being taken to maintain the kind of standard that the Allan Bair Memorial Clinic has provided and will continue to provide.

I want to say, further to the member's question related to the letter from the society, that irrespective of the allegations made by the Regina and District Medical Society, I am continuing to have confidence in the members of the Saskatchewan Cancer Commission.

Now, I think that is irresponsible, Mr. Speaker, the recommendation that is made in the letter which has been sent to me, which I received yesterday, the suggestion and the recommendation that the Cancer Commission ought to consist of only doctors – two members, one from each of the clinics, one in Saskatoon and one in Regina, and also three other members of the medical profession.

I say that is irresponsible because the Saskatchewan Cancer Commission is a public body. It is a governing board of the cancer program and should have some . . .

MR. SPEAKER: — Order, order.

MR. BERNTSON: – Obviously, Mr. Speaker, somebody has to bring the matter to the attention of the minister, that evidence by the letter yesterday took 16 days to reach his desk and he still had not seen it. My final supplementary is, in light of the grave situation, would the minister act now and ask Dr. Watson to start his review now instead of two weeks down the road?

MR. TCHORZEWSKI: – No, Mr. Speaker. I will not ask Dr. Watson to do it now. Dr. Watson has other commitments. He has indicated, on our request, when he is able to come. That is the earliest possible time he is able to come. I am convinced he will do an excellent job in his review and assessments, and we are looking forward to his recommendation. We are also looking forward to the request made by the executive committee of the Cancer Commission of the Regina and District Medical Society to provide any list of potential candidates who might be interested in working in the cancer clinics in Saskatchewan. That request has not yet received an answer. I certainly believe that the Medical Society in Regina district will want to assist in that recruitment in order that we may be able to maintain the program at the highest possible standard at the clinic here as we are continuing to do.

MR. E.C. MALONE (Leader of Liberal Opposition) – Would the Minister, at the very least, meet with the Regina and District Medical Association and find out from them directly their concerns about the Cancer Commission, and if you find that their concerns are well taken, would you be prepared to apologize to this House today for calling them irresponsible.

MR. TCHORZEWSKI: – Mr. Speaker, I did not call the Medical Society irresponsible the Regina and District Medical Society. I called that recommendation which excluded public participation on the Cancer Commission irresponsible. That is what I said was irresponsible and I will stand by that. I would be most happy to meet with the Regina and District Medical Society, their representatives. Of course, I would. I have yet not had such a request, but in order for the member to clearly understand all of the efforts that we are making. I have arranged to meet with the President of the Regina and District Medical Society already, and we will be meeting within the next day or two.

Unemployment Statistics Including Native Population.

MR. S.J. CAMERON (Regina South) – Mr. Speaker, a question of the Minister of Social Services. I had asked the Premier yesterday a supplementary question with respect to unemployment. My question assumed that there was a certain portion, at least, of the native population that wasn't included in the 7.1 per cent unemployment statistics, and there is some confusion between the Premier and me in that respect. May I ask the Minister of Social Services — I am referring to a document prepared by the executive council, which was given to you. It said that unemployment among natives is thought to be higher than 60 per cent. Adding the native unemployment figures to the labour force survey would increase the Saskatchewan unemployment rate from 4.2 per cent to 6.1 per cent. Now, my first question is, are the unemployment statistics not calculated on the same basis today as they were in 1976, when that document was prepared, and if so, would the unemployment, including native unemployment, not be closer to 9.1 per cent than 7.1 per cent?

MR. H.H. ROLFES:(Minister of Social Services): – Mr. Speaker, I think I can only repeat what the Premier said yesterday. I am not the Minister responsible for employment, as such, although you are correct in directing the question to me when it relates, I

suppose, to Indians and metis people. But I think I have to repeat what the Premier said yesterday. As far as I know, the unemployment statistics do include all the native people except those who live on reserves, that is the status Indians on reserves.

MR. CAMERON: — May I ask by way of a first supplementary — this same study prepared by the Executive Council and given to you indicated there were 110,000 native people in the two largest urban centres, Saskatoon and Regina and called for the creation immediately, of 13,000 jobs for those people, saying that the province, and I quote:

Will witness the growth of a large alienated native urban population unless those 13,000 jobs are created immediately.

It recommended to the government, a major effort on behalf of all departments to get at this problem.

My question to you now is, what has been done in respect of the massive effort which this study recommended to the Minister of Social Services and the government, 18 months ago?

MR. W.E. SMISHEK (Minister of Finance): — I will try to answer the question. As the hon. member is aware that we presented a Budget which provides for, primarily to deal with two areas. One is the cost of living. Since the Budget there has been further tax reduction: A total of \$140 million increase in purchasing power to people of Saskatchewan. This will have the effect of stimulating the economy and will help to create many jobs.

The additional very important thing is our capital program, the area of housing, public construction, road construction. \$434 million of construction work is planned and will be going on this year. This will be a tremendous stimulus to the job creation which will include the native population.

I am glad the hon. member is concerned about the native population and creating jobs for them, not like the Conservatives who, today, are attacking any program that we try to create for native people, to put them into the stream of employment, to train them for jobs, the hon. members are aware. I think we are trying to do something that is a difficult problem. It will not be resolved immediately, but I think that our Budget zeros in on the problems for the total population including the native population.

MR. CAMERON: — Mr. Speaker, by way of final supplementary. I want to ask the Minister of Finance, Mr. Speaker. In view of the fact that in 1969, according to government statistics, 49 per cent of the entrants to the provincial correctional institutions in the province were native people and that has now gone to 66 per cent and predicted by the government to rise to 82 per cent by 1981. Now I want to ask the minister, particularly in view of the fact that that is caused by the high unemployment rate, which is reputed to be between 70 per cent and 80 per cent among the native population in Regina, how many jobs, how many native jobs will be created, in your estimate, by your Budget?

MR. SMISHEK: — Mr. Speaker, in case of the direct jobs by the capital programs, we estimate that some 4,800 jobs will be created through the additional capital program as I recall it. Then in addition to that, we have other programs like the Youth Employment Service, the ESP programs, and we estimate that those jobs will create at least 1,400 temporary jobs. But since then a number of things have happened. Further

stimulus to the economy through two tax measures, one the doubling up of income tax, the reduction of the sales tax, I think will put additional purchasing power. We would have to do further calculation and I feel that this will create quite a number of additional jobs. It is very difficult to say whether or how many of those jobs will go to the native people. Certainly as a direct government interest, we do hope that a number of those jobs (particularly with the training programs that we are trying to encourage in co-operation with the federal government) that a substantial number of them will go to people of Indian ancestry.

MR. CAMERON: — May I ask you one last supplementary in respect to this. The unemployment rate among native people in this city now is, as you know, said to be between 70 per cent and 80 per cent of the 30,000 people in Regina. Now you know as well that is a major source of crime in this city. Can you tell me what you expect that unemployment rate to be reduced to among the native population, once your Budget has taken hold for the next fiscal year?

MR. SMISHEK: — Mr. Speaker. I do not, first of all, accept the statistics. I don't know whose statistic it is, because certainly we have no direct, you know(inaudible interjection) ... but Mr. Speaker, I am referring to 30,000 native people in the city of Regina, I have heard that figure. I am not convinced that while there have been some calculations, I doubt whether they are that precise. Mr. Speaker, I am not able to answer the question as to how many will go directly to the native people, and I think the member can appreciate that it is very difficult to make those kinds of estimates.

I would hope, Mr. Speaker, that we can get co-operation from the government of Canada who equally have a responsibility for job creation programs and I would hope that since he is a federal candidate that he will apply some energy to talking to his colleagues in Ottawa, that they have a responsibility to create jobs in this . . .

MR. SPEAKER: — Order, order! I will take the next question.

CABLE TV – CPN

MR. J.G. LANE (Qu'Appelle): — Mr. Speaker, a question to the Minister responsible to Sask Tel.

I have before me a copy of a memo and I am going to send a copy over to the minister for his information and it purports to be from the Co-operative Programming Network from one Rick Sharmen to the blitzers who are going on a door to door blitz on behalf of CPN. It gives them specific instructions. They are to use, for example, the word 'confusion' instead of the word 'controversy' when they are discussing it, but it also says and I quote:

If any Sask Tel employee that you call on says negative things about CPN, get the name and address and report to Rick Sharmen.

Now obviously the only one who can take action against an employee who says negative things about CPN is Sask Tel itself. My question is, have you or your officials given any instructions to CPN to report Sask Tel employees who make negative comments about CPN?

HON. R. ROMANOW:(Attorney General) — Mr. Speaker, neither the Minister in charge

of Sask Tel or myself, as Minister in charge of Communications, are in any position to give any instructions to either the Co-operative Programming Network or any other independent agency outside of government as to what they should or should not do with respect to any other agency. If CPN wants to say this to this particular subscriber respecting CPN, while I don't agree with it and while I have full confidence in Sask Tel, it is their right to put it in the memorandum. To suggest that either myself or the minister of the government had anything to do with CPN putting this in the memorandum is both false and spurious.

MR. LANE (Qu'Ap): – Supplementary, Mr. Speaker. Mr. Minister, obviously when they make a statement, the only way that they would know who was a Sask Tel employee when they went to their city-wide blitz is if they had a list of Sask Tel employees. Has Sask Tel, in fact, given a list of its employees to CPN and has it, as well, instructed its employees that they must be quiet about CPN and in fact subscribe to CPN to build up the list.

MR. ROMANOW: — Mr. Speaker, the clear answer to all of those questions is, No and No and No. I also tell the hon. member that this memorandum, the way I read it, is if an employee who may be involved in the installation of equipment, for example, says something about CPN that that should be reported by the subscriber to the CPN people who would take it up with Sask Tel.

I repeat again, I don't believe that the Sask Tel employees do that. We have no evidence that they do that and I don't support this, but to suggest that Sask Tel would give the names of their employees to CPN is false. And to further suggest that somehow CPN is being forced on every Sask Tel employee, stretches the limits of credibility.

Government Policy re Retail Gasoline Trade

MR. W.H. STODALKA:(Maple Creek) – Mr. Speaker, a question to the Minister of Revenue.

It is approximately one month since you raised the expectations of people involved in the retail gasoline trade on the western portion of the province. And in view of the fact that tomorrow is the last day of this month, and you indicated earlier in this Assembly, that you would be making an announcement before the end of the month, would the minister indicate today what is the reason for this delay in this announcement and when, or even if, we can expect any announcement about a policy in the future?

HON. W.A. ROBBINS (Minister of Revenue): – Mr. Speaker, government policy will be announced in due course.

MR. STODALKA: – Mr. Speaker, the minister indicated earlier that if there was going to be a program, it was going to be retroactive. I would like to ask the minister, seeing that the gas retailers are collecting the 19 cent per gallon tax at the present time, how he could institute a retroactive program in this instance? Is he suggesting that he is possibly going to give a rebate of say a number of cents per gallon to these people, or exactly what does he mean by a retroactive program?

MR. ROBBINS: – The policy will be announced in due course, Mr. Speaker.

Fee Structure for Lease Land

MR. BAILEY: – Mr. Speaker. I would like to direct a question to the Minister of Agriculture.

Mr. Minister, during the land use hearings around the province, in a number of instances, Mr. Minister, the question came up to which there was no definite answer, regarding the difference in lease price between grazing lease held by the Lands Branch to an individual farmer and comparable lease being held by Land Bank to a supporting farmer. There was a great difference in the fee structure in the two grazing leases, given all things being equal, that is the assessment being equal and the carrying capacity of the lease being equal. This question came up time and again at the Land Use hearings.

Could the minister tell this Assembly, today, as to why the lease land ascribed to a Land Bank renter, is considerably lower than the same lease being leased to an individual farmer?

HON. E. KAEDING (Minister of Agriculture): – Mr. Speaker, we are trying to get the leases co-ordinated between the two departments and there may be some lag time between when different agreements are signed. We are attempting to get the same formula operating on both Land Bank and Lands Branch.

As you know we are transferring those lands which are suitable for grazing, only, we are transferring those from Land Bank onto Lands Branch and vice versa. The cultivation lands which are suitable for cultivation in large blocks are going into Land Bank and under both programs we are attempting to set up the same lease with these schedules. This may not have happened in all cases but it is happening very quickly.

MR. BAILEY: – A supplementary question, Mr. Speaker. Mr. Minister, can you tell me how many parcels of land have been acquired by the Land Bank through the action taken by the Farm Credit Corporation on foreclosures; that is when lands are taken over and turned back to the Farm Credit Corporation because of the inability of the clients to pay? How many of these lands parcels have been taken over by the Land Bank Commission?

MR. KAEDING: – None at all, as far as I am aware.

MR. A.N. McMILLAN (Kindersley): – I would like to ask the minister, in view of the fact that he has just stated that some grazing lands that are owned by the Land Bank are being transferred into the Lands Branch for lease, is this a change in the government's policy where they have indicated they are prepared to sell or make Land Bank land available back to young farmers who might wish to purchase? Would the minister not agree that by taking that land which the government has purchased from private individuals and transferring it into the Lands Branch, they are making it impossible for young farmers to purchase that grazing land themselves?

