

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
March 29, 1979

The Assembly met at 2 p.m.

On the Orders of the Day

WELCOME TO STUDENTS

MR. E.C. WHELAN (Regina North West): — Mr. Speaker, through you I am pleased to introduce to the legislature some very special guests from Regina North West. The group seated in the west gallery consists of 61 Grade 8 students from St. Mary School. Their principal, Harold Ferner and their vice-principal, Susan Bates, are with them.

This is a special school for me. My children attend there. Because I am tied up in the House, the member for Regina Wascana (Mr. White) has kindly agreed to meet the group for a question period. Members join me, I am sure, in welcoming these young citizens, thanking them for visiting the Assembly and expressing the wish that their stay will be pleasant and educational.

HON. MEMBERS: — Hear, hear!

INTRODUCTION OF GUESTS

HON. A.E. BLAKENEY (Premier): — Mr. Speaker, I would like to introduce to you and to the members of the Assembly, three members of the Ontario legislature, who are seated in the Speaker's gallery in the top row. They are in Regina for a couple of days, meeting with government members and officials on a fact-finding tour. All three are members of the New Democratic Party caucus at Queen's Park. I will name all three and ask them to stand .. (inaudible interjection) .. I can well understand why they would need to venture beyond the boundaries of their province to get some facts on some issues.

HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — They are, Mr. Speaker, Elie Martel the NDP House Leader and member for Sudbury East; Mr. Floyd Laughren, the member for Nickel Belt; and Mr. Jim Foulds, the member for Port Arthur. I know all members will join with me and welcome them, wishing them a very successful trip in garnering a maximum number of facts and I do hope that they will go back to Ontario refreshed and informed.

HON. MEMBERS: — Hear, hear!

WELCOME TO STUDENTS

HON. W.E. SMISHEK (Regina North East): — Mr. Speaker, I would like to introduce to you and to the members of the legislature, a group of 46 Grade 8 students from St. Phillip School, who are seated in the Speaker's gallery. They are visiting us this afternoon in here and touring the Legislative Buildings. It is my hope to be able to meet with the students at about 3 p.m. I am sure that their experience, this afternoon, will be one that they will remember for a long time and I am hopeful that they will be able to benefit from their visit to the legislature, particularly in their Social Studies. Mr. Speaker, they are accompanied by their teachers, Mr. Thompson and Mr. Schuba. I hope I am pronouncing that name correctly. Again, Mr. Speaker, on behalf of the

members of the legislature a extended warm welcome to the students.

HON. MEMBERS: — Hear, hear!

MR. H. SWAN (Rosetown-Elrose): — Mr. Speaker, it gives me a great deal of pleasure, today, to introduce to you a group of 22 students, Grade 8 students from the Beechy school. They are accompanied by their teacher, Mr. Tim LeBlanc and their bus driver, Mr. Gerald Schellenberg. These students have driven quite a drive today, about 180 miles. I'm sure the day is going to be enjoyable for them. I hope that they find the experience in the House informative and if they have questions I'll be meeting with them later. I'm sure that all of you would like to welcome the Beechy students.

HON. MEMBERS: — Hear, hear!

MR. R. PICKERING (Bengough-Milestone): — Mr. Speaker, I would like to introduce to you and through you 14 students seated in the east gallery from the Crane Valley School. They are in Grade 8. They are accompanied here by their teacher, Mr. Richard Strubble and bus driver, Ron Isman. Included in this group, Mr. Speaker, is the granddaughter of the Sergeant at Arms. I would like all members of the Assembly to join with me in wishing them an enjoyable and educational afternoon and a safe journey home.

HON. MEMBERS: — Hear, hear!

MR. A.W. ENGEL (Assiniboia-Gravelbourg): — I too would like to along with the member from Milestone (Mr. Pickering) welcome this group to this Assembly. Mr. Speaker, as you know, Crane Valley is on the border between two good constituencies, the constituencies of Milestone and Assiniboia-Gravelbourg and some of those kids come from west of the border and I would like to welcome the whole gang here too.

HON. MEMBERS: — Hear, hear!

QUESTIONS

Petro-Can

MR. R.L. COLLVER (Leader of the Opposition): — Mr. Speaker, I would like to say to the Premier I sincerely hope that he doesn't create a net deficit in fact in his discussions with the members from Ontario. The Premier will be aware that today or late yesterday the Prime Minister (Mr. Trudeau) stated that the liberal policies in this forthcoming election campaign and the liberal policies to date would and I believe I am quoting:

. . . protect all Canadians against the selfish, egotistical actions of individual provinces.

The Premier will also recall, I am sure, the statements that he has made in the past with reference to the attack that has been made by the federal government on Saskatchewan over the last ten years and I don't think I need to quote all of them but certainly one of the statements he made is never . . .

Seldom (he said) has any province been so attacked by a federal government as Saskatchewan has in this decade.

Is the Premier aware of the comments made in this legislature by the Provincial Secretary (Mr. Cowley) purporting to be the policy of the Government of Saskatchewan with reference to Petro-Can and with reference to Crown corporations in general being able to control and monitor resources and if he is aware of this statement, purportedly on behalf of the government does he support the Provincial Secretary's comments — well, the Premier is shaking his head so perhaps I'll have to quote from him.

MR. SPEAKER: — Order. I don't want to interrupt the member's speech but does he have the question?

MR. COLLVER: — Mr. Speaker, whether or not the Premier is aware of the comments made in the House on March 26 of the Provincial Secretary (Mr. Cowley) with reference to Petro-Can and Crown corporations in general where the Provincial Secretary purported to speak on behalf of the Government of Saskatchewan. I want to know (that will be pages 1,020, 1,021) whether that is in fact the policy of the Government of Saskatchewan, whether the Premier of Saskatchewan supports that stand that, in effect, Crown corporations are good vehicles to monitor and control our resources and that the Government of Saskatchewan supports the concept of Petro-Can?

HON. A.E. BLAKENEY (Premier): — Mr. Speaker, I have not had an opportunity to peruse the comments of my colleague, the member for Biggar and the Provincial Secretary (Mr. Cowley), which he apparently made in this House when I was attending the conference of the western premiers. I can comment in general on the subject raised by the hon. member. We do support the concept of Petro-Canada. We do believe that if such countries as Italy and France and Netherlands and Britain and others find it useful and prudent to have a public corporation dealing in the energy field, it would be wise and prudent for Canada similarly to have one. We do not necessarily agree with any and all future aspects of Petro-Canada, we make that clear, and we do believe that Crown corporations are a useful vehicle for allowing the people of this province and the people of this country to have a greater control over their own resources, a more effective control over their own destiny.

SOME HON. MEMBERS: — Hear, hear!