MR. KAEDING: – There is an order in council which authorizes the transfer of land between the two departments and on the basis of that authority we are making those transfers. I think that would appear to be a very reasonable kind of a move, if we get the lease land, that could be land which is suitable for grazing, under one branch and get the cultivation types of land under another branch. Basically, this is what were going. There are very few occasions where, when we are buying Land Bank land for instance, we are buying Land Bank land which is grazing land. Occasionally, in a parcel we will get a quarter section of land which is simply grazing land and not cultivation land and in

those cases we attempt to move them into the land and change the grazing area.

MR. BAILEY: – Mr. Minister, can you tell me why a farmer who has been holding the same parcel of land from the Lands Branch under the old fee structure, the 33-year rental (you now what I am talking about) that once the Lands Branch takes that over his fee should drastically increase, whereas when it is assigned to a holder of Land Bank land, there is not drastic increase in the fees of that same land?

MR. KAEDING: – Mr. Minister, there will not be a drastic increase. The Lands Branch and Land Bank both charge on the basis of the price of livestock and our annual fee, whatever it happens to be, is based on the livestock prices at that time. For both the Lands Bank and Lands Branch that same policy applies. There could not be a major increase. If you can identify one I would like you to send it over to me.

MINISTERIAL STATEMENTS

Gasoline Competition Assistance Grant Program

MR. ROBBINS: – Mr. Speaker, I wish to announce the Gasoline Competition Assistance Grant Program in order to assist Saskatchewan gasoline outlets that face difficult competition from Alberta services stations that do not have to collect any provincial fuel tax. The program will provide a grant for each gallon of taxable gasoline sold for use in motor vehicles after April 1, 1978. The grant will vary with the actual road distance from Alberta competition. While the grant will provide required valuable assistance to Saskatchewan businesses, it will not completely eliminate the problem of the problem of competition resulting from different tax systems in Saskatchewan and Alberta. We have attempted to restore the situation to what it was last year when Saskatchewan had a 19 per cent gallon gasoline tax and Alberta's rate was 10 cents per gallon.

There is still a relatively wide variation in the price of fuel within the province of Saskatchewan, which is not due to tax differences but rather to the pricing policies of oil companies and competitive pressure in various locations. For example, Mr. Speaker, regular gasoline at full service outlets in Melville costs 91.9 cents per gallon but 26 miles away in Yorkton, the cost is 97.9 cents per gallon. Another example is in Maple Creek where gasoline costs \$1.059 a gallon while it is 15 cents a gallon less in Saskatoon at 90.9 cents per gallon. We all know of situations even within the same community where prices differ by a substantial amount.

The Gasoline Competition Assistance Grant Program will operate by using the current method for collecting the 19 cents per gallon tax on gasoline. I want to make that crystal clear to the members of the House; the tax of 19 cents a gallon will be paid people using gasoline in Saskatchewan, no matter where they are located. But service stations and bulk plants within 48 kilometres of Alberta competition will be able to apply for a grant, ranging from 5 cents per gallon to 18 cents per gallon, depending on their distance from actual Alberta competition. The grant rate will be 18 cents if the Alberta competition is in the same community as the Saskatchewan fuel outlet; 10 cents per gallon for service stations within 24 kilometres of Alberta competition and 5 cents per gallon for fuel outlets between 24 kilometres and 48 kilometres of Alberta outlets. The Gasoline Competition Assistance Grant Program will be retroactive to April 1, 1978 and will allow service stations to apply for their grant based on the amount of gasoline purchase for resale. Bulk fuel plants will be able to apply for the grant on all taxable fuel sold in bulk to contractors, municipalities and so on. This program will provide direct assistance to approximately 112 businesses adjacent to the Alberta

border, at an estimated cost of \$1 million per year.

SOME HON. MEMBERS: — Hear, hear!

MR. BAILEY: — Mr. Speaker, I certainly have some comments which I would like to make. Mr. Minister, it happened to be that this morning, checking in my office on three of the four major highways leading into the province of Alberta, I checked with a service station 70 miles from the border, one 35 miles from the border and one 40 miles from the border. These were on highway 5, 7 and 1. I didn't get to the highway 14. If I heard your statement properly, approximately anyone this side of the border 30 miles is not going to be able to participate in the government program. It just happened to be that the station on the major highway, which was 70 miles from the border, reported to me that their sales had dropped 40 per cent. The stations 35 miles, going up on the other highways, their sales had dropped 60 per cent over the same period last year — I am taking an equal period, Mr. Minister — the third highway station I checked was some 40 miles, had dropped 50 per cent. According to your government policy the 48 kilometre range is not going to affect those people that I phoned this morning at all.

It seems to me, Mr. Minister, that we have got ourselves in an inadequate position here entirely, because it is quite different than the 5 per cent sales tax. As you know the sales tax lingers along the border but when you get into modern transportation the effect of this is much more far reaching. I realize that you had great difficulty, that this announcement which you made today was really planned to be made early in April. Here we are in the second last day of this session in April and your caucus has been so split over the whole matter that really the program, Mr. Minister, is going to have little effect at all. The longer you have waited, the sales have dropped as I indicated by my phone calls and therefore your department will be paying out less money. I think you are too late; it is too little and I don't think it is going to have an effect upon this problem one little bit.

MR. A.N. McMILLAN (Kindersley): — Mr. Minister, I would like to add my voice to those concerns expressed by the member for Rosetown. The town of Kindersley is 50 miles from its nearest Alberta operation, and the largest independent wholesaler of fuel in Saskatchewan has lost money every day he has been open since Alberta lowered its tax. Under your program he wouldn't be helped one bit. He is faced with the possibility of having to lay off the entire 10 people who work strictly at his pumps. I would have to agree that on the surface from what we can determine from your statement this is certainly going to be an inadequate program. You will perhaps have done something to help some of the people that live in the first 10 or 20 kilometres from their Alberta competition but those people that can be just as seriously hurt living outside that barrier are going to get nothing at all. I would hope that the minister's proposal is not final, that he will be open for suggestions for improvement from members on this side of the House.

I would also like to know if the member would be prepared to table in this House a list of those service stations that can be involved in that program and the reduction for each program. I can only say at this time that certainly the delay has been untimely and the program now that it has been brought in appears on the surface to be completely inadequate.

POINT OF ORDER — Ministerial Statements

MR. MALONE: — On a point of order, Mr. Speaker. Just a minor matter but I wonder if

we could on this side of the House urge on the ministers opposite that when they give ministerial statements that they provide the critics on this side of the House with a copy of the statement prior to them being given. I believe the practice started last year and was going rather smoothly. I noticed the minister today did not do so. I ask you if you could bring it to the attention of the ministers for future reference.

MR. SPEAKER: — I think that is up to the ministers to decide. I don't think it involves the Chair at all.

SECOND READINGS

Hon. J.R. Messer (Minister of Mineral Resources) moved second reading of Bill 37 – **An Act respecting the Temporary Provincial Education and Health Tax Rate Reduction and Federal Reimbursement.**

HON. W.E. SMISHEK (Minister of Finance): — Mr. Minister, on April 10, I announced to this House that Saskatchewan Education and Health tax rate would be temporarily reduced. The announcement coincided with similar announcements by the federal Minister of Finance and by provincial treasurers and minister of finance in most of the other provinces.

Mr. Minister, I am less than satisfied with the manner in which this reduction of provincial tax rates was put in place by the federal government, but leaving that aside for a moment, Mr. Speaker, I was pleased that the federal government finally did something to bolster our sagging national economy.

Mr. Speaker, since last fall, I have been urging the federal government to move to stimulate consumer spending. More spending would gradually put idle plant capacity and the unemployed back to work. The federal government did not agree with this approach. Instead greater tax concessions were given to industry. Manufacturing plants were encouraged to expand even though, Mr. Speaker, 16 per cent of our existing plant capacity was idle and while these policies were in place what happened? More layoffs, more shut downs, more Canadians out of work, Mr. Speaker. This demonstrated how misguided national economic policies have been. No wonder commentators agree that Trudeau's economic performance has been dismal, Mr. Speaker. But events or the lack of them finally convinced the federal government and we have made this decision to provide direct encouragement to consumer spending through a reduction in the provincial retail sales taxes across Canada. In my view a better form of stimulation would be selected personal income tax reductions for lower and middle income Canadians. This would have had a greater impact on those who most need a tax reduction and would also have provided ongoing stimulus to consumer spending.

Overall, I don't expect that the reduction in the retail sales tax will have that great an impact on the Saskatchewan economy. If consumer spending on the big ticket items like automobiles is increased, the stimulus will mainly benefit manufacturing plants in central Canada. A large part unfortunately, may also flow to the foreign manufacturers, Mr. Speaker.

Mr. Speaker, for our own Budget, we considered an adjustment to the sales tax as a means of stimulating our economy but we decided for Saskatchewan, a personal income tax reduction would be much more effective. This action put \$52 million into

April 27, 1978

the pockets of Saskatchewan taxpayers. Many economists felt that this was the kind of stimulus that the national economy needed. However, most governments have not followed our lead.

Mr. Speaker, I want to say a word about the way the federal government accomplished the sales tax reduction. I want to say the Minister of Finance accomplished this in a strange kind of way. He has referred to the measure as an outstanding example of federal-provincial fiscal co-ordination.

Well, I'm not convinced, Mr. Speaker. Indeed, he many have set back federal-provincial co-operation and consultation. First of all, it was a last minute effort. It should have been develop and delivered earlier, Mr. Speaker. It should have been put forward at the meeting on the economy in January and February. That way there would've been real federal-provincial consultation. That way the provinces would have integrated the measure into their own provincial budget plans. Instead, the federal government remained silent and took unilateral action after many provinces including Saskatchewan, had prepared their budgets and presented them to their Legislative Assemblies.

I am convinced that the federal government intruded into an area of provincial jurisdiction, or rather I am concerned that they have done this, by trying to establish policy for provincial retails sales taxes. A dangerous precedent was established when the provinces were not allowed to participate in the formulation of the federal compensation formula which does not apply equally, Mr. Speaker, to all of the provinces.

Mr. Speaker, the western Premiers made it clear when they met in Yorkton that they were not pleased that the temporary sales tax reduction might be precedent for future intrusions by the federal government into tax fields traditionally held by the province. Mr. Speaker, let me make it clear that I do not rule out, indeed I welcome federal-provincial co-operation in fiscal matters but this was the wrong way to go about it. Nevertheless, we did decide to participate. The federal decision to proceed was made from a national perspective, in light of judgment that this is what Canada needs and to that extent we are prepared to co-operate.

The 1978-79 Budget was already before this House when the federal government approached us with their proposal. We had announced an \$82 million cost of living protection package. We are now at a disadvantage in financing this on anticipated reduction in our education and health tax rates. Nevertheless, we intend to bear these added costs in the interest of the national economy and in the interest of national unity. We hope that our planned deficit of \$44 million for 1978-79 will not grow by the full amount of \$18 million cost to the province. We expect certain revenue gains if the stimulus works.

Mr. Speaker, let me now turn to the bill itself. The bill consists of two parts. First, the education and health tax rate will be temporarily reduced. Second, a mechanism will be established for the federal government to pay back a portion of the cost to the province. Section 2 of the bill provides for a legislated two-point rate reduction in the education and health tax over the period from April 11, 1978 to September 30, 1978, inclusive. This coincides with the period during which several provinces will be reducing their sales tax rates by three points. Rather than follow this approach, Saskatchewan negotiated an equivalent program which would have a longer duration, Mr. Speaker.

Our two-point reduction will last at least until September 30, 1978. It will be followed by the equivalent of a two-point reduction for a three month period thereafter.

Section 3 of the bill provides the Lieutenant-Governor in Council with the flexibility to determine how this extended reduction will be put into effect. This section allows the government to set the reduction at up to two points. This power would expire on December 31, 1979. As a result, Mr. Minister, Saskatchewan education and health tax rate will remain at 3 per cent until at least September 30, 1978. A decision will be made before October 1 on the extent and duration of the remaining provincial participation. The decision will be based on the prospects for the winter employment and other economic circumstances at that time. This gives us the flexibility to phase the sales tax rate back up to 5 per cent rather than doing it in one step, if it appears that a one-step increase may have adverse effects.

Section 4 of the bill provides for federal reimbursement. The federal government has agreed to pay for two-thirds of the cost of the provinces of the equivalent of a two-point reduction over nine months. This reimbursement will take the form of a personal income tax abatement and a cash transfer. Under the tax abatement, the federal income tax payable by each taxpayer resident in Saskatchewan will be reduced in 1978 by the first \$100 of federal tax. The exact amount of this reduction will then be added to the taxpayer's provincial income tax. Therefore, there will be a shifting of income tax revenues between government, but the aggregate amount of tax will remain unchanged. The total value of this tax abatement to the province will then be compared to the total cost of the program. The difference will be made up by a cash transfer from the federal government.

Initial estimates for a two-point reduction of our education and health tax rate over nine months, place the total cost of the program in Saskatchewan at \$54 million. Of this, \$18 million will be borne by the province and the federal government will provide its reimbursement by means of \$28 million through the tax abatement and a \$7 million cash payment. When added to the \$82 million in benefits announced, in the last provincial Budget, this province's cost of living protection package can be valued at almost \$140 million, Mr. Speaker. This should have a major impact in increasing incomes, stimulating economic activity and holding down the cost of living.

Mr. Speaker, the method for federal reimbursement under this program is very complicated. It reflects the financial box that the federal government has put itself in. A straight cash transfer to the province would have been much simpler, Mr. Speaker, but this would have increased federal spending above those arbitrary ceilings which Liberal and Conservatives so devoutly believe in. It is plainly ridiculous that the federal government feels it must disguise its payments to the provinces and hide them from view, Mr. Speaker.

We are in a pretty sad state when the federal government is afraid, is afraid to show a tax reduction on the expenditure side of the budget, Mr. Speaker.

I look upon this national effort, a reduced provincial sales tax across the country, as a means of restoring confidence in the Canadian economy and helping to reduce the rate at which the consumer spending, or consumer prices are growing. Let's hope, Mr. Speaker, that it works.

Therefore, I move that Bill No. 37 be now read second time.

MR. G.H. PENNER (Saskatoon Eastview): — Mr. Speaker, I would like to make a few remarks respecting this bill and respecting the remarks made by the Minister of Finance.

I can't help but be amazed, Mr. Speaker, at the attempt by the Minister of Finance to blame others and to accept no responsibility himself for the poor showing of this government insofar as its attempts to stimulate the Saskatchewan economy is concerned. I have heard a lot of people whine and I quite frankly can't understand why the Minister of Finance and the Premier of Saskatchewan whine about the sales tax reduction when they, in fact, agreed to it before it was ever introduced.

For the Minister of Finance to stand up in this House as he did back earlier in April, and announce his participation, his government's participation the plan then for his Premier to go off to Yorkton to the Western Premier's Conference, and there whine about the fact that they weren't consulted; whine about the fact that the federal government isn't doing enough to look after the problems of Canada, absolutely astounds me. It would do well for the Minister of Finance and the government of Saskatchewan to take a leaf out of the federal government's book and do something with regard to job creation; and to do something with regard to the stimulation of the economy, rather than to continue with the sad and sorry record of this Minister of Finance and this government of Saskatchewan.

We know full well, Mr. Speaker, that the unemployment rate in Saskatchewan is higher today than it has been since the days of the depression. We have 7.1 per cent of our people in Saskatchewan unemployed; over 30,000 people unemployed in Saskatchewan. What is the government's answer to solving the problem that it has had in large measure, the responsibility of creating?

The answer is to stimulate the construction industry. You know it is a sorry mess, Mr. Speaker, when you look at the statistics on page 51 of the Minister of Finance's own Budget. You take a look at the construction industry and you find that in the last 10-year period the highest it has ever been was in 1968-69 with a Liberal government in this province. And that even with the measures that are being suggested by the Minister of Finance today, he can't bring it up to the level that it was back in 1968-69. When you take a look at what is going on in other parts of our economic development we have to pretty well sum it up and say, very little of anything. Instead of taking responsibility and initiative for moving in and creating divergent development in other sectors of our economy — in the mining sector, in the resource development sector — we find that the oil industry has moved out.

You take a look at the annual report of Sask Minerals this year, the number of wells drilled is down, the number of rigs in the province is down, the amount of production of oil is down. Doesn't matter whether we look at what the government is doing by itself or whether we look at what the government is doing in a joint venture situation, they have taken a posture of saying to the private sector, you are better off staying out of here fellow, because if you come in we are going to nail you. They have taken the posture of saying to the private sector, stay out of Saskatchewan; don't come in here and provide jobs for the people of Saskatchewan; don't get in here and try to help us with our unemployment rate at 7.1 per cent and help us with the 30,000 people we have got unemployed. Instead they like to pass the buck and they like to whine. They have become great people, Mr. Deputy Speaker, at the slogans, the business of "jobs today and energy tomorrow." It is unfortunate. Had they taken the kinds of opportunities that have been available to them since they became this government, there would have

been jobs already and it would be a matter of going out and trying to look for them now. The minister talked about income tax. What a tremendous boon it is to the people of Saskatchewan that our income tax rate is dropping off being the highest rate of any province in Canada. I say to the minister and I have said it before, surely we were one province that has some room to maneuver; surely when we have come from 1972 to the present of going from an income tax rate of 37 per cent to 58 ½ per cent, it is about time that it came down a little bit and I don't expect that there are very many people in Saskatchewan, who just completed filling out their income tax forms, who wouldn't agree wholeheartedly with the fact that it is about time that the government did something. It is very much like the policy announced today by the Minister of Revenue with regard to the gasoline problem – did something that is just a little bit, and a little bit late. Mr. Speaker, I will have some other comments that I'll want to make when I have had an opportunity to consider the minister's speech and I, therefore, beg leave to adjourn the debate.

Debate adjourned.

HON. W.E. SMISHEK (Regina North East) moved second reading of Bill 46 – **An Act to establish a Heritage Fund for Saskatchewan.**

He said: Mr. Speaker, I am very proud to move second reading of the bill to establish the Saskatchewan Heritage Fund. Mr. Speaker, this is an important piece of Legislation, an important part of our government's resource management strategy. In 1977 the value of mineral production in Saskatchewan exceeded a billion dollars for the first time ever, nearly 1 ¼ billion dollars, Mr. Speaker, that is an increase of 200 per cent since 1971. In part, this dramatic increase is a result of increased production of such minerals as potash and uranium. For the most part, or the most important factor, however, has been the increase in the value of our resources, oil in particular. Mr. Speaker, the day of cheap energy resource is over and over a long term, all non-renewable resources are increasing in value. That fact has struck home in the 1970s. Our own renewable resource policy is, or rather non-renewable resource policy is designed to capture for the people of this province a fair share of this increase in value. The record since 1971 is a measure of our success, Mr. Speaker. While the value of mineral production increased three times, provincial revenues from that production has increased 14 times, from \$33 million in 1971 to \$462 million this year, Mr. Speaker. That sum exceeds the total of all provincial revenues in 1970. To take these vast new funds into general revenue and spend them would have been easy, Mr. Speaker, and popular in the short run, but would also have been irresponsible because there is one thing certain about non-renewable resources and I make this point particularly for the member for Indian Head-Wolseley. I don't notice him around. When they are gone, they are gone. Every barrel used, every ton mined, is gone forever, Mr. Speaker. Oil is the most striking example. Our reserves of conventional crude may be gone in 20 years. So initially, Mr. Speaker, we set up the Oil and Gas Stabilization and Development Fund, later changed to the Energy and Resource Development Fund, to put something aside for the generations to follow us. All of us, Mr. Speaker, have a responsibility to the next generation. We, on this side of the House, Mr. Speaker, take that responsibility seriously. We have invested our present windfall revenues for security of those to follow. A large part of the energy fund money was used for public investment in the potash industry. This will return dividends for many years to come. Some of the money was used to find help find more oil and more gas and mineral in Saskatchewan.

The proposed Saskatchewan Heritage Fund takes this idea one step further, Mr. Speaker. We propose to place all non-renewable resource revenues, not just oil, in the Heritage Fund. The Heritage Fund, will, in turn, transfer a portion of these revenues to the Consolidated Fund to be used for schools, for hospitals, for road construction, agricultural assistance plans and other ongoing programs, Mr. Speaker. The amount of money transferred will be governed by the amount that can be sustained in the long term. The rest will remain in the Heritage Fund.

That reserve will help stabilize year to year, ordinary revenues. Budgetary planning will be orderly and we will avoid expenditure decisions based on year to year fluctuations and non-renewable resource revenues. That is the first purpose of this bill.

Mr. Speaker, the second purpose is to provide the frame work for converting part of this one-time revenue into income producing assets. This will fulfil our obligation to preserve some of the benefits of resources used today, for future generations. By investing some of our resource revenue in income earning assets, we are converting resources like oil, with short lifetime spans, into assets which will yield returns for many years to come.

The proposed heritage Fund will provide a much larger pool of money than the present energy fund. The scope for potential social and economic investment is also much broader. Money will be available for exploring incentives for the oil industry, grants and loans to assist in the exploration development and conservation of energy and mineral resources, provincial development expenditure of the capital nature, advances of equity capital to Crown corporations and loan investments to Crown corporations.

Mr. Speaker, the advances of equity capital to Crown corporations such as the proposed advance of \$40 million to the Saskatchewan Mining Development Corporation will be non-interest bearing and will not have a fixed term of repayment. They will, however, provide a financial return in the way of dividends or re-investment in the corporation for future capital projects. This is a sound business practice which will yield returns for years to come.

Loans to Crown corporations will bear interest and will be for a fixed period of time. The rate of interest will normally be set in relation to market rates at the time for the particular term of the loan. In some cases, where the loan is not related to a project that will yield a direct financial return, like the loan to the Saskatchewan Power Corporation for the home insulation program, the rate of interest may be set at zero.

Mr. Speaker, the third category of investments will not necessarily provide a direct financial return. These investments may be of many kinds. Essentially they will be capital projects which contribute to the social or economic development of the province. Mr. Speaker, I invite you to review those proposed for the current year, particularly in northern Saskatchewan. The details of the expenditures of the Heritage Fund are contained in the printed Estimates for the 1978-79 fiscal year.

This leads me to the third major purpose of the legislation, that is, to provide a greater degree of legislative control over the expenditures and investments made from the fund. All expenditures and long-term investments of the fund except the \$26 million statutory appropriation will be subject to the approval of the Legislative Assembly. Mr. Speaker, may I call to the attention of members opposite that this provides a greater legislative control of the use of the resource revenues than is the case in the province of

Alberta. In that province, only those expenditures made by the capital projects division which handles the non-income generating expenditures are subject to approval by the Alberta Legislative Assembly. The Saskatchewan Heritage Fund Act will provide for the legislative approval of all non-statutory appropriations.

Mr. Speaker, I would like to draw to the attention of this Assembly two further safeguards that are embodied in the proposed legislation. Not only will all the non-statutory expenditures and investments be voted by this Assembly, there will be two legislated restrictions which will ensure that a portion of non-renewable resource revenues must always be set aside for future generations.

First, the amount of resource revenue that can be transferred to the Consolidated Fund will not be allowed to exceed 80 per cent of net non-renewable resource revenues. That is, non-renewable resource revenues after the statutory drilling credits for the oil industry are subtracted. This will ensure that we cannot spend all our resource revenue in any year without changing legislation. Not only would the amount have to be voted but The Heritage Fund Act would have to be amended.

Secondly, a further safeguard has been put into the legislation to ensure that provincial development expenditures remain a relatively small portion of the Funds' activity. Provincial development expenditures will be limited to 20 per cent of the annual revenue remaining in the Fund after subtracting the transfer to the Consolidated Fund. Since provincial development expenditures are not expected to earn a direct financial rate of return, the amount of money devoted to this type of expenditure, should be limited.

This is, I submit, responsible management. I also want to mention that the proposed legislation provides for the retroactive establishment of the Energy and Resource Development Fund and ratifies and confirms all expenditures and payments from the Fund. This provision, Mr. Speaker, is required because the Supreme Court inadvertently removed the legislative authority for the Energy Fund in the CIGOL decision.

Mr. Speaker, the proposed legislation also provides for the orderly transition from the Energy Fund to the Heritage Fund. The assets of the Energy Fund which were valued at \$431 million at March 31, 1978, this will be transferred to the Heritage Fund and the Energy will be terminated. This will provide the Heritage fund with a solid base from which to grow.

Mr. Speaker, legislation has been introduced amending The Department of Finance Act, to provide for, among other things, the repeal of section 33, which established the Special Investment Account. The government proposed to transfer the assets of the Special Investment Account to the Saskatchewan Heritage Fund. The reason for the transfer is that the two funds are both permanent investment funds and it makes good sense to combine the Special Investment Account and the Heritage Fund. There will be complete financial accountability of the new fund. An annual report of the fund will be tabled each year in this Legislature. The Provincial Auditor shall, from time to time, but at least once a year, audit the books for the fund and report his findings.

Mr. Speaker, as I said at the outset, I am proud to present this bill. Those who believe that a fair share of the increased value of our resources should flow to the people of Saskatchewan will, I am confident, support the principle of this bill. Those who believe that we, in this generation, should protect the interests of our children and our

April 27, 1978

children's children, will approve the objectives of this bill, Mr. Speaker. Only those, Mr. Speaker, who owe their allegiance to the multinational resource companies will find reason to vote, no.

Therefore, I move, Mr. Speaker, that Bill 46, being an act to establish the Saskatchewan Heritage Fund, be now read a second time.

SOME HON. MEMBERS: — Hear, hear!

WELCOME TO STUDENTS

HON. E. KAEDING (Saltcoats): — It is my pleasure, Mr. Speaker, through you to introduce a group of students from Saltcoats and Bredenbury in my constituency. They are seated up in the Speaker's Gallery and are accompanied by teachers, Harry Cardinal and Fred Nicholson.