MR. COLLVER: — A supplementary question, Mr. Speaker. I'm sure that the Premier is as concerned as we are about the Prime Minister's statements with obvious reference to the province of Saskatchewan, considering the attacks that have been going on for 10 years, is very concerned about the quotations 'selfish and egotistical'. Would the Premier be as concerned if he knew that the Government of Canada through regulation has an agency and has had for sometime, to deal from country to country on oil purchases? So Petro-Can is not an essential part of that particular aspect. Would the Premier be as concerned about the future of the province of Saskatchewan's resources if he knew that the province of Saskatchewan (as I know he does know) has no right under The British North America Act to tax Crown corporations, has no right under The British North America Act — Canadian Crown corporations — has no right to control Crown corporations in Canada, would the Premier be as concerned — as he seems to be in Petro-Can — if in the light of the Prime Minister's statements yesterday about 'selfish and egotistical provinces?' Would the Premier not agree that there is a diametrically opposite view to the continued development of Petro-Can over which the province has no right of control and the Premier's previously expressed statements on many occasions that the province must control its resources?

MR. BLAKENEY: — Mr. Speaker, I do not think that the fact that the ownership of a

particular corporation, in this case Petro-Canada, by the Government of Canada will necessarily mean that the Government of Saskatchewan has no control over our resources. If I were offering to speculate on whether or not the Government of Saskatchewan would have greater control over Petro-Canada over some subsidiary of Exxon if each was developing a petroleum resource in Saskatchewan, if I were to speculate I would probably think we would do as well in influencing Petro-Canada as we would the subsidiary of Exxon.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — I don't think that's the real issue. I want to comment on one further comment of the member for Nipawin, the Leader of the Opposition. I agree with him in his implicit statement that the comments of the Prime Minister directed at 'selfish and egotistical' provinces are ill-considered and I for my part do not wish to enter into a dispute with the Prime Minister pro tem of Canada which might lead to controversy based upon regional differences in Canada. It's hard enough to keep this country together and I would deplore any aspirant for the office of Prime Minister of Canada attempting to run his campaign based against any particular region of this country. If any aspirant for that office has made statements which are capable of that interpretation, I regret the statements.

SOME HON. MEMBERS: — Hear, hear!

MR. SPEAKER: — I get the sinking feeling I'm getting into a debate. I'll take a new question.

MR. COLLVER: — Mr. Speaker, then I will go with a new question on this same issue.

On this same issue, however, the Premier has avoided the question that I have asked him previously as did the member for Biggar. My question, quite simply to the Premier and quite simply put is this: are not the aims and objectives of a national oil company involved in the oil business in Saskatchewan over which the Government of Saskatchewan can exercise no effective control; cannot tax; cannot control; cannot regulate; as it does not tax Air Canada or the Canadian National Railways; diametrically opposite to the Premier's previously stated views that the province must control the resources in Canada?

MR. BLAKENEY: — I think that a case can be made for suggesting that there is a derogation from provincial control with respect to a resource which is being developed by a federal Crown corporation but I don't think that it is a strong case. It is not a new occasion. After all, we've had Eldorado Nuclear mining uranium in this province for upwards of 25 years. We have not taxed them in the sense that we have not levied a tax on their corporate income. We have taxed them in the sense that we have levied royalties on the uranium which they produced. We have regulated them in some sense that they have complied with provincial law and so far as I am aware, they have not attempted to avoid compliance with any provincial law except our corporate taxation law because of the fact that they are a federal Crown corporation. With respect to their possible belief that they are not liable to adhere to our environment regulations, this has nothing to do with their status as a federal Crown corporation. It has to do with the uranium industry's having been declared an industry for the general benefit of Canada pursuant to the provisions of 92(10)(c) of the constitution. Accordingly, whether or not that mine was a privately operated mine or a mine operated by a federal Crown corporation such as Eldorado Nuclear, the application or non-application of the

provincial environmental standards would be the same. I do not think that the existence of a federal Crown corporation, per se, derogates from provincial authority to the extent being suggested by the Leader of the Opposition.

SOME HON. MEMBERS: — Hear, hear!

MR. J.G. LANE (Qu'Appelle): — A question to the Premier. Given the stridency of the remarks of the Prime Minister pro tem and given that in fact they are going to use Petro-Can as the weapon to get those selfish western provinces with the natural resources, won't you agree that your support of Petro-Can is like holding a loaded gun to your head and putting your own bullets in it when, in fact, what they are going to do is turn around and shoot you with their gun?

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — No, I don't. I think that the particular role that the Prime Minister envisages for Petro-Canada recently has been to act as an agent for the Government of Canada in the international sphere. I concede the point that there is already an agency but apparently it is not as effective as Petro-Canada appears to be in securing supplies in Mexico and Venezuela. I do not concede the fact by any means that a federal Crown corporation is a threat to provincial resource development and control in the manner suggested by the member for Qu'Appelle (Mr. Lane). We have welcomed Petro-Canada as a partner of Sask Oil in the development of heavy oil in the Lloydminster area. We have welcomed Eldorado Nuclear as a partner in the development of the Key Lake uranium deposit. And we do not believe that the existence of these partners, in any way effectively derogates from our ability to control the development of those resources or to levy appropriate taxes upon them.

SOME HON. MEMBERS: — Hear, hear!

SEDCO Approves Loan to Rogers Group

MR. W.C. THATCHER (Thunder Creek): — Mr. Speaker, a question to the minister in charge of SEDCO (Saskatchewan Economic Development Corporation) and it's not on Golden Acres. Mr. Minister, I believe you have noted that a group known as Rogers 77 went into receivership last week. I'm sure by now that you are aware that within a matter of a day or two of the same week, SEDCO through order in council, approved a \$1.2 million loan to Rogers 77. Mr. Minister, you may not be aware but the Rogers group went into receivership voluntarily. They asked the Bank of Commerce to place them in that. The Bank of Commerce complied. Mr. Minister, you are quoted as saying — with Mr. Speaker's indulgence, this is brief — that there is nothing particularly contradictory about one group of financial analysts approving a \$1 million loan to a company which another group of experts has decided is in an untenable financial condition. Mr. Minister, my question to you is, are you telling us that cabinet and that SEDCO knows more about the operation of 77 Rogers than do the officials of Rogers and the Bank of Commerce who have carried their notes?

HON. N. VICKAR (Minister of Industry and Commerce): — Mr. Speaker, first of all I'd like to tell the hon. member for Thunder Creek (Mr. Thatcher) that I welcome him back because I had a statement that I would have loved to have made with respect to Golden Acres. I've been waiting for 13 or 14 days for him to come back so I can tell it to him face to face.

SOME HON. MEMBERS: — Hear, hear!

MR. VICKAR: — And while I'm on that subject, Mr. Speaker, I'd like to relate to that member that for his information Golden Acres is now sold. We have a substantial deposit, and from now on I'd like him to watch it and make sure that the doors get opened when we ask them to be opened.

Secondly, with respect to the Rogers group, Mr. Speaker, yes, I'm aware that Rogers group went into receivership voluntarily. It is also true that cabinet approved a loan to Rogers group prior to knowledge that Rogers was going into receivership voluntarily. I might inform the member that that loan is not being disbursed. It's being held in abeyance. . .

AN HON. MEMBER: — Where?

MR. VICKAR: — With SEDCO. If and when the Rogers group straighten out their affairs there will probably have to be a completely new submission based on the new structure of the Rogers group.

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER: — Supplementary question, Mr. Speaker. Mr. Minister, in getting approval of this loan, as we understand it, Rogers had a credit limit of about \$2 million with SEDCO. This \$1.2 million would have then brought it very close to \$3 million. Would the minister tell this Assembly exactly what security SEDCO was planning to take upon the disbursement of this latest \$1.2 million. Be specific, Mr. Minister. In exactly what form was this going to be taken?

MR. VICKAR: — Mr. Speaker, I can't give the member the exact securities that we were prepared to take, but we were prepared to take first mortgage on all the assets, and it's in SEDCO's opinion that there are enough assets there to cover the total obligation.

MR. THATCHER: — Supplementary question, Mr. Speaker. Mr. Minister, at least as of 11:45 today a check with the corporation security register at the companies office indicated that nothing had been secured in this area. Would the minister agree, when he is quoted as saying that the loan was based on the condition of Rogers 1977, or 1977 Rogers prior to 1978. Would the minister agree that basing a \$1.2 million loan on financial information over a year old, is probably the depth of incompetence that even this minister has not reached, previously?

MR. VICKAR: — Mr. Speaker, no, I do not agree with the hon. member. The information that SEDCO was using was based strictly on Roger's operation in the last couple of years. Unfortunately, Rogers had a setback in 1978, I think it was, when the Saskatchewan Housing Corporation was on strike for a long period of time, which automatically set Rogers back a bit. That is part of the information SEDCO had and was basing their loan application on.

I am sure that the member is completely wrong.

MR. THATCHER: — Mr. Speaker, a supplementary question. Mr. Minister, you are quoted in today's paper as saying that the decision to loan the money was based on information received prior to 1978, and I ask you, do you stand by that statement? If you

are not standing by that statement, will the minister tell this Assembly that before SEDCO approved the loan, how recent a financial statement from 77 Rogers Group, did you have in your possession? Did you have one taken in 1979? If it was in 1978, on what date was it taken?

MR. VICKAR: — Mr. Speaker, I might inform the hon. member that no money has changed hands. We have not disbursed any loan whatsoever, so I don't see what the argument is all about. Now, let's wait and see what happens with Rogers before we make any accusations.

Drop in Uranium Price

MR. R.A. LARTER (Estevan): — Mr. Speaker, a question to the minister in charge of SMDC (Saskatchewan Mining Development Corporation). In light of the news release in the Leader Post today which states that in the 1980s, the country of Australia will be producing 20,000 tonnes of uranium, which is over two-thirds of the sales of today's sales of uranium (yearly sales), and in light of the statement which you made in Hansard on March 23, that states:

We have taken in account, the impact of likely new production from mines in Australia and other places in the world, and in looking ahead at what the price and market will be for uranium we remain, as does the rest of the industry in Canada, quite confident.

Mr. Minister, I would like to ask you a question. Your report today also states that uranium, in the 1980s will drop from \$40 to \$20 a pound. Will the government now table all reports and marketing studies and report so the people of Saskatchewan can really see the financial risks they are taking?

SOME HON. MEMBERS: — Hear, hear!

HON. E. COWLEY (Provincial Secretary): — Well, Mr. Speaker, I haven't had as much free time as the member opposite to read the Leader Post today, but fortunately, this government has not been basing its actions on reports in the Leader Post.

I want to assure the member that we have been doing extensive inquiries into the market for uranium both present, future, and projected. There are from time to time, reports of tremendous amounts of uranium that may be produced in Australia and various people write articles for various newspapers expressing their opinion. All I can say in response to the member, I don't intend to table all the reports as I indicated the other day, is that I think that if the member checked some sources other than the Leader Post, he would find that people in the uranium industry, people like Denison, for example, remain confident about the markets and the price for uranium. I think one would be hard-pressed to assemble a group of experts who would agree that the price of uranium is likely to fall in the 1980s to \$20 a pound.

MR. LARTER: — Supplementary, Mr. Speaker. Would you agree with this statement, Mr. Minister? Unless demand increases dramatically over the next few years . . .

MR. SPEAKER: — Order, order! Next question.

New Study on Uranium

MR. LARTER: — With the miscalculations by the SMDC (Saskatchewan Mining Development Corporation) and by this government, do you not feel that the whole future of the heritage fund is at stake, that we can possibly see deficits of \$200 million a year if you are to take part in all your SMDC commitments and that you will not only be mortgaging the future of the children of Saskatchewan, but the grandchildren as well? Don't you think you should have a new study and table it in this House so that the taxpayers of this province can see exactly where they are headed in uranium?

MR. COWLEY: — Well, Mr. Speaker, I don't know the members opposite are very happy about talking about the market place as a sort of a final test. I suppose, in a sense, it is. One could use examples of some of the holdings of SMDC at third interest that it had, which is now a half interest in Key Lake, which someone in the private sector felt was worth between \$125 million and \$150 million, for an investment of about \$2 million.

So, if the member is asking what is the current value of those assets, I am sure they are well in excess of anything that has been invested by SMDC or the heritage fund. I think the member talks about the record of this government. I recall the members opposite telling us, during the potash debate, at least some of them, that we would never sell any potash; we'd never make any money in the potash corporation. It would be a total disaster. The members don't have much of a record there.

I remember the debate in Saskoil, about how we would never be able to produce any oil and never make any money. I think if the member looks at the annual report of Saskoil he will find a rate of return there well in excess of 15 per cent.

MR. LARTER: — Does the minister not feel that if he let the private sector develop this source the way we should develop it, we would already have a heritage fund and we wouldn't have to worry about these investments?

MR. COWLEY: — Well, I will tell you we had Liberal governments in this province from 1964 to 1971 and we didn't even have a heritage fund. Yes, and we have a Conservative government in Ontario that doesn't have a heritage fund and they have been there for 40 years.

We have private and public investments in Saskatchewan. The money that is going into the heritage fund, in this province, some from both private and public companies and it will continue to come from them. The member should look at the record where they only have private companies involved in mineral exploration in Ontario. You will find there they collect the grand sum annually of \$35 million from their resources.

COMMITTEE OF FINANCE — OFFICE OF THE RENTALSMAN - VOTE 25

MR. CHAIRMAN: — Order. Today we are on page 88 of the estimates and we are dealing with rentalsman, rent appeal and provincial mediation board and they are item 1, item 2 and item 3 on Vote 25. I will ask the minister to introduce his staff.

HON. E.C. WHELAN (Minister of Consumer Affairs): — Mr. Chairman, on my left, the rentalsman, Don Sinclair and on my right the administrative officer for the rentalsman, Robert Wolbaum.

MR. CHAIRMAN: — Is the committee ready to proceed?

Item 1

MR. L.W. BIRKBECK (Moosomin): — Mr. Chairman, Mr. Minister, I note that the total expenditures projected for this department are not going to be reduced and in fact have not been reduced substantially at all. There is hardly any reduction there whatsoever. In light of the fact that rent controls are coming off, we've only got rent controls in two major cities, Regina and Saskatoon, with rent review only existing in a few other centres throughout the province. Mr. Minister, it's my view (and I am sure the view of this side of the House) that we should be moving quickly. I think you are moving in the right direction. I think we would like to see you continue to move in the direction of decontrol; we could move right out of the area of rent controls. I would have to question what the effect of the controls have been since their inception. They certainly have been a cost to the taxpayers. Whether or not the worth of the rent controls to the tenants throughout this province has been substantial enough to offset the costs, I don't know. Definitely it would appear that right now, at least, the offices are being maintained — I'm not too sure why. It seems to me that you're housing a lot of political appointments, from my information, and I will get into that more specifically further down. But, Mr. Minister, I would like you to reply to my feeling that we should be moving out of rent controls in the province. I think you're heading that way. I would just like to have you estimate when we can be right out of rent controls, particularly in Regina and Saskatoon, and when rent review will be removed in the other centres?