They will be meeting with me later on, about 4:00 o'clock in the rotunda. I am sure that all of you will want to join with me in wishing these young students an interesting and instructional afternoon.

What you have seen here at the present time is the Minister of Finance introducing the Heritage Bill which is one of the more important bills of this session and in a few moments you will hear the opposition critics reply to that.

I want you all, Mr. Speaker, to wish these students a safe journey home and welcome to the Legislature.

HON. MEMBERS: — Hear, hear!

Debate continues on Bill 46

MR. W.C. THATCHER (Thunder Creek): — Mr. Speaker, I think it would be fair to term this bill, the Heritage Fund Bill, very simply, a new name for a very old game. Certainly, there are some things in this bill that we like. We accept the concepts and approve of the concept that the dividend from this Heritage Fund will go directly into the consolidated fund. This is precisely the way that it should be.

Mr. Speaker, we disapprove very strongly on many of the investment type procedures that will be followed. We think, Mr. Minister, one aspect that is a great improvement over the old Energy and Resources Fund is that the budgetary expenditures and the equity in the loan investments will henceforth be displayed in Estimates. I acknowledge that on the part of the minister and we think that is a good step forward.

Mr. Minister, the function of the Heritage Fund, that the minister has been discussing, I suppose in some ways would have to be treated by the opposition as a trifle on the facetious side. I note, Mr. Speaker, that you are now going to pay exploration incentives to the oil industry from this new fund.

You know I suppose we've been through this debate many times in this Assembly over the years but had it not been for this government's bill 42 I really doubt very, very much if any exploration incentive to the oil industry would ever have been necessary. I cannot help but think that had it not been for this government in the years of the early 70s that we would have a booming and thriving oil industry in this province instead of the

anaemic example that we have that requires a blood transfusion rather frequently.

Mr. Minister, it's a tragedy that this province in the early '70s of which you personally played a very significant role in that government in that era, it is regrettable that you couldn't have followed the lead of our neighbors to the west of us and the wisdom that their financial people and their technical people showed as they set up their energy and resources or their Heritage Fund and the procedures that they used to build it up. It has to be one of the real tragedies for this province that foresight was not available in this province such as they had. Certainly, it is very true, they did not take as much as this government took from the oil industry. That's true. But what they have left is a very thriving, buoyant and successful industry that kept going. It kept right on going through that very unfortunate hassle with the federal government. It had its ups and downs, it had its slowdown periods but nonetheless they did keep on going and the revenues kept coming in, at a lower rate, at a lower percentage rate than did yours but they kept coming in. What happened in this province? They just simply shut down. I don't care to spend a great deal of time on the rhetoric on that particular issue and you know very well that it's true. Politically of course you can't admit it. But if it isn't true, if you don't care to acknowledge that it's true, precisely why are you having to put out the exploration incentives that this bill describes? Why do you have to do it if you hadn't run them out in the first place?

Mr. Minister, as I indicated earlier, I am pleased that the Legislature will have an opportunity to view the expenditures and the equity and the loan investments in the Estimate book. Mr. Minister, we have always been concerned on this side of the House, I think this entire side of the House, the way money has been taken from the Energy and Resource Fund with very, very little accountability. I refer specifically to the Potash Corporation of Saskatchewan and they have taken \$338 million over a period of time from the Energy and Resource Fund. It has been an interesting exercise as to why you have gone this route on an equity to debt ratio, three to one, whereas on our utilities, etc., you always went the other way. Nonetheless, you chose to go that way. The \$338 million came out of that Energy and Resource Fund. I don't think this Legislative Assembly had a great deal of input as to whether you were going to take that money or whether you weren't. It was basically, I guess, an order in council decision or an internal decision on the part of the Department of Finance. We question those procedures. We question those procedures because that \$338 million was taken out as a non-interest bearing loan. This Assembly has no idea what the repayment schedule is on that \$338 million. Obviously there is no interest. Frankly, Mr. Minister, we don't believe that there is repayment schedule on it. We don't really think that the Potash Corporation has any intention of every paying back any of that expenditure, across the board of 12 per cent. Therefore, Mr. Minister, when it comes to the tough battles with the Treasury Board, when the various department and the various ministers vie for funds you got the hell beat out of you, to put it very bluntly. You lost 4.7 per cent, Mr. Minister.

Well, Mr. Minister, before we move on I'll let you respond to that one and then we'll just keep on going.

MR. SMISHEK: — Well, first of all, I would like to respond to the extent that I suggest that he look across the border to his neighbor in Manitoba and see what Agriculture got out of the budget in Manitoba. I note from the figures I have here that the Agricultural Budget is not 3.7 per cent of the total budget but 1.8 per cent of the total budget. That's that new shining Tory government in Manitoba.

Now you are quoting a figure of 7.4 per cent, which you say that we have got out of this

budget and on the Blue Book to Blue Book figure that is probably the figure you would get. However, I think you should when you are comparing the Budget, I think you should consider that last year we had a large non-recurring item. The item of \$1.7 million . . . no intention of ever paying back any of that equity money that was used. In fact, frankly, Mr. Minister, we don't think that very many Crown corporations, if any, have any intention of ever paying back any of their equity money that has been advanced from the Department of Finance.

Mr. Minister, we believe very firmly in the Progressive Conservative Party that any money that comes out of the new Heritage Fund should come out in the form of a shareholder's loan. We have no objections to money from this Fund being used in a Crown corporation or for a specific purpose provided it comes out with a fixed term of replacement and at the very least something approaching the going rate of interest.

Mr. Minister, we say, in the Progressive Conservative party, that this is realistic financing. We think that it can probably accomplish some of the objectives that you have laid out. We think that it is the most businesslike approach and the most realistic way for a Crown corporation to assess legitimate costs. Mr. Minister, we reject the concept of advances of equity capital to Crown corporations. We reject the concept where these investments will not have a fixed rate of repayment, nor carry a rate of interest. We say that is not sound financing; that it is not a realistic picture for the Crown corporation receiving such an advance to operate on.

Mr. Minister, I note that this year the Saskatchewan Mining Development Corporation will receive money on this basis of some \$40 million. Mr. Minister, we don't think that that is a wise way to proceed. We say, fine, give them the \$40 million, but advance it to them and say you have so many years to repay it and the going interest rate is – you choose it – but it should be somewhere within the going rate of interest on the public market. That way the Saskatchewan Mining and Development Corporation will legitimately reflect its financial statements. It will legitimately reflect the proper ongoing business costs.

On top of that, were they paying interest on this money, on this \$40 million that they are going to receive, this money would then go back into the Heritage Fund. The Heritage Fund would then have access to this money either to reinvest or to turn over to the Consolidated Fund.

Mr. Minister, there is nothing particular fancy about this logic. It is just normal logical business. Mr. Minister, I think it is only fair to say that when you give money out of this Fund, on a system that does not have a fixed rate of repayment, nor carry a rate of interest, then you are closing your eyes to reality. That money is worth something to be invested. It should certainly be worth something to be put into a Crown corporation.

The object of any Crown corporation, I suppose, is to provide a dividend to its shareholders who, of course, are the people of Saskatchewan. Hopefully, the Crown corporation in the majority of cases will return some form of profit or at the very least will carry its own weight. But its equity money should very definitely be showing a return to the Heritage Fund.

Mr. Minister, it is not my intention to adjourn debate on this particular issue. I very briefly summarized the position of our party on this bill. As we go into Committee of the Whole we will be presenting some estimates and some suggestions, but it is our hope that this bill can be debated out very quickly, that we can get into Committee of the

Whole, as is the case with other legislation and that we can get this Assembly moving and let's hopefully get out of here as quickly as possible.

Therefore, Mr. Speaker . . . (inaudible interjection) . . . Mr. Speaker, the member for Regina South (Mr. Cameron) he does get his jollies from some very strange comments, because somewhere I did miss the humor in that. Now . . .

MISS CLIFFORD: — You would. It went right over your head.

MR. THATCHER: — Well, I see the MLA for Wilkie is her usual good-natured self with her usual fine friendly comments. Mr. Speaker, as I was saying before I was rudely interrupted, it is our hope that we can get into the Committee of the Whole and that we can do this on many other bills and that we can get the work of this Assembly speeding along and that hopefully, we can get out of here. Now, on the other hand, for those of you who may wish to prolong this for whatever purposes, obviously, we can't stop you. But I wish to say that I will not be adjourning debate at this time. I will be introducing some amendments in the Committee of the Whole on this bill and hopefully, with certain amendments, we may very well be able to support this bill. As it stands right now we will probably have to oppose it, on the basis of some of the means that would be used to take money out of this fund.

MR. PENNER: — Mr. Minister, I would say to the member for Thunder Creek that “actions speak louder than words”, and if in fact, it is the sincere desire on his part to see the House expeditiously move through its business, then I for one will look forward to the action in the next day or so, to see that that is, in fact, his intent. It is not my intention, Mr. Speaker, to adjourn debate on this bill. I have some very brief comments I want to make.

I think like with the Energy Fund, when it was first introduced, one has to say that the concept of the Heritage Fund is a concept that is positive. When one looks at what happened to the Energy Fund, one has to remember that the so-called stated intent of that Energy Fund was something that was not followed in the years after it was developed. Instead of developing an Energy Fund that was going to be there for the development of energy sources and energy resources, the government took that money and used it to buy potash mines and the member who spoke just a moment ago indicated that we had over \$300 million that was intended for a specific purpose but was taken out for something else.

Now, when one looks at the concept of the Heritage Fund, Mr. Speaker, I think one has to realistically say that, on the record of the government, the jury is going to be out for some time, with regard to this particular concept. It is true that some imaginative person over there picked out a new name and that new name is the Heritage Fund. When one thinks about heritage funds and thinks about the future and thinks about children and grandchildren and great-grandchildren, one emotionally feels that is a great idea. But if the record of the government with regard to the Heritage Fund is anything close to what it was with the Energy Fund, then history will show that the Heritage Fund is really not any better than what its predecessor was.

I hope that the minister and the government have learned a lesson from what they did in the past. I think the fact that moneys are going to have to come before the House for appropriation is good, I think all moneys that are going to be used by the Heritage Fund should have to come before the House. I think that all moneys that are taken out of the

Heritage Fund and used in some other way ought to pay an interest back to that fund, if the government is really serious in its endeavor to create a fund that is going to be there for our children and our grandchildren and so on. I would suggest to the minister that unless that in fact is going to happen, that the statement he makes that the dividend will not be a fixed share of resource revenues but will be an amount determined each year in line with the level of transfers and so on, that that is really not likely to be the contributing factor at all, but what will be the contributing factor is the extent to which the government feels it needs to soften the blow of a deficit, for example, and I submit to the Minister that that's not what the purpose of the Heritage Fund ought to be. It's not what I understand the Minister to say the purpose ought to be and I think we ought to give a great deal of emphasis to the fact, that if you are serious about developing a Heritage Fund, every effort be made to be certain that that money is there for people in the future. When I looked at the bill, when I looked at the budget speech, it seemed to be that there was a really great deal of talk about very little. A new name, one can't help but feel it is a reasonably positive kind of thing to talk about the future, preserve the heritage of the province. In large measure, I think we are talking about some bookkeeping kinds of things and, as I've said before, Mr. Speaker, the jury is going to be out for some time. Based upon the record of the government with the Energy Fund, I wouldn't be a bit surprised but what this, in fact, does not work out any better than did the energy fund.

MR. MacDONALD: – Mr. Speaker, I want to just say a few words on this. First of all, I think this is a bad bill. I think it is unwise financing in the province of Alberta; I think it is unwise financing in the province of Saskatchewan. I think it does very little or nothing for the future generations of Saskatchewan citizens or Canadian citizens. I think that ten years from now this dollar may be worth two bits, that's all, it may be worth ten cents. The worst thing you can do is take a pile of money and put it in a bank and lock the door, and put it away for 25 years. What is this going to do for the province of Saskatchewan? Mr. Speaker, what you should do with the Energy Fund money, is it belongs to the people of Saskatchewan and you should give it back to the people of Saskatchewan right now. Just think of what an infusion of \$200 million in reduced taxes to the province of Saskatchewan would do to generate the economy in Saskatchewan, would be to build jobs for the future, to provide exploration and development in a wide variety of areas, by giving it to the people who have the imagination and the interest and the enthusiasm to do something with that money. I think that that is what should be done with the money. It seems to me that every government right across this country and right across North America, whenever they get \$200 million, they say, "Well, how can we spend it?", and it becomes a debate among the bureaucrats as to what to do with that money. In reality what should occur with that money is that it should be given back to the taxpayers. All I am saying to you, Mr. Minister, I'm not sure that the people of Saskatchewan are going to benefit in 20 years, particularly when you are taking the interest and putting it in the Consolidated Fund, that I say that this money ten years from now will be worth ten cents. The ten cents on the dollar would be following in the present trend. What I am saying is that if you take \$100 million and put it back in the Saskatchewan economy, that the people with the business interest, with the knowledge and the know-how invest that money; let it stimulate the economy; let it go now into building jobs for the future. Do you know what has happened to the Energy Fund so far? It hasn't created a single job in Saskatchewan. There are fewer people working for Intercontinental Packers today than there were when we invested the money in it. There are no additional jobs working in the potash mine, because the potash mines were all there. There is some expansion going on you tell us, and that is good but that expansion would have been here and in place now if you hadn't interfered in the potash mines. So all I'm saying to you, Mr. Minister, is I

would like to tell you something, for example, what you could do with that money. In the province of Saskatchewan if you have a taxable income of \$10,000, you'd like to talk about the under \$10,000. You know what it is? It cost you \$240 a year more to live in Saskatchewan than it does in Alberta. If you happen to have a taxable income of \$15,000, it costs you \$479 more to live in the province of Saskatchewan than it does to live in the province of Alberta, just in income tax. If you turn around and listen to the province of Alberta and you have an income of \$20,000, it costs you \$813.90 more to live in the province of Saskatchewan than it does to live in the province of Alberta, and that is only one tax that isn't a sales tax, the reduction in oil and gas tax. The Minister of Revenue tried to solve the problem because of the ridiculous situation of the high taxes in Saskatchewan and here we turn around now and got \$100 million and what are you going to do now? You are going to lock it up in a safe; you're going to put it away; you are going to take the interest, so it is not even going to keep pace with inflation. Ten years from now it is going to be worth 10 cents at that day's market and it is not going to do anything to create jobs. I can't support this bill because I think the province of Alberta was unwise, I think the province of Saskatchewan is unwise. I say that money should be given back to the taxpayers and let it stimulate the economy; let it build jobs today. Mr. Speaker, I got more to say on this, I would like to adjourn the debate.