MR. WHELAN: — Let me, Mr. Chairman, quote some of the facts regarding our position. Last year in the vote we had 33 people and this year we have 19. Last year there was voted for this particular operation \$845,000 and this year \$587,000. We have closed the Yorkton office, the Weyburn office. We have reduced the staff in both Prince Albert and in Moose Jaw for a total reduction of 14 people. I think that indicates that since rent review has been introduced there has been a reduction in staff and a reduction in the expenditure. Sure we maintain the two offices in Saskatoon and Regina where we feel that rent control is still justified and should be kept because of the expanding economy in these two areas and the sort of boom-town attitude which exists. But where rent control hasn't been necessary, where our surveys have indicated there are vacancies and accommodation for people who are seeking accommodation, we have removed rent control and left it subject to rent review. I think we'll be doing some surveys. In answer to your question regarding rent reviews I think there are some communities where we will be removing rent review. The surveys indicate that this is justified. I am not sure just which communities will be removed first, but we plan to do that. It's in the cards.

MR. BIRKBECK: — Mr. Chairman, Mr. Minister, what is the criterion by which you have been removing rent controls? Has it been on the basis of vacancies?

MR. WHELAN: — Yes, to some degree but there are other factors as well. The kind of accommodation that is available and is vacant has something to do with it. The vacancy rate at the present time is very low in both Regina and Saskatoon. I know we get figures from one group or another and they vary a bit but we feel that the vacancy rate is such that it would be a hardship on many, many people to suddenly remove rent controls. We think that the rentalsman has done a good job of looking at the situation, and of carefully considering what has been going on. In cases where a rental increase is justified, rental increases have been allowed. We think that the Rentalsman has dealt fairly with both landlords and tenants and the situation in Regina and Saskatoon, if there is enough accommodation made available, may clear up. But I can't give you a specific date. We haven't arrived at a date and haven't fixed a date for that.

MR. BIRKBECK: — Mr. Chairman and Mr. Minister, I would enlighten the minister with reference to vacancies. The vacancy rate in the likes of Prince Albert is very low and yet rent controls have been taken out of that centre. Now they are, in fact, very low. Mr. Minister, you can check that out and you will find that to be the case.

Again, I can't help but say that I question the effectiveness that rent controls have had since their inception. I think that there possibly should be other means and I think other means are available to tenants who do not feel that, you know, proper rates are being charged for the tenancy. Mr. Minister, you might want to reply to that. It's really not relevant. In fact there is a low rate of vacancies in the city of Prince Albert and I don't think that that is your criteria and that's why I asked the question because if it is, then certainly, you shouldn't have taken them out of P.A. Nevertheless you have to keep in your mind, as I've already stated . . . I do throw into question the value of rent controls since their inception.

Further, Mr. Minister, at the time of their inception, considering the situation at that time and considering the situation we have now, I suppose you would have as good a reason to bring in rent controls today as you did have at the original inception in light of the rebates on the rent that we have now promised by your government. I would possibly feel that landlords might say, well, the tenants are getting a rebate from the government and therefore, they can absorb a little higher rates. I don't know whether that's going to be the case or not. But looking at it from your side of the House as you did at their inception, I would think surely that would be a reasonable assumption and that you could move to rent controls, that that would be as good a reason to put them in place or keep them in place as it was at their original inception. Now, you can argue that. I certainly don't want to see any further rent controls. I think that now, with the rebates that there shouldn't be any problem and as I suggested there are other means by which tenants can raise their objections if they feel that unreasonable rates are being charged. Further, Mr. Minister, I would ask you why appointments to the Rentalsman Office were made by order in council rather than through the normal fashion, the Public Service Commission? Mr. Minister, before I take my place, I would appreciate a response to my first question or two and some of my views that I stated and then, secondly answer the question of why these appointments were made by order in council rather than through the Public Service Commission.

MR. WHELAN: — First, let me say that our figures and the hon. member's figures regarding Prince Albert don't jibe. We don't agree that the vacancy rate is very low in Prince Albert, compared to Regina and Saskatoon, it's a considerably better situation. We talk in terms of why rent controls were brought in; if you recall it was introduced in conjunction with a federal overall across the country control program and it exists in every province. I know of no province in Canada that doesn't have rent control at this present date in some form or another. It came about as a result of the introduction of controls by the federal Liberal government at the time and to my knowledge none of the provinces eliminated or curtailed or completely did away with rent control. They all have rent control in one form or another.

You asked a question regarding orders in council. I would think that answer is because — it's readily obvious — it's because it's a temporary segment of the government, a temporary operation. We felt that this gave us the method of setting the salaries and at the same time the people would not become permanent employees.

MR. BIRKBECK: — Well, Mr. Chairman, I don't accept the minister's response where he

suggests that it was not the provincial government's decision to introduce rent controls, that it was a federal government introduction. They just went along with it and I suggest to the minister that you did not have to comply with that suggestion by the federal government that all provinces should be moving into a phase of rent controls. You could have stood your ground and said, no, we don't have to have rent controls here. So, for you to use the federal government again as a scapegoat is quite unacceptable for my part.

Mr. Minister, very simply, what is the salary presently and what was the salary previously of the last year of the rentalsman?

MR. WHELAN: — That's for the year under review, 1978-79 — \$39,921. The estimate was \$37,700 and the estimate for this year is \$40,440.

MR. BIRKBECK: — Mr. Chairman, Mr. Minister, surely for an annual salary of \$40,000 and I suspect not to take into consideration possible travel allowance and other expenses, what are the qualifications required for office of the rentalsman?

MR. WHELAN: — Extremely good judgment and the ability to work with people, to negotiate, to understand problems, to listen to people, to adjudicate properly. This rentalsman has all of these qualifications. As a matter of fact before he retired he held one of the top positions in the Saskatchewan Wheat Pool.

MR. BIRKBECK: — Mr. Chairman, Mr. Minister, the former rentalsman, was he in Rogers? Previous to that at one time he was Deputy Minister to the Minister of Government Services. Why was he replaced by Don Sinclair who reinforcing your statement, you're correct, he was a former grain buyer for the wheat pool and at some point in time was moved up the ladder to public relations officer, and I would just ask you to tell this House, this committee, what were the qualifications of Ian Rogers relatively speaking now in relation to Mr. Sinclair? Were Mr. Sinclair's qualifications on an equal par to that of Ian Rogers? Answer the first question; why was Ian Rogers moved out of that position and Mr. Sinclair moved in?