Debate adjourned.

HON. G. MacMURCHY (Minister of Municipal Affairs) moved second reading of Bill 56 – **An Act respecting the Dental Profession in Saskatchewan.**

HON. E. TCHORZEWSKI (Minister of Health): – Mr. Speaker, it is my pleasure to make a few brief remarks about the principles that have been incorporated into these revisions of The Dental Profession Act.

These revisions were developed as a result of recommendations made by an advisory committee on dental licensure. The advisory committee was chaired by the Dean of the College of Dentistry and was composed of members of the public and representatives of the dental profession and the Department of Health. The advisory committee then proposed a number of ways that the present Dental Profession Act could be improved which would allow the College of Dental Surgeons to do a more effective job of regulating its member in the public interest.

Mr. Speaker, the bill before us has been thoroughly discussed with the College of Dental Surgeons and I would like the House to know that this bill has the support and endorsement of not only the college, but also of the certified dental assistants and dental hygienists who are members of the dental auxiliary groups regulated by the college. Under the revised act, the dental auxiliaries will continue to be regulated by the College of Dental Surgeons but will be active participants in their own regulations.

Mr. Speaker, I would like to explain what this bill will do. This bill will enlarge the Council of the College of Dental Surgeons, the governing body of the profession, by including on it as full voting members, the Dean of the College of Dentistry and representatives of the public and dental auxiliary groups. This bill will provide much clearer and more specific hours for the College of Dental Surgeons to regulate both dentists and dental auxiliaries. The powers of the college to make regulations will be expanded and it will empowered to make regulations establishing standards of competence and proficiency, to define professional misconduct and conflict of interest and to require dentists to participate in continuing education programs and

refresher training.

This bill will recognize and encourage professional development in dentistry by allowing dental specialities to be defined by regulations and for the qualifications needed to be a dental specialist to be similarly prescribed. This bill will empower the College of Dental Surgeons to discipline a dentist for reason of professional incompetence. This bill establishes a much improved disciplinary procedure and provides a new avenue of appeal to an independent tribunal to dentists who have been subjected to disciplinary action.

Mr. Speaker, the new powers that the revised act would grant the College of Dental Surgeons are accompanied by important public accountability features. All regulations other than administrative by-laws will be subject to a later review by this Legislature. This procedure is identical to procedures established in several health professional acts which were passed by the Legislature last sprint.

Mr. Speaker, I am confident that this bill will help the College of Dental Surgeons to be more independently responsible to its members, the dental auxiliaries and the public and I, therefore, move that this bill be given second reading and be referred to the Select Standing Committee on Law Amendments and Delegative Powers.

HON. R.J. ROMANOW (Attorney General) moved second reading of Bill 60 – **An Act to amend the Provincial Parks, Protected Areas, Recreation Sites and Antiquities Act.**

HON. A. MATSALLA (Minister of Tourism and Renewable Resources): – Mr. Speaker, in rising to introduce the amendments to Bill 60, the Provincial Parks, Protected Areas, Recreation Sites and Antiquities Act, I would like to say at the outset that the recommended changes we are seeking are consistent with our ongoing commitment and dedication relative to our provincial parks system.

I am sure that all members of this Assembly will share a common pride in terms of our provincial parks and consistent with that pride, are prepared to join us on this side of the House in evaluating and approving legislative changes which are, from time to time, necessary in order for us to continue to maintain the system which we cherish.

For some time now, Mr. Speaker, members of my department have been involved in detailed and complex evaluations relative to The Parks Act itself and how this legislation measures up to the changing conditions of today. The steadily increasing visitations to our parks and the expectations of the visitors as to what a park should be are constantly being evaluated. We should ask ourselves, Mr. Speaker, is the system compatible with the governing legislation?

This question, for the most part, can be answered in the affirmative, however, there are some changes we feel are necessary and for the next few moments I would like to discuss with you some problems we have identified and some solutions we are proposing. Presently there are a number of problems associated with The Parks Act.

Firstly, we are concerned that the act provinces for only lands to be established as provincial parks, protected areas and recreation sites, when, in fact, some water bodies inside and adjacent to these outdoor recreation areas should be firmly established as a component to the park system. In addition, the act does not province for a classification of parks. A park classification system is desirable in order to maintain an outdoor park system which reflects sound park management and a park system that will provide a

variety of outdoor recreation opportunities for our residents and visitors.

Another problem area, Mr. Speaker, as we see it, is found in section 10, subsection (e) which provides authority to prepare zoning plans but it does not include the zoning of waters totally enclosed by provincial parks or adjacent to and included in provincial parks. Nor does it indicate what zones may be applied to provincial parks and what the objectives, purposes and uses of such zones might be. The authority to zone waters is necessary to province for the safety and satisfaction of all users by separating conflicting uses such as water skiing, canoeing and swimming.

Mr. Speaker, in this legislation we are also recommending that an amendment be made to section 20, which will give the minister in charge of the provincial parks the authority to make regulations controlling vehicles traffic in the parks, rather than the Lieutenant-Governor in Council. This will eliminate order in council procedures for minor regulations that are required to control traffic in individual parks when solving specific problems that arise in park operations.

Mr. Speaker, permit me now to spend a few moments outlining to this Legislature the changes that we are proposing. Section 3 of The Parks Act establishes that lands designated as provincial park land shall be dedicated to the people of Saskatchewan and visitors for healthful enjoyment and for cultural and educational and social benefits but fails to establish that waters within, or adjacent to the parks, have any protection for recreation use.

I am proposing an amendment to section 3 that will establish that both lands and waters can be designated as a provincial park. I am also proposing that subsections be added to section 3 that will authorize the Lieutenant-Governor in Council to classify any provincial park according to the purpose it is best suited. Parks could then be classified as wilderness parks, historic parks, natural environment parks, recreation parks or other suitable classifications.

The classification of parks is a recognized method of sound park management by most of the provinces and has proven to be a desirable system in providing and maintaining a variety of outdoor recreation opportunities for the park visitors.

Park classification will also provide information to our visiting tourists as the classification of parks would permit such listing in brochures, tourist guides and public documents.

Mr. Speaker, we also wish to amend The Parks Act to authorize us to establish both provincial land and waters as protected areas. Section 4 presently establishes land only as a protected area and we recommend that some waters within or adjacent to the existing protected areas require equal protection. The propose amendment to section 4 will establish that waters can be designated as part of a protected area.

The proposed amendment to section 5 will clarify that any provincial lands, provincial waters or provincial forest lands or waters in provincial parks can be added to an existing provincial parks or protected areas by order of the Lieutenant-Governor in Council. The section presently states that only lands can be added.

The proposed amendment to section 6 is similar to that of section 5 except that it refers to recreation sites and the amendment will authorize that both land and water can be designated as recreation sites.

Amendments to section 10(e) will provide for the zoning of land, water and resources within provincial parks and will give the minister authority to establish zones and implement zoning management practises. This is required to ensure continuity of our park system, to maintain a variety of recreation opportunities within our larger parks and to improve park management on a continuous basis. Zoning of areas within a park will also provide for the protection of fragile landscapes and preserve the natural and historical features that are located in many of the parks.

Mr. Speaker, another important amendment to the act is section 20. It is recommended that subsection (r) be repealed from the act as it only gives the authority to the Lieutenant-Governor in Council to make regulations controlling vehicle traffic when it is in fact the minister or appointed officers who are making the regulations. For example, installing traffic signs, setting speed limits in restricted areas, designated parking area and no parking area, etc. The amendments will provide two new sections which will, subject to The Vehicles Act, give this authority to the minister in charge of parks and thus provide for safer and more orderly traffic conditions as regulations can be readily implemented without having to go through order in council procedure to make the regulations constitutional.

Mr. Speaker, these then are the specific amendments we are proposing. In summary they will provide for the designation of waters or of lakes as part of a provincial park, protected area or recreation site; classification of provincial parks; a recognized and widely used system for improved parks management; zoning of areas within a park which will maintain a variety of recreation opportunities within the larger parks and improved vehicular traffic control by authorizing the minister to make regulations when required. It is my sincere hope, Mr. Speaker, that favourable consideration is afforded to these proposed changes and I would be pleased to answer any concerns that there might be in relations to the proposed amendments.

I, therefore, take pleasure in moving second reading of Bill No. 60.

SOME HON. MEMBERS: — Hear, hear!

MR. G.N. WIPF (Prince Albert–Duck Lake): — Mr. Speaker, I would like to be leave to adjourn debate.

Debate adjourned.

COMMITTEE OF FINANCE – DEPARTMENT OF AGRICULTURE – VOTE 1 (Con't)

MR. CHAIRMAN: — Order, order! When we adjourned, we were debating a motion presented by the hon. member for Morse which I would like to read to the Committee.

That this Committee recommend acceptance of the SFA proposal to “establish a broadly representative committee in the interest of better public relations between labour, industry, producers and government to investigate and recommend on workable guidelines to provide settlements in essential and perishable product industries.”

Is the committee ready for the question? I recognize the hon. minister.

HON. E. KAEDING (Minister of Agriculture): — I have given a little further thought to the

resolution which was proposed by the member for Morse in relation to the establishment of a committee as recommended by the SFA. I have a little difficulty identifying exactly what that committee could accomplish, but there could be some real merit in setting up such a committee. However, I am going to be proposing an amendment to the resolution which will propose that the SFA undertake the lead role in an attempt to develop such a committee. As a broad representative group of producers across the province who have major responsibility not only to producers but to consumers as well, it would appear as though they are the organization which is least suspect, and in fact that they also have people in other parts of the province and other parts of the country with whom they could discuss these problem. I would think they would be the best group to undertake such a move.

We would be most concerned however, Mr. Chairman, if the proposals and recommendations coming forward from such a committee would fail to recognize the principle of free collective bargaining. Experiences over the years of labor-management negotiations have shown that any attempt to by-pass the free collective bargaining process, has usually resulted in both parties accepting settlements under duress which are needless and not satisfactory to either party and neither party has been happy with those decisions. As a result, the bitterness and recrimination which have taken place are carried forward into ensuing negotiations and simply create further problems down the road.

Now our recent experience with the milk industry strike shows the vulnerability of innocent third parties in these kinds of disputes, and there is a little doubt that pressure applied by some of those people and by all parties concerned, did a great deal to force the parties in this dispute to very serious and responsible negotiations, and brought about a settlement in a fairly quick order.

I would want at this time, Mr. Chairman, to sincerely commend both the management and the union representatives who were involved in these negotiations during this very difficult period. However, what I have found most reprehensible, Mr. Chairman, were the tactics undertaken by the opposition during these critical discussions in what could only be seen as an attempt for those members to capitalize politically on a very delicate and serious problem. Negotiating teams on both sides in this issue had been in the most intensive negotiations for over 24 hours and in fact some of the people had not had a chance to see a bed for over 48 hours in their attempt to work out a workable agreement. Both sides made some major concessions to arrive at that agreement but I can assure you, Mr. Chairman, that when negotiations have been subject to these kinds of strains for long hours, the continuous irresponsible ringing of bells in the Chamber did nothing except anger the parties involved and almost drove negotiations to a breaking point. I could tell you, I was there and I know that to be a fact.

To some of the members of the opposition, this may look like it was smart and some I understand even tried to accept credit for bringing about a settlement because of it. All I can say, Mr. Chairman, is that I spent many hours with the negotiations parties and to a man they were angry and they felt the action of the opposition was damaging and irresponsible, in fact my impression was reprehensible. The fact that the negotiations did last almost 28 hours showed, I believe, a sincerity on the part of both parties to negotiate in good faith and to arrive at a reasonable and satisfactory solution.

Mr. Chairman, I fear that had there been an easy alternative, such as the legislative route available to them it would have seriously weakened the initiative of either or

April 27, 1978

possibly both parties to reach a settlement on acceptable terms. The result would not have been substantially different and everybody would have felt aggrieved. As I pointed out last evening, while this was a local emergency, the question of labor management relations is a much wider subject which continues to be of concern not only to agriculture but to all the other segments of society and any resolutions will have to be found on a much wider level.

It is for this reason that I believe that the SFA through its wide membership and its interprovincial and national connections of the CFA could well act as a catalyst to bring about a wider discussion of this longer term problem.

I would like to therefore, Mr. Chairman, seconded by the Minister of Labour, move an amendment to the resolution:

That the resolutions be amended to delete all the words, "that this committee" and substituting therefore:

Commends the Saskatchewan Federation of Agriculture for its proposal to establish a broadly representative committee to assist in settlements in essential and perishable product industries and further recommends that the Saskatchewan Federal of Agriculture contact the interested parties, particularly at the national level to gain support for the said proposals and that any initiatives developed be compatible with the maintenance of long established principles of free collective bargaining.

I so move.

MR. MacDONALD: – Mr. Chairman, I am just going to make a few comments. After listening to the remarks of the Minister of Agriculture, I want to tell the Minister of Agriculture that I do not have any apology for making the bells ring in here and I really do not have much sympathy for the two participants who were downstairs for 28 hours. The people I feel bad about happen to be the dairy producers in Saskatchewan. They were the ones who were suffering in here. I do not feel the least bit sorry for you either for spending 28 hours. The people that somebody better feel a little bit sorry for is the third party in the labor-management disputes in this country and in this province. That is what we are trying to prevent. Whether the minister is aware of it or not, the Premier had an argument out on the steps of the Legislature with some of those dairy producers. Whether he is aware of it or not, the farmers came up and spilled milk on the steps of the Legislature that day.

The situation was a very delicate one, a very delicate one! But it was far more delicate out in the farms of Saskatchewan than it was in that negotiating room downstairs, let me tell you.

The real issue was not in the negotiating room. The real issue, and the issue in every labor and management strike, in most cases happens to be the third party, the innocent party. In this particular case it was a million people in Saskatchewan. That is who it was – everybody who takes milk, every family, yes that is right! You are permitting milk to come in from the province of Manitoba, if you want to talk about your good labor-management relations and your good labor policies.

The people who suffered in that particular strike and the potential danger were not those fellows who were negotiating downstairs. It was the farmers in the province of

Saskatchewan who were in a very, very delicate position, who had a perishable commodity that they were pouring it out in the streets. You are the Minister of Agriculture and you stand up here and criticize because that strike was settled. You are the Minister of Agriculture. You should have been the one up demanding that the government and the Attorney General bring in a law and pass that bill because you are the Minister of Agriculture and you are the man who is supposed to be standing up for the farmers in the province of Saskatchewan.

If the Minister of Labour got up and made that speech I would have agreed with him. At least that is his job. But you are the Minister of Agriculture and it is the dairy producers who were being hurt in Saskatchewan, not the people downstairs who were looking for a job.

You know, that is the funny part about it. You see, when you turn around and you get somebody from the third party in the labor-management disputes in Canada here is what happens. The two fellows who were downstairs were negotiating but they have got a guaranteed job. Maybe they will lose a day's pay or two days' pay, but I will tell you something, some of those farmer could go broke. They are in a very serious predicament and there are thousands of them.

Not only that, the people who were suffering were everybody who took milk in Saskatchewan perhaps, as I said, a million people. We do not apologize for ringing the bells. You just tell us the situation the Attorney General said, oh we might bring in a bill.

MR. ROMANOW: — How do you know what I said?

MR. MacDONALD: — Oh, we heard you whining on the radio. That is right. That is exactly what you were doing. Oh, he said, terrible, irresponsible. Well, I want to tell you something and I am gong to tell the Minister of Agriculture and the NDP that if governments in this country do not find another way to solve labor management disputes as the SFA Resolutions recommends, there is going to be a lot of hostility in this country.

Right now in the province of Saskatchewan there is another critical area. What is the government going to do in that regard? All I am suggesting, Mr. Minister, is that you, of all people, should have supported the Saskatchewan Federal of Agriculture's resolution to have a wide-based committee to turn around and look and investigate — Why do you have to amend it? Because you are little embarrassed you did not even know it was a Saskatchewan Federation of Agriculture resolution. That is why. You got up and spoke against it.

Now, Mr. Speaker, I am going to tell you something when you want to talk about strikes, and stopping that particular strike. I am disappointed that the Minister of Agriculture got up and made that speech that you just made. If it was the Minister of Labour I could understand it. he has got kind of a bad bias anyway.

All I am saying, Mr. Minister, as far as I am concerned I make no apology for trying to do whatever we could to get the farmers to deliver their milk and get the third party, the party that was being injured in this province of Saskatchewan back to work.

SOME HON. MEMBERS: — Hear, hear!

HON. G.T. SNYDER (Minister of Labour): — I am always a little disappointed and a little

ashamed for the member when he takes to his feet to discuss matters which he obviously has very little understanding of. One would think when the member for Indian Head-Wolseley had been around long enough to grow grey and feeble that he might have learned something in the process. The member for Indian Head-Wolseley was one of the members who sat on Treasury benches on this side of the House a number of years ago when they imposed upon the working people of the province of Saskatchewan the various pieces of legislation which took away from them the right to bargain collectively and determine the conditions and the remuneration for the work that they produced. He remembers it well, I am sure. He probably would like to forget it. We, as the result of that action taken by the Thatcher administration, found ourselves in a position in 1972 and 1974 with two strikes in the construction industry that were precipitated by that action. One might have thought that the member for Indian Head-Wolseley might have learned something in the process. We had a strike in 1972 that was a direct result of an arbitrated settlement that was imposed upon the construction industry which allowed them to fall behind and fall behind badly, to the point where every journeyman who was being graduated from our vocational schools looked upon greener pastures; in Calgary, in Edmonton or in Winnipeg or elsewhere while in Saskatchewan they just caused people to flee from this province in great numbers – the kind of skilled people that we need in the construction trade and we need them badly today. We've seen a marked improvement, Mr. Chairman, in the history in terms of time lost as a result of labor disputes, partly because of the wage and price control program, but partly because of an increasing degree of maturity of behalf of both management and labor. We have seen since 1974 when we had a record number of man days lost mainly attributable to the construction strike that dragged on. We had 321,000 man days lost in 1974. Most of it was a direct result of actions which your government took prior to that or to a very large measure in 1970-1974, a direct result of the actions of the Thatcher administration. We have seen a marked improvement in those figures since that time, since 1974 when we had some 35,000 workers involved losing some 321,000 man days, for a average of 1.17 number of man days lost per non-agricultural wage earner. We saw that number of 321,000 reduced to 166,000 in 1975, a further reduction to 136,000 in 1976 and in the past year, 1977, the number of man days lost, 31,347. A marked improvement. And for the member to stand in his place and use some of the age old traditions that have been a part of the political party which he associates himself with in order to settle labor-management relations, I think proves very conclusively that members opposite learn nothing by experience. If you want to inflame labor-management relations, if you want to worsen them, do the sort of thing that your friend Gerald Regan is doing in Nova Scotia today. In Nova Scotia they have just introduced a piece of legislation which removes the right to bargain collectively from all civil servants in the province of Nova Scotia. We see the same thing happening in the province of Alberta and I forecast that this free enterprise move will be followed directly by Sterling Lyon, the new Conservative Government in Manitoba. If you want to inflame and increase the number of man days lost, if you want to worsen labor-management relations, then travel the path that the member for Indian Head- Wolseley suggests. And you have got a built-in formula for conflict. Instead of being in a position where they were supportive of the free collective bargaining system in this Chamber, they use the subterfuge of passing the motion, a nefarious motion. I was not here, and then left the Chamber with the Leader of the Liberal Party passing the message over to the Attorney General saying, we are going to ring the bells forever until you people bring in a bill to return those workers to work when they were downstairs applying the final touches, doing the fine tuning, down to the short strokes in bringing a conclusion to an agreement, a very delicate one, harassing, making life miserable for people who had been around for some 27 or 28 hours attempting to effect an agreement, which incidentally both parties are satisfied with. Had that man had his way we would have

been in a position where there would have been a legislative settlement and both of the parties would have gone away unhappy and we would have paid the price for that at a later point in time. As I said before the member for Indian Head-Wolseley has been around long enough to grow gray and become feeble but he hasn't learned a thing.

Industrial relations is an exact science. It means, in definite terms, the art of compromise. It means attempting to effect a reasonable solution at the bargaining table so you return 12 months later or 24 months later in a spirit of co-operation and good will, rather than engendering the kind of confrontation and conflict that is brought about by the suggestion made by the member for Indian Head-Wolseley.

I support the amendment, I think the Saskatchewan Federation of Agriculture probably will be in a position to contribute to improved management-labor relations. Certainly this should be the route that members opposite should be willing to travel rather than inviting conflict. All you have to do, Mr. Chairman, is to look about the world and see other places where that kind of heavy-handed attitude has been applied to industrial relations and you see some of the worst labor-management relations you'll find anywhere. Australia is often cited as a case in point where they had a statute on the books which makes a strike or lockout an offence. It's illegal to strike in Australia and yet they have more time lost as a result of wildcat strikes than we do in the province of Saskatchewan where a strike is not illegal.

Now, it strikes me, Mr. Chairman, that some sober thought should be given by the members opposite to this resolution. I think it travels in the right direction, the amendment that is before us travels in the right direction in terms of making a genuine and sincere dedicated effort to improving labor-management relations. Not the playing of politics as we saw in this Legislature when the member for Indian Head-Wolseley and his colleagues attempted to disrupt what it was then almost a bonafide act of conciliation between the two parties, for that had all but reached an agreement during the number of hours that the collective bargaining arrangement took place. I was never prouder of my people. I don't think I have ever seen them where they worked more diligently and applied themselves better. The bargaining came on both sides and I think they applied themselves in a matter which should give every member of this House reason to be proud of both parties.

Now, Mr. Chairman, I don't know whether a great deal more can be added except for the fact that the Liberals have travelled this road before and they are travelling it again. Their colleagues in Nova Scotia are repeating the same mistakes that have been made in the past. I have no doubt that if either of these two parties opposite were to assume the reins of government that they would take the position of removing from the civil service of this province the genuine right that they have enjoyed over many years to withdraw their services in the event that they find circumstances intolerable. I am sure that this would be the route that they would take. We have had a good relationship over a period of something in excess of 40 years. We have had a good relationship with our public servants in terms of good labor-management relations. We've undergone some stresses and some strains particularly during the period of raging inflation. I think that's to be expected but I say to you now, you don't throw the baby out with the bath water. You don't destroy a system that is working well, one which the Canadian Chamber of Commerce agrees is the best, the most civilized way of setting the terms and conditions of employment. On this point the Canadian Chamber of Commerce and the Canadian Labor Congress agree. It seems the Liberal Party and perhaps, I don't know, the Conservative Party, but it seems that that's a lesson that they have yet to learn, I just

suggest to you that you take some advice from your friends from the Chamber of Commerce who seem to be more realistic and more objective than you seem to be in taking the position of applying the heavy hand of government and forcing upon people your will regardless of the circumstances.

Mr. Chairman, I support the amended motion because I think it has some prospect of improving dialogue between the two parties. Certainly I think it has some promise and I would imagine that the Saskatchewan Federation of Agriculture and other agriculturally based bodies would be prepared to agree that this is the most civilized and the most reasonable way to go in a democratic society.

I would be pleased to support the amended motion.

MR.C.P. MacDONALD:(Indian Head–Wolseley): – Mr. Chairman, after listening to that very quiet and dignified response. I want to tell the minister, the worst labor-management disputes in the history of Canada have taken place in Saskatchewan and in Canada in the last five years since they became the government. The worst in the history of Canada. Do you know that Canada had the worst labor-management record in the world of any industrialized nation in the world until wage and price controls come along two years ago? You turn around and say, we are moving up. Why, as soon as you became the government in 1971, this whole province became asunder with strikes and disputes and confrontations. That is a fact, Mr. Minister. Get up and deny it! You even admitted that yourself. Why, he said, now things are getting better. The only reason that things are getting better is because the federal government put a lid on with wage and price controls and didn't make any difference, there was no value to strike anyone, because the wages were being controlled. You boys put it on yourself, or supposed to have, have you set up your own anti-inflation board. It didn't make any difference what it was, they rolled it back. No more collective bargaining for you fellows either.

All that I am going to say, Mr. Minister, don't try to turn around and say, the strikes in 1974, four years after you became the government, where the result of what we did. Baloney, Canada has the worst record in the history of the world, the worst record in the world. And do you know what happened? There happened to be three provincial NDP governments, in British Columbia, Manitoba and in Saskatchewan. I don't know if that had any relationship to it or not, but certainly in Saskatchewan, Canada had a very, very bad and critical time until wage and prices came along. So don't tell us that it is our fault. Don't try to tell me that the collective bargaining process, today, is working. Certainly it is working in some strikes or some disputes, but there are an awful lot of problems with it.