MR. WHELAN: — Well, Ian Rogers resigned to take a position with the Department of Public Health . . . (inaudible interjection) . . . resigned, no question about that. He resigned and took a position at the same salary at the Department of Public Health. When you look at qualifications where could you find a more qualified person than an individual who is the assistant secretary of the Saskatchewan Wheat Pool which is the largest business operation in the province of Saskatchewan . . . (inaudible interjection) . . . I gave you the answer for Rogers. If you're asking questions on this I'm not aware of them. I know you're heckling.

MR. CHAIRMAN: — Order, order! If any of the members wish to ask . . . order please, order! Might I just say to the House that any questions you want to ask you'll have the opportunity to do so, but please rise from your seat before you do.

MR. WHELAN: — Ian Rogers resigned. It's on the record. It's obvious. There's no question about it — and took another job at the Department of Public Health. I think Ian Rogers is a very capable person but if you look at the results and what has taken place in the rentalsman and the way it . . . Mr. Speaker, do I have the floor? What's all that racket I hear?

AN HON. MEMBER: — It's no way to get the leadership Gary. You'll never get the

leadership that way.

MR. CHAIRMAN: — Order! Order! The member for Qu'Appelle (Mr. Lane) knows the rules of the House. He's a senior member on the opposite side of the House. I ask him to try and adhere to the rules.

MR. LANE: — I'll try to do that.

MR. WHELAN: — The present incumbent, the rentalsman that is in charge of the operation now, had done an excellent job of negotiating with landlords and tenants. Here's a man who has spent his lifetime working with people, who knows how to deal with people. Sure he was a grain buyer, but he was a superintendent, and he was a superintendent with the field staff, and he was the assistant secretary of the largest grain buying organization in the world. Anyone that knows the Saskatchewan Wheat Pool people knows that they are thoroughly trained, and they know how to negotiate; they know how to deal with people. It's part of their entire training. To be chosen among all the field staff people that they have to sit as the assistant secretary clearly indicates the capabilities of the rentalsman. I have no quarrel with the capabilities of Ian Rogers. He resigned and he took another job at the same salary.

MR. BIRKBECK: — Now, Mr. Chairman, again the minister attempts to suggest that we are suggesting that these people aren't qualified. I was only asking you what the qualifications of these individuals were; why we had a rentalsman in the name of Ian Rogers and then he vanished and we have a new one, Mr. Sinclair. I was only asking those very simple, straightforward questions. I will ask a further question with reference to deputy rentalsmen. Again, you have a change there. The former deputy rentalsman was Tony Oscienny and he was replaced by a former executive assistant of yours, Mr. Minister, a Mr. Hassen. Now you might inform the committee as to how and why that particular change of personnel took place and furthermore, what was the salary of Mr. Oscienny and then what was the salary of Mr. Hassen?

MR. WHELAN: — Mr. Hassen's salary for the year '78-'79 was \$32,428; Oscienny hasn't been with the board for two years. Hassen spent many years with the Provincial Mediation Board dating back to the 1950s. He is a trained person, knows the legislation and has, over the years, established a reputation for being able to deal with farmers and farm problems. He was a municipal councillor and a Wheat Pool delegate and a farmer himself before he took the job. We felt that there was a need in the provincial Rentalsman's office to have trained people who had dealt with the public for a long, long time and it was a matter of moving Hassen from the Provincial Mediation Board over to the rentalsman. We think the idea was a good one, it has worked out very well.

I'm sorry I can't give you Mr. Oscienny's salary. He hasn't been with the rentalsman for two years.

MR. BIRKBECK: — Is a Simon de Jong now employed by your department?

MR. WHELAN: — No.

MR. BIRKBECK: — Mr. Chairman, Mr. Minister, when did he take leave, or when was he relieved of his position? That's the first question. Secondly, when was he hired?

MR. WHELAN: — He left a month before he was nominated.

MR. BIRKBECK: — Mr. Chairman, Mr. Minister, while he was in your office is it not so that he used the office for his campaign in light of the fact he knew he would be nominated very shortly as an NDP candidate for Regina East?

MR. LANE: — Nobody else wanted the nomination.

MR. BIRKBECK: — Nobody else (certainly I would agree with the member for Qu'Appelle — Mr. Lane), nobody else wanted the nomination. But, Mr. Minister, is that not a case that he in fact did use the rentalsman's office for furthering his own ends politically, in light of the fact that he knew he would be nominated as an NDP candidate for Regina East?

MR. WHELAN: — There is no evidence to indicate that. As far as I know (and the rentalsman tells me) that's not the case. He left a month and one-half before the nomination as a matter of fact.

MR. BIRKBECK: — In my remarks, Mr. Chairman, Mr. Minister, with regard to the office of the rentalsman, our position with regard to rent control has been adequately placed and secondly I think with fair foundation and that is that the offices that are being maintained now may only serve as they did in part previously and that is to, I don't know how to put it, house people that couldn't effectively hold a job elsewhere, obviously and not to throw and question the qualifications or the good work that a good number, I am sure, of your department did for the office of the rentalsman. But it would seem, Mr. Chairman, Mr. Minister, that there are many examples within your department where there was abuse of the offices being held and surely being paid while they were doing it and that's the type of thing that's going to continue without a great deal of effect on behalf of tenants, it only enforces our argument that we would like to see you move as quickly as possible and we would support you on that to move as quickly as possible out of rent controls in the province of Saskatchewan and would hope that — well, now the Government Whip suggests, no way. Mr. Minister, you might maybe comment on his little cat call across the floor. Maybe he knows something you don't and I don't. Possibly rent controls are going to be here for quite some time and if that's the case then you have the responsibility to tell this committee now that that's the case. If you're moving out of them fairly soon or if you have any estimates I feel it's your responsibility to tell us. I think, Mr. Minister, you know what our position is regarding rent controls.

MR. WHELAN: — First, let me say that I'm really astounded to have someone make comments about the activities of a good staff that works hard and has done an excellent job of solving the whole rental situation. It's a very difficult thing to handle. It's emotional. No one likes to interfere with the usual arrangement that exists between landlords and tenants but it came to us as part of a picture from all across Canada. We're having a meeting in Regina with all the rent control people across Canada, shortly. They still have rent control and I think there are instances where it is justified and it should be carried on. You know, the need for it is there in some instances but it requires reasonable and competent people to handle it — people who have dealt with the public for a great deal of time.

I would wonder, you know, if I was a member like the hon. member who's sitting there with you, in the city of Regina where blanket statements are made about staff people in a particular area. I think that's detrimental to the public service and I don't think that these people have spent time doing anything except working on rent controls and I have nothing . . .

AN HON. MEMBER: — . . . Smear anybody.

MR. P. ROUSSEAU (Regina South): — I think I would like a retraction of that statement. At no time did I make any inference or reference to your staff or the staff of any other department. Now you show me in Hansard where I have at any time in this House made a remark, a derogatory remark on one of your civil servants or one of your deputies' executives or any other department.

MR. WHELAN: — Mr. Speaker, I said I thought it would be difficult for the hon. member for Regina to live with the kind of comment that was made by the member for Moosomin (Mr. Birkbeck). I didn't say that you made any comment. You weren't listening and I think it is difficult. You wouldn't believe that these people are in the same caucus. There is a person who is making all kinds of statements about civil servants who can't defend themselves. I think it is obvious that you are going to be in trouble with the civil servants in the city if you make that kind of statement without any evidence, because I think it is unfair. I think these people work their regular hours; they work hard; they work evenings; they spend a great deal of time in the most difficult circumstances. It is difficult to negotiate this kind of thing and I think they have done an excellent job.

If you want to go after the government for policy or for appointing people in an order in council basis, that is fine, but I don't think we should be tackling civil servants.

I was a civil servant for 10 years and I recall very, very seldom did anyone on either side of the House ever tackle a civil servant. It just wasn't done. I think these people are doing a good job and you have to admit that when you look at the number of settlements they have made and their record. I think they are doing a good job.

MR. BIRKBECK: — Mr. Chairman, Mr. Minister, again, as usual you stand and attempt to twist and turn the remarks that I make. All you have to do is read the verbatim in the transcripts of our committee and you will find that I said that the people within your department were doing a good job with the exception of the individuals that I threw into the question. Only asked you those questions. I asked you about them. I asked you what were their qualifications, what were their salaries, why were they placed in there initially, why were they removed? Those are legitimate questions. I said to you, Mr. Minister, that it seemed obvious to me that you were shuffling political people within your departments, back and forth and using the rentalsman's office to house those political people. I did not at any time question the integrity and the efficiency and the work of the staff of the rentalsman's office. Now, that is clear on the record.

I might, Mr. Chairman, just remind the minister that he did this only yesterday in the consumer affairs department. He started out very early, in the remarks, saying that he had such a wonderful and efficient department and then it proved later after an hour and twenty minutes that he didn't have an efficient department.

Now, Mr. Minister, that is what we are here for, to question those people that we might feel aren't doing a good job. It would seem that there are one, two or three names that I brought forward here. You can argue that if you like but I think it is futile. I have the answers that I wanted. I am not questioning you any further on that, not at all. So, Mr. Minister, I don't think I even need a reply from you.

MR. ROUSSEAU: — Mr. Chairman, I am just going to touch up on the one fact and clear

it.

Yesterday, if you will recall, I complimented your staff, knowing them. I just want to get that clear. I have the highest respect, the highest regard for the employees of those departments, just so we understand that. I explained to you yesterday as well, why I was asking the questions on salaries. There is a reason and I am going to ask the question again.

The question that I want now is, you gave the salary of the director and, I believe it is the deputy director. I want the estimate for 1978-79 and I want the estimate for 1979-80 of the individuals and the actuals paid.

MR. WHELAN: — The rentalsman estimated 1978-79, \$37,700; the actual \$39,921; \$569 retroactive pay; the estimate for 1979-80, \$40,440 - Don Sinclair. The deputy rentalsman, Fred Hassen, estimate \$30,630; actual \$32,428; retroactive pay \$449. Senior deputy rentalsman \$33,000; the estimate 1979-80, \$33,190.

MR. ROUSSEAU: — Mr. Minister, my colleague from Moosomin (Mr. Birkbeck) mentioned a few minutes ago a Simon Dejong. Could you please tell me two things, the same question, the estimated 1978-79 for him, the actual and the 1979-80, well not 1979-80; he's no longer there. I would also be curious as to Mr. Dejong's qualifications.

MR. WHELAN: — He left before the 1978-79 year. He left on January 19, 1978. He's not involved . . . His salary before he left was \$1,453 per month. He worked for us about a year. I said seven months but about a year.

MR. ROUSSEAU: — There was another part to my question, the qualifications of Mr. Dejong.

MR. WHELAN: — A university graduate; extensive experience working with social service organizations, that type of thing. He was the president of the student council at the university. He had a degree from the University of Regina; won the Bryant oratorical contest.

MR. ROUSSEAU: — In your department, do you have any individuals under contract?

MR. WHELAN: — No, we do not.

MR. ROUSSEAU: — I was referring to a personal services contract, that is, that's your answer.

MR. KATZMAN: — Mr. Minister, I have just a couple of questions. In Saskatoon, with dealings with the rentalsman that I am aware of, it has been stated and in the public library in Saskatoon you can find documents on cases that have been heard and the decisions. It seems to me that the decisions are very arbitrary in some areas. Example; seven or eight buildings, side by side, all built simultaneously. The owner who has owned from day one, cannot get the same rent as the person who just bought last year, mainly because he owned it long ago. Yet, in several of your judgments, you indicate that you give someone an increase because the building is comparable, the costs and expenses and so forth. Yet, in another area, because he has owned it from day one, you don't give him the same right.

MR. WHELAN: — This is a problem that we recognize and that we inherited because you

will recall that rent control was frozen. One landlord has his rents up at a peak and the other fellow hadn't been raising his rents. The situation became more aggravated because they just gave increases on a percentage basis and it was 10 per cent, 8 per cent, 10 per cent. Then we decided on a policy that was presented to us by the rentalsman which said we will now look at them individually in so far as it is possible. Sometimes they're so wide apart that it's really difficult because the only thing that dictated it was the rental at a given date and the percentages were added. But the rentalsman, by asking for an application in each case, has tried to get them closer together. I think you will find that they're much closer than they were, say, in '76 or '77. I think there are many cases where this was a common complaint but the gap has been closed. I'm not saying that we have closed it completely because in some instances you would have to give an increase that was beyond all reason, in order to get them up to the others. But the landlord who happened to have asked for an increase, asked his tenants for an increase just before rental control came in was a fortunate one.

MR. KATZMAN: — I don't dispute what the minister says. In fact, I agree that basically the fair and just landlord, because of the legislation, ended up behind the eight-ball. The landlord, who was not a fair landlord, ended up way ahead. That's one of the reasons why you brought in rental legislation. But my concern is that in the two major cities, there is a fairly large degree developing of rental vacancies. New buildings are coming on stream and slowly the vacancy rate is increasing. I realize the member for Moosomin (Mr. Birkbeck) talked a little on it, but to get a little more specific, what factor are you looking for in the two major cities before you will start putting it into the rental review situation? I suggest to you that maybe now is the time that we should also be moving Saskatoon and Regina to the rental review because — I can list you many different areas. In fact, one of the members of your board, Mr. Huselak who is sitting in the back row can probably refer to some who have come to him, that I am aware of. I am aware of many more that I don't know whom they have talked to. It's interesting to note that I have told people to phone down to the Rentalsman Office in Saskatoon, to give them the value of a building, the square footage and so forth and ask, if they bought that building tomorrow, what kind of rent they could charge. The rentalsman will suggest to them that this is approximately what the rents are. The other point, as I say, will tell what the two buildings next door would rent for, which are identical. The rentalsman suggests to him that his rent will be at least equal to theirs, the two buildings on each side. Yet, if the person who presently owned it tried to bring his rents up, he wouldn't be allowed to. That's why I think the review system is a little more fair than the system. I realize we have a problem here.

As I suggested to you, in some of your appeals the rulings are not used in the next case. As you go through the Saskatoon Library where they are all filed and you can look at them you will see the decisions are not based always on the same facts and same criteria. I wonder, is there no criteria or point system, or is there no suggested line? How much we can move to get them in comparison lines, or are you just flying by the seat of your pants? You know, I can't see any direction.