This particular resolution is saying to you, very calmly, it is about time that we looked for alternative methods of settling labor-management disputes. I am going to tell you ...

MR. ROMANOW: — What is wrong with the amendment?

MR. MacDONALD: – We will tell you what is wrong with the amendment in a minute. So all that I am going to say, Mr. Chairman, is that it is unfortunate to listen to the NDP stand up here, now, and try to get around this particular problems, related to the ringing of the bells. Then the Minister of Labour goes back for the last seven years and all the problems that occurred all went back to Bill 2, all the problems in Saskatchewan and right across Canada, the worst industrial relations of any free nation in the industrialized world. That was Canada's record and you know it, Mr. Minister. During the very period that you are talking about and trying to . . . Bill 2. That is a disgrace.

Mr. Chairman, all that I am saying, once again, that it is time that labor-management and everybody examine the present system of settling strikes so that the third party doesn't suffer. We are not talking about compulsory arbitration, we are not talking about anything except the opportunity of evaluating, assessing and coming up with the ingenuity that goes – I heard the Attorney General make that speech. I will go and get his clipping if you want. He stood up and made that speech five or six years ago, that you have to examine a new way of settling labor-management disputes.

MR. ROMANOW: —I said that?

MR. MacDONALD: – That is right, in Saskatoon. I will get you the clipping.

Mr. Minister, once again I am going to say we make no apologies on this side of trying to make it possible for milk producers in the province of Saskatchewan to deliver their milk. There is only one thing that I want to say to you. Mr. Minister, isn't it strange that the strike was settled?

MR. SNYDER: – Mr. Chairman, just a brief comment with respect to some of the remarks of the member. I am always a little disappointed in people who say, for instance, there has to be a better way. I don't know what it is, they will say, but you have to find a better way. That is a classic rejoinder to a complex problem.

I had a call from a chap who was watching one of the Stanley Cup playoffs and a thought just struck him and it occurred to him to give me a call, because he saw a couple of fellows facing off and they had a bad face off and they tried it again and the referee waved them out and brought out in another couple. So, he said, maybe that is the solution. Bring in another couple of negotiators if these ones don't solve the management relations that I see from members opposite. Instead of attempting to find two in the operation they are saying, you have to find a better way, and in essence, Mr. Chairman, there are only two ways.

One of them is the method that have been used successfully in terms of free collective bargaining over many years. It served us well in large measure. With care and attention and dedication on the part of both parties it will continue to serve us well.

The other option is compulsory arbitration. You can talk blithely about labor courts or whatever, but in the final essence you have two choices free collective bargaining or compulsory arbitration, and you're going to have to make that choice. I know which bargaining system is by far the most civilized of any in the industrial world. It has its shortcomings and its failures but it certainly hasn't given any evidence to indicate that we should discard that. In the event that for perishable products we impose compulsory arbitration, that is the first step down the slippery slope and then you will see the kind of action being advocated that is being put into place now in the province of Nova Scotia, in the province of Alberta and in those other provinces that have a political party of this type of members opposite. Not ready to do this kind of fine tuning nor dedicate themselves to a civilized process of having two disputants get together and solve their problems without the heavy hand of government.

MR. MALONE: – I have always felt somewhat sorry for the Minister of Labor when he has to get up in this house and start defending the union organizer, executive of the SFL

and so on. There is probably no person in the last two or three years who has been more vilified by those particular organizations and unfairly in my view, than the Minister of Labour. I'd ask members to look at the reports of the last conventions of the Saskatchewan Federations of Labour and hear what they say about the Minister of Labour, and hear what they say about the Premier, and I must say that I think the Minister of Labour has honestly gone out and tried to do a job for the working man in Saskatchewan. He has been a member of this Legislature for many years and I disagree with many of the things he does but nobody questions the sincerity of his approach except those that he is trying to help. I must say, Mr. Minister, that I find myself feeling somewhat sorry for you when you have to stand up in this house and try to defend those people who are sticking a knife into your back every day a little bit deeper.

Let's get to the resolution here, the motion. I'm not going to support this amendment., If this had been the original motion, indeed I may have been able to support it. What we presented to you last night was a motion in the exactly wording of a representation made to you by the Saskatchewan Federal of Agriculture, exact wording An organization presented to you what I believe was a very, very decent type of approach, to form a committee to check into the situation, basically that is what it amounts to. That organization represents several thousands of the people of Saskatchewan. I believe it is representative of the majority of the people of Saskatchewan. Indeed it certainly representative of the majority of the people of Saskatchewan. What you have done is say to the Saskatchewan Federal of Agriculture members of the Wheat Pool, members of SARM, members of all those organizations, "We're not going to listen to you, we are not going to listen to you because it's going to embarrass us a little bit with our friends in labor. So what we are going to do is take your motion, the motion we proposed, and twist it around to try and put the blame on somebody else, in this case the reference to the national level." If you were to put this in as a separate motion, separate and distinct, from the motion that we put in, we'll support it. But we are not going to have the motion of the Saskatchewan Federal of Agriculture just disposed of by your government majority, just throw it out. The Minister of Agriculture, you'd think, would be most concerned about the feelings of the people directly involved in agriculture in this province, but he gets up and says, "I don't care about the Saskatchewan Federation of Agriculture, we're going to put in another motion, we are going to put in another motion that is totally different from the motion that was put to us by this very important organization," So I say to you, Mr. Attorney General and Mr. Minister of Agriculture, Mr. Minister of Labour, we are not going to support the amendment. If you are prepared to put this in as a separate motion and vote for the motion that we put in, we will support it.

I want to talk to the Minister of Labour for a moment. He talks about the long established principles of free collective bargaining. Indeed maybe those principles were effective at one point in our history We look around. No, not any more. That is what brought the Saskatchewan Federation of Agriculture to make this submission to your government because they because they are not effective any more. That is why thousands of people all across this country are saying, we have to find a better method, a better device and that does not mean compulsory arbitration.

Let's just look at what has happened in Saskatchewan the last few weeks. It was only about six weeks ago we had people picketing up and down in front of this building. The Saskatchewan Government Employees Association, they were on strike. As a result of that strike, courts were shut down across this province. Now you talk about the right to strike and that is a right everybody should have. But we also have a right to get justice. Which right takes precedence over the other? I don't know but obviously the free

collective bargaining system was not working properly in that particular strike.

Again, just a few days ago, we had milk producers pouring milk on the front steps of the Legislative building. You think they thought the free collective bargaining system was working? It wasn't working. Believe me, I give the Minister of Labour credit for getting the parties together in the Premier's office, browbeating them or whatever he did to get them to come to a decision to settle the strike but that is not part of the free collective bargaining process. The government does not belong in the free collective bargaining process as you know it. but he, by his own actions in the milk strike, has indicated to most reasonable people that the free collective bargaining process was not working because if it had been working, he wouldn't have had to get involved in it.

Now what do we see in today's newspapers? We see CUPE taking a strike vote in the hospitals in Saskatchewan, a strike vote that indicates so far, that there is a very real possibility of a strike in those hospitals. What are you going to do then? Are you going to call the Legislature like you did with the SPC workers? Was that the free collective bargaining system working? I suggest to you, Mr. Attorney General, all of the examples I have given you demonstrate very dramatically that the free collective bargaining in system as known by the Minister of Labour, as cherished by the Minister of Labour, is simply not working in this day and age.

I wish I had the answer to give to you today what would work. All I can say to you right now is if your government sits there and resists legitimate, legitimate representations to you by the Saskatchewan Federation of Agriculture, asking for you, as a government to become involved in trying to seek out a new process, a better process, I say that you are being derelict in your duty and you should not be governing any longer.

SOME HON. MEMBERS: — Hear, hear!

MR. MALONE: — Their request was a genuine request. They are not trying to burn any political bridges and they are not trying to fight any political battles. They are coming to you representing all political parties and they are saying to you they have a genuine concern. By this amendment, you are saying to them, we don't care about your concerns. I won't be supporting this amendment. I hope all properly thinking members will not support it either.

SOME HON. MEMBERS: — Hear, hear!

MR. KAEDING: — Mr. Chairman, I am very interested in that tirade made by the Leader of the Liberal Party. It is rather interesting that he, all of a sudden, has become the champion of the farmers of Saskatchewan. I can tell you that the people that are on that a list of Federation of Agriculture have a lot more confidence in this government than they ever had in the government of Ross Thatcher.

SOME HON. MEMBERS: — Hear, hear!

MR. KAEDING: — I can tell you that even in this particular strike, the strike which we were involved in, we had a situation where some of the people at issue were members, were farmers, farmers who belonged to the dairy co-op and there were some people phoning in on both sides, saying to the processors, look stick to your guns. We had other guys say, well you know, fellows, we have to get on this issue. They were negotiating on behalf of the membership that was out there and we knew they were negotiating on

on behalf of that membership. There was conflicting opinion out there with regard to the milk industry but there were a lot of people in the dairy industry who were saying, stick to your guns, we are prepared to hold out for another day or two and that was the decision made by the people in the country not the decision of this government or the decision of the Dairy Producers Association.

So I think we should recognize that at the bargaining table there was some power on the part of those people in the country. I think in this motion we have commended the Federating of Agriculture for coming forward with a proposition. We have suggested that they should be the people who should be doing the spade work on this because if we, as an NDP government went to do it, you people would immediately be opposing it. You could say that we are against that because the government proposed it. But if the Federation of Agriculture does it, then they will be prepared to give them some support. I am not interested in whether I get credit for it or not. I am interested in whether there is some resolution to problems and I think that is the issue that we should be discussing here, not whether it is your policy or ours.

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER: — Mr. Chairman, I have listened with a great deal of interest to the exchange that has been going on back and forth and trying to relate it to agriculture and somehow it happens to have just gone over my head. Exactly what was the significance of the Department of Labour that they dragged into agricultural Estimates? As it has been dragged in however, I can't help but sympathize to a degree with some of the comments made by the member for Indian Head-Wolseley. I would sympathize with the comment that the Minister of Labour has, since his tenure in 1971, been a walking disaster in that department — the strikes, the number of man days lost were never greater than under his tenure and yet at the same time he failed on both counts because he hopped into the pocket of the large international unions, hopped into their hip pocket and yet at the same time, he lost the favor of many of the labor groups in Saskatchewan. So he accomplished to objective — that he became a tool of the multinational unions and yet at the same time he lost favor with his own provincial labor groups.

MR. SNYDER: — We're doing all right.

MR. THATCHER: — Well now we'll just exactly see how you do, Mr. Minister, because you are in for a pretty good jolt with your labor people on the next time around because . . .

MR. ALLEN: — They are going to go with you, are they?

MR. THATCHER: — Yes, I think are.

Mr. Minister, you spent some time telling us about that terrible 28-hour ordeal that you went through and regrettably, my heart strings don't start twinging over that. For keeping the negotiations going, I do give the Minister of Labour a degree of credit, but as the member for Indian Head-Wolseley said, the people who were losers on that were the milk producers.

All right, all of this has been said and I see very little point in the redundancy of the debate. But you know the interesting point of it is, and I've been hearing and reading from all sides in this House, about how we, in this corner have been obstructing the

passage of Estimates legislation in this Assembly. I heard the member for Lakeview on radio not very long ago referring to what he called the inane delaying tactics of the people to his left. We have heard the Attorney General referring to the obstructionist tactics of the people across the floor, I suppose, meaning us.

Mr. Chairman, the other night we had to sit here under, I think probably some of the more absurd circumstances (I won't say the most absurd because we have had some real prizes) but when we argued about the camera that a gentleman happened to walk into the press gallery with and snap a picture. You have wasted three hours of this Assembly's time. Mr. Chairman, I would ask all sides to take note that in that three hours nobody from this corner could find anything to say on that momentous issue. It was beyond us. Mr. Chairman, we have a rather lengthy agenda on agriculture. There are now quite a few subvotes. Agriculture is a very, very important subject in this province. Now somewhere along the line, I would respectfully suggest to all sides in this Assembly, that we just might have gotten sidetracked when we start arguing the merits of collective bargaining under the Department of Agriculture Estimates. Everyone knows that the Department of Labour under the present minister has fouled up the labor situation and this province to an inordinate degree. That is fine. We will settle that one under Labour Estimates but not under Agriculture. Now, Mr. Attorney General, if you promise not to give a lengthy speech and kill the clock until 5:00 o'clock, I am going to sit down and respectfully suggest to the minister to get your estimates going again, pull your darn amendment out of it, let's vote on the silly thing. Let's get down to the business of dealing with Agricultural Estimates and the vote if you would stop your obstructionist tactics. Let's get on with the business of the people of Saskatchewan.

MR. MALONE: — Mr. Chairman, I just want to respond very briefly to the member for Thunder Creek and point out two things to him. Number one, that when a member of the Liberal caucus is attacked by a member of the government and the government tries to use its majority to steam roller over that member, the Liberal caucus is going to defend him, not unlike the members over here . . .