MR. WHELAN: — First, let me say, we know the situation was bad two years ago, but the work that has been done by the rentalsman — the rentalsman tells me that the number of cases where the situation you described exists are very few. The number is very few now. We have been working on this and the kind of increases that have been allowed have been keeping in mind the very thing that you are saying in many instances. We don't have the criticism which existed two years ago in that respect. It does not exist to the same degree today.

The other thing you asked about was the appeals that are filed. I know we are not on that vote and we should probably have the chairman of the appeal commission here and the hon. member could ask him questions, but I am told by the rentalsman that we do keep track of those appeals and the decisions which were made. One-third of the appeals are allowed, to some degree and we do keep fairly close tab on them and try to take into consideration the decision which was made when the next application comes along. But he tells me there are a great many variables and a great many different kinds of accommodation and it is not easy to fit a decision into every piece of accommodation that's available for rent.

MR. KATZMAN: — I think I should make one comment before I take my seat. I would like to give through the minister personal thanks to his people in Saskatoon, for their work in one case where I was involved to assist somebody, for the good rapport that we developed and the very capable way they handled the situation. I realize it's difficult to solve this problem under any type of control in any form. There are always fewer landlords than there are tenants and it is always easier to find a landlord because he doesn't move away as quickly as a tenant does. But it is interesting to note (and it was referred to me by your people in the rentalsman's office in Saskatoon) that there is a small percentage of landlords who have had to pay very dearly because of the damage caused by tenants and there is no way to come back. Yet, it is interesting to note, they say, in most cases the landlords are very fair in settling up with damage deposit they are holding. I suggest that that is one of the areas that is really going to give you problems for as long as you keep this. I suggest to you that the sooner you move into the rental review stage, which is the second stage, the sooner fair and just rents will be charged to everybody and both sides, the landlords and the tenants, will be better served.

MR. WHELAN: — Well, we look at the situation that exists. We do surveys, we negotiate, we talk to landlords and we think the landlords are reasonably happy with what's going on. I'm in constant touch with them, their letters come over my desk. There is no doubt that rent control is a very difficult thing, not only rent control but the relationship between landlord and tenant. The landlord and tenant legislation in this country is as old as the country itself and it's the same in every province. When we sit down with the people who handle rent control and you say to one of them, can you show me a good tenant or can you point out a good landlord, they can't. It is very, very difficult to do and it's a very difficult thing to handle. You know, I was in this for 10 years and if at the end of the 10 years if someone said to you, so and so is a good landlord, you'd know by his operation that he was. Or if so and so was a good tenant, you would know because a good tenant will treat properly the accommodations that he is living in. The landlord will be fair with the tenant and the tenant will stay as long as he wants to and it's a good relationship. The small percentage of landlords who aren't reasonable is very small and the percentage of tenants who deliberately set about to take the landlord is very small. I don't care whether you've got rent control or whether it is just The Landlord and Tenant Act, it is a very difficult thing to handle because often times it's a roof over somebody's head and the sympathy that exists pro and con is something that is easily understood.

MR. KATZMAN: — Mr. Minister, could you forecast, because of the past history and the changes of Saskatoon and Regina, when you may be moving into the second phase of the rental system?

MR. WHELAN: — I wish I could but the cities are expanding so rapidly. I know that the housing construction is taking place. Saskatoon a year ago set a record for building

rental accommodation for all time — the entire history of Saskatoon. If that sort of thing continues, it has a direct bearing on the decision but I can't give you a decision.

MR. KATZMAN: — Is there still a magic number of vacancies you're looking for, or have you given up that idea? At one time you indicated in the House, I think, 4 per cent or something. I stand to be corrected there. You indicated there was a magic percentage. Is it still existing?

MR. WHELAN: — We've been hesitant to do that. We've been asked many times, but I think what we're really hoping for is more new accommodation that's not controlled and accommodation that people can afford — reasonable accommodation. And that's taking place, we think, to some degree in both the cities.

Item 1 agreed.

ITEM 2

MR. ROUSSEAU: — I notice in the rent appeal commission that you have two posts. You're the head of that department. Could you give me his '78-'79 estimate, actual paid and the '79-'80 estimate, please and the name?

MR. WHELAN: — The chairman is Paul Husulak. The estimate for '78-'79 was much higher and the reason for that was because the incumbent at that time had a Master of Law degree, and it's sort of out of kilter with the rest of the information I'm going to give you. The estimate was \$36,400 and the office was occupied by the present chairman as of December 1. The actual was paid first as an honorarium of \$11,790 and the regular salary paid to the previous incumbent was \$20,947 so the total payment to the two people was \$32,717. The estimate for '79-'80 is \$32,840.

MR. ROUSSEAU: — Mr. Chairman, I just have one question. You indicated that the reason for the drop was the qualifications of the first individual, the law degree. I presume that you are satisfied with the qualifications and the ability of the next individual. Is it necessary to always be looking for certain degrees or higher rates when maybe you can get by with lower ones, as you are doing in this particular case?

I'm just wondering, are we shooting too high for our goals or setting our sights a little too high in some areas where perhaps you are satisfied with the qualifications and the ability of the individual you have at the present time?

MR. WHELAN: — I am told by administrative people (this was before my time) that the previous incumbent was hired because there was a necessity to have someone who could write legislation and who could write regulations. The law was written so that the Appeal Board could write its own legal regulations. The previous person had a Master of Law degree.

This fellow has a Bachelor of Education degree; he is a journeyman carpenter; he taught for the Saskatoon Board of Education from 1948 to 1974. He took an early retirement at the age of 60. He is one class short of a master's degree.

AN HON. MEMBER: — The present board chairman?

MR. WHELAN: — Yes.

MR. ROUSSEAU: — Then you are satisfied with his qualifications and his ability. I am sure that you are happy with them.

MR. WHELAN: — Yes.

MR. ROUSSEAU: — Good.

MR. KATZMAN: — We are on the Rental Appeals Commission — I guess earlier I was asking in this area when I shouldn't have been. Have you any idea of the percentage of cases that we are having now, compared to what we were having originally and which side they are being settled on?

MR. WHELAN: — . . . (inaudible) . . . the reason for reduction in staff, a year ago it was 247 cases that went to appeal, and this year, 138. There has been a reduction. I think they are doing a good job. I think the appeal commission spends a lot of time considering people's problems. I don't get the kinds of letters . . . I suppose when we first started we were sort of batting the thing around but there seems to be acceptance of their work. We have a good cross section of the community. I am sure that the hon. member knows the chairman.

MR. KATZMAN: — Yes, I am probably one of the fortunate ones who has known the chairman, as a student. He was an excellent teacher when I was in the school. I was just checking with the Attorney General because we had many of the same teachers. He didn't have the good fortune to have the same gentleman as a teacher. But what my concern is . . . (inaudible interjection) . . . I knew that I would open that can of worms.

On the 138 applications, could you indicate how many were settled (it's hard to say in favor of because I assume in some cases there was mutual agreement by both parties), but how many were of mutual consent, how many were on behalf of the tenant or the landlord? Do you have a breakdown of any type like that?

MR. WHELAN: — Mr. Chairman, it says that the hon. member was a good student.