SOME HON. MEMBERS: — Hear, hear!

MR. MacDONALD: — Not like the member for Souris-Cannington so brilliantly last fall. That is point one. Point two is that in Agricultural Estimates we believe that Saskatchewan Federation of Agriculture is a very valued and valuable organization and when they come to our caucus and present us with a legitimate request, we are going to abide by that request because of that organization and because of the respect we have for it. If the member for Thunder Creek (Mr. Thatcher) and the Tory caucus don't have respect for the Saskatchewan Federation of Agriculture, that's their business. When they come to us with a request and they come to the government with the same request and the government does not go along with that request, we believe it is our duty to promote the interests of that organization and bring to the attention of the government the wishes of that organization. It so happens that one of the wishes of that organization is to review the concept of free collective bargaining. If the member had been in the House when this first came up yesterday, he would realize what the debate was all about and that's why we are debating the issue.

SOME HON. MEMBERS: — Hear, hear!

MR. BAILEY: — Mr. Chairman, I have been listening with interest to the debate on both sides of the House. In particular, there were three statements made and I find it a little uneasy, as a person who has lived in this province all my life, to just accept all of those

statements, Mr. Chairman. For instance, the Minister of Labour said, in referring to settlements, what happens in the settlements is a "civilized way of doing things." Now, somehow I can see when I look at the situation – I'm not just referring to Saskatchewan – but somehow when food is wasted, when I read of apples rotting on the ground, when I read of these things happening, Mr. Minister, I just can't put the words "civilized way of doing" to a situation like that. It is beyond me.

The second thing that the minister happened to say is, "The system is working well." That's a direct quote, Mr. Minister. I'm not disputing your ability as Minister of Labour one bit, not one bit. But I do want to say this, Mr. Minister. When you have a situation in which the Minister of Labour in Saskatchewan stands up and says, "The system is working well", when the farmers have paid millions of dollars in demurrage charges at the west coast alone, how does the Minister of Labour in a province like Saskatchewan where our number one industry is agriculture, how does he have the intestinal fortitude to say that the system is working well. Now, how do you say that? I'm not saying it, you know a great deal more, Mr. Minister, about labour than I do, but I'm saying this, the third thing which you said is it's the best way to settle disputes. I'm not contradicting that, Mr. Speaker, it well may be, that doesn't happen to be my particular field, but you know, it may be the best way, but nobody on that side of the House or on this side of the House in 1978 should sit on their laurels and say that that's the only way to settle disputes. I really believe that it isn't the only way to settle disputes. When I watch the country of Canada, go from the worse labor record in the world a year ago August, drop in the GNP from fourth to fourteenth, you know, how do you attach to it that that's a civilized way of doing it? You know, the Minister of Labour to say it's civilized thing to let food rot, how do you attack that in this modern day and age? How do you say, you know to the western farmers who in the last decade, every farmer in Saskatchewan is out thousands of dollars, no question. And then the Minister of Labour stands up and says it working well.

I say to both sides of the House, I say that this argument is redundant. I say to the Minister of Labour the civilized way in a civilized country is that we do what I think is on the way now, and that is to get into away of settling disputes before we hurt the third party, which always happens. I think that you are trying to – here we are locking up a labor orientated government, locking up, trying to get somebody in, making statements like the Minister of Labour made. He wouldn't dare go make those statements in rural Saskatchewan, he wouldn't dare say it's a civilized way, civilized way to have 20 ships lined up and every day that there it's costing us hundreds of thousands of dollars. And that's civilized, Mr. Speaker.

Now, I believe that the Minister of Labour is a good minister for that position. I'm not criticizing his position, at all. I'm saying to the member opposite, as well as to the members on this side of the House, surely we have matured in this country from past records. Surely we have matured in the track record in Canada that we can find a better way. It may be the best way now and I'm not denying that but that doesn't mean that we have to sit here and not seek out a better way.

MR. CAMERON: – Mr. Chairman, the amendment really amounts to a cynical dodge by the government. That's what it is. The wording of the amendment is of course very carefully couched in this cynical dodge by the government of a real issue. And I want to read to the members both the resolution that the Saskatchewan Federation of Agriculture put before the government and the words of the amendment. Then you'll see how carefully it is done. What the government wants to do is to avoid having to say

“yes” or “no” to the Saskatchewan Federation of Agriculture. It appears to me that the government doesn't have the courage to either say to the Federation of Agriculture, yes, we will accept your recommendation, or, no, we will not. What he wants is to take some middle course, appearing to pay some attention to the resolution of the Saskatchewan Federation of Agriculture on the one hand and appearing on the other hand, not to raise any problems in the labor community with the resolution.

Here's what the Saskatchewan Federation of Agriculture brief said and I wish the member for Thunder Creek were still here. He considers it such a petty issue, why is it being raised here in Agriculture Estimates? Last night, if he had been here, he would have heard the member for Lakeview read the list of organizations that belong to the Saskatchewan Federation of Agriculture and I want to remind you, some of the farming members over there, again of the people that came before you the other day in the same way they came before us. They said, one of our 10 major concerns in Saskatchewan at the moment is this area of labor-management relations. Those people were the Saskatchewan Milk Producers Association, the Saskatchewan Swinebreeders Association, the Saskatchewan Chicken Marketing Board, the Saskatchewan Commercial Egg Producers Marketing Board, the Saskatchewan Turkey Producers Marketing Board, the Dairy Producers Co-operative Ltd., the Saskatchewan Wheat Pool, the United Grain Growers Ltd., the Co-operative Hail Insurance Company Ltd., the Federal Co-operatives Ltd., the Saskatchewan Association of Rural Municipalities, the Saskatchewan Municipal Hail Association and the Saskatchewan Women's Institute. Now let's not take such a cynical approach to this thing. These are organizations, major farm organizations in this province who have a concern and it's a deep and abiding concern that they have. Why do we take this so easy cynical dodge of what they are saying to us. Let me read to you from their brief which they gave to you. This is the several organizations speaking to its government in this province:

Since we have just experienced a strike in the dairy processing sector this month we wish to acknowledge (it said fairly) the prompt prodding of the government to get negotiations completed. However, a January annual meeting expressed the concern that labor negotiations should not end in a walkout or a strike in essential service industries, particularly in the enterprises handling perishable products. As a beginning (I stress these words quoting from their brief) we ask that the government establish a broadly representative committee of those interested in better public relations between labor, industry, producers and government, to investigate and recommend workable and acceptable guidelines which would provide settlements in essential and perishable product industries. Now they say this. For example, in the case of the dairy strike, back to work legislation was requested. There is always a costly time delay in preparing and implementing it, should that course be decided upon. Why not prepare and have read a generally worded piece of back to work legislation for the essential services sector and which allows for collective bargaining to continue with a government mediator?

Now that is what the Federation of Agriculture, which is the composite organization of these several farm groups in the province, has said to the government. They have a concern and it is one of their ten major concerns. I asked personally of those people what priority they placed on this matter. They told me it was now one of their major concerns in this area. They have taken, in my view, what is a reasonable proposal to the government. They have simply said let's establish a committee, drawn up with the various interest groups involved and take a look at this question openly and see if we

can't find some better ways. Now carefully pay attention to the amendment drafted in this sort of careful cynical language; "Commence a Saskatchewan Federation of Agriculture for its proposal to establish a committee."

Well, it never made such a proposal, Mr. Minister. It proposed that the government establish such a committee. It says, "commence a Saskatchewan Federation of Agriculture for its proposal to establish a committee." Then it says, "to assist in settlements." It never said that. It didn't say a committee, "to assist in settlements." It said a committee to find some better way to improve relations and find some better answer than the strike or the lockout in essential or perishable service industries. That is what I said. It recommends that the Saskatchewan Federation of Agriculture contact the interested parties. Well, surely to goodness, these many organizations that have been in this province since its inception and who surely represent collectively agriculture in this province shouldn't themselves have to establish that group. Why does the government resist the appeal of these people to do it, if it isn't a cynical dodge on the action because you know that there are differences in viewpoints here between the interests of labor on one hand and the interests of agriculture on the other. We all know that those division exist but why don't we put our minds in the spirit that these people suggest to some better resolution of that problem. It doesn't have to land anybody in any difficulty particularly. Then it goes on to say "particularly at the national level."

Now what is that again, I ask you, if that isn't a cynical little trick again, you know, to somehow take the spotlight of the problems we are having in the province and tell them to go to the national level with their situation. Well, it is the Saskatchewan Federation of Agriculture; it is the Saskatchewan Wheat Pool; those are the people that are requesting action on your government in your jurisdiction. They may very well be taking a similar proposal to the national government in respect of its jurisdiction, but I would think that one of the basics of good government would be to accept the suggestion by these organizations, representing as they do without question, agriculture in the province, and take a look at the problem which is clearly there and to try to find some better means of meeting it. Now what you do is put before us, without the courage to say yes we will do it or no we won't or we want more time to consider it, would have been a better response. Instead you put before us this cynical little dodge and I think that is unfortunate. It is unfortunate that you are not prepared to take some responsibility in this area when you have been requested to do so by the agricultural industry broadly in this province to do it. For that reason I am going to join my colleague in not supporting it.

MR. MacDONALD: – Mr. Chairman, a little note in the Leader Post today and it's entitled Canada First, and I thin it really sums up the "working well" system that the Minister of Labour has indicated. It says:

A Canadian is a man who leaves an Italian movie, enters his German car, drives to a Chinese restaurant, orders Dutch beer and Danish cheese washed down with French brandy. On arriving home he doffs his Korean shirt, Romanian pants, Polish shoes, Taiwanese dressing gown, watches his Japanese television set, writes with an American ball point, turns on his Hong Kong radio to hear Yankee and commie unions – Ed Broadbent of the NDP rail against ever rising unemployment. He then waits for a French Canadian Prime Minister to donate millions of his tax dollars to Cuba, Zambia, Tanzania to establish Russian control of South Africa. Fortunately, he never asks himself why Canada has dropped from fourth to thirteenth place among the industrialized nations. Finally, he figures out where he went

wrong with a Singapore calculator.

MR. ALLEN: – Mr. Speaker, I just want to say one word on this because I think that this is an important issue and should not be treated lightly.

It seems to me, Mr. Speaker, that it is true that we have had some industrial relations problems in Canada that have affected agriculture adversely over the years. There is absolutely no doubt about that; that fact cannot be denied. I think that reasonable people who look at the problem would recognize that the main problem that we have had in Saskatchewan is, as the member for Rosetown-Elrose has suggested, because of demurrage charges because of problems we have had in the grain handling system, particularly at the west coast over the last number of years. These problems that we have had at the west coast as far as handling grain is concerned, can't be solved in Saskatchewan. They can only be solved by a national effort. I think that this amendment addresses itself to that particular problem and for that reason should be supported.

I would also like to say, Mr. Chairman, that in Saskatchewan it is true that we have had industrial disputes over the years. I suggest that they haven't been a bigger problem for the agricultural community than they have for the general public, with a few notable exceptions namely, the milk problem we had here a few weeks ago. The point I think that has to be made, Mr. Speaker, is that in 1977 we had over 300 collective bargaining agreements signed with no strikes, no lockouts whatsoever. Now we don't read about those in the newspapers it is true, because they don't make news. But the fact of the matter is that the vast, vast majority of disputes are settled under the free collective bargaining process. We look at places like Australia, as the Minister of Labour pointed out, where they don't have free collective bargaining; they have many, many more strikes. True they are illegal strikes or walk-outs, but the problems that they have in their economy, I think, are brought about because of these particular pieces of legislation that they have. Because when you have people who are in a position where they are forced to accept compulsory arbitration, they are not happy with the settlement. They are just not happy with those kind of settlements. I think that it makes much more sense to stick with our free collective bargaining system, with all its warts, and I don't deny for one minute that there are problems in the free collective bargaining system. I might point out that there are problems in democracy generally. There are lots of systems, I suppose, that could be considered more efficient than the democratic system. There are things that could be done that would make government operation more efficiently, I suppose, than the process that we go through in this House but I think that in a free society, that all of us believe in, we want to try and preserve those free institutions. And where we have problems, I'm not suggesting that there are not problems in free collectible bargaining, I think we have to work to try and solve those problems. It seems to me that these problems that we have that particularly affect the agricultural community, which the Saskatchewan Federation of Agriculture is particularly concerned, are national problems as well as provincial problems. And the only way that we can solve these problems for our agricultural producers is to do so on a national basis. For that reason, I will support the amendment and not support the original motion.

Amendment negated on the following recorded division.

Yeas – 33

April 27, 1978

Thibault
Smishek
Romanow
Messer
Snyder
Kramer
Baker
Lange
Matsalla
Mostoway
Banda

Kaeding
Kwasnica
Dyck
McNeill
MacAuley
Feschuk
Faris
Rolfes
Tchorzewski
Vickar
Nelson (Yorkton)

Skoberg
Allen
Koskie
Johnson
Thompson
Lusney
Birkbeck
Bernston
Wipf
Thatcher
Katzman

Nays – 0

The Assembly recessed until 7:00 o'clock p.m.