They don't have a breakdown showing who got what sort of thing. You wanted how many were decided in favor of the landlord. Sixty-nine of the appeals were dismissed of the last 138 and the remainder of them were either allowed or amended. An amendment might give the landlord some of the things which he wanted, or the tenant some of the things they wanted. There was a dismissal in 69 cases; in the remainder of them they allowed what was asked or they made an amendment. I assume, from what the chairman tells me, that these were negotiated satisfactorily to the people who were involved.

MR. KATZMAN: — On the 69 — I'm just wondering how many of those were really because the complainant didn't really understand what the rules were — what the case was and where they stood? Was that part of the reason for dismissal?

MR. WHELAN: — The chairman tells me that in most cases now because the legislation has been around for a while, the landlords and the tenants understand. Very few of them are without background knowledge.

MR. KATZMAN: — So then the 69 that were dismissed were dismissed because they weren't proper cases (in want for a better word), not because they were improperly brought?

MR. WHELAN: — As a general rule, the chairman tells me, these cases were dismissed because the appeal board agreed with the rentalsman's adjudication.

MR. ROUSSEAU: — Mr. Minister, could you indicate to me the increase in '78 (rent increase percentage-wise) versus 1977? Was it higher, lower, was it about the same? What was the increase average?

MR. WHELAN: — The rentalsman has gone. He would know that. You know, this is a Rental Appeal Commission, but my guess is, for the year, about 6 per cent in the last 12 months. It was not too far from that in previous years, practically the same.

Item 2 agreed.

ITEM 3

MR. CHAIRMAN: — Would the minister like to introduce his support staff?

MR. WHELAN: — Verna Coates is the acting chairman of the Provincial Mediation Board. Seated behind me is Murray McConnell, a member of the Provincial Mediation Board.

MR. BIRKBECK: — Sorry, Mr. Chairman, Mr. Minister, I didn't get the second name.

MR. WHELAN: — First, seated behind me is Murray McConnell. He is a board member.

MR. BIRKBECK: — Mr. Chairman, Mr. Minister, if I might just refer you, Mr. Minister, to your organizational chart, the Provincial Mediation Board, and ask you how many of those positions that are outlined there, and the names thereof, are not presently members of the Provincial Mediation Board? Give me their names, please.

MR. WHELAN: — Jean Gordon was the chairman and is not the chairman. She resigned June 30. Peter Daniel was a board member and he resigned in November or sometime.

MR. BIRKBECK: — November what, 1978?

MR. WHELAN: — November, 1978. I am sorry I have the wrong date. It was May, 1978.

MR. BIRKBECK: — Mr. Minister, then the former chairman of this board, Jean Gordon, and a board member, Peter Daniel, resigned approximately the same time. Mr. Minister, could you tell me why these two people resigned?

MR. WHELAN: — Well, Jean Gordon indicated to me that she wanted to go back to work in Saskatoon. When people resign they don't go into great detail as to why they do and when you get a resignation you accept it or reject it and in both cases we accepted the resignation.

Jean Gordon is living in Saskatoon and employed in Saskatoon, I understand. I don't know anything about Peter Daniels, now.

MR. BIRKBECK: — Mr. Chairman, that hardly seems like an adequate answer from the minister. He says, that, well, he doesn't know why they resigned and there is no reason at all. And if people submit their resignation, well, they accept it.

All along, Mr. Minister, the statement that you are making is that your people are very qualified, very adequate, to hold the positions that they do. Now, for my part as an employer — and I have gone through some employees — when I have a good employee and he comes to me and says, well I am quitting, I want to know why he is quitting. Now, Mr. Minister, what you are telling this committee is that you don't know why these two people submitted their resignations. I would like a response to that, firstly.

Secondly, is it not so that your department, in fact, asked for the resignation of one of these two people that resigned?

MR. WHELAN: — First, it's not usual to get in written detail why someone resigns. When this happens, we try to deal with the people objectively. If they have been good employees we give them a period — we give them some of their salary in advance. This was done. If I said I knew the reason why either one of them resigned it would be quite easy for them to say that's not the reason I resigned at all. So I can only assume that they resigned because they were dissatisfied or because they wanted to go some other place or they had a better salary or they preferred living some other place. I think that they were good employees. I think that if you look at the qualifications of either one of them, they have extensive experience and they certainly performed well while they were working with us. One of them had been with the rentalsman in charge of the rental office in the city of Prince Albert and as far as I am concerned did a good job while he was in Prince Albert. That's why he was promoted and became a member of the Provincial Mediation Board, I believe. I don't know, I . . .

MR. BIRKBECK: — Mr. Chairman, Mr. Minister. What was the salary paid to Jean Gordon while she was chairman and what was the salary paid to Peter Daniel while he was a member of the board, in particular with reference to rent? The two salaries, if I might have those, please?

MR. WHELAN: — Jean Gordon's salary was \$20,070 per year. I haven't got the other one yet. I'm waiting — he's putting it together . . . That was her actual salary.

MR. ROUSSEAU: — For how long?

MR. WHELAN: — For a year. The board member was receiving \$19,000, close to the same.

MR. BIRKBECK: — Mr. Chairman, Mr. Minister. You have with you today the acting chairman of the board and I would just very simply ask two questions:

1. What is her present salary?
2. Is she in fact, going to be appointed chairman of the board and if not, who is and when?

MR. WHELAN: — The member who is acting as chairman was a member of the board and is paid as a board member. The salary is \$18,385. A decision as to who will be the next chairman is being considered. We are in the process of offering it to someone but I can't tell you because I'm not sure whether he is going to accept.

MR. BIRKBECK: — Mr. Chairman, Mr. Minister, who in fact replaced Peter Daniel as a

board member?

MR. WHELAN: — Murray McConnell.

MR. BIRKBECK: — Mr. Minister, was Mr. McConnell a member of your campaign team during the election of 1978?

MR. WHELAN: — I'm not sure.

MR. BIRKBECK: — Mr. Minister, surely the minister did not have such a large campaign team that he would not know who was part of that team. I know that I had in excess of 300 and if you named one of them I would be able to tell you whether or not he would be part of that 300. Surely, Mr. Minister, you know the answer to that and I ask you to answer my question. Was he or was he not?

MR. WHELAN: — You know, I think what you would call a campaign team and what I would call a campaign team might be something entirely different. Furthermore, as long as I have been in this House and I've been here quite a while, I have never asked about the politics of any civil servant and I don't intend to start. I don't intend to use that as a measure as to whether or not the person is capable. We certainly have an obligation. I sat in the opposition for a long time and I don't think I ever asked anyone. We're saying that if you are a public servant you shouldn't be able to participate in politics. What we are saying is that we are going to ask everyone who works for the government what their politics are. I know there are people in my department and many parts of the government who supported the opposition and I certainly wouldn't ask them whether they did or didn't work for some campaign committee. I think that is just unexplainable.

MR. BIRKBECK: — Mr. Chairman, Mr. Minister, it is not unexplainable as a matter of fact. I will conclude, Mr. Chairman, with these remarks. I know that we on this side of the House have raised these issues before. It's a concern of ours and it's a concern we raise on behalf of civil servants throughout this province. We have many capable people working for government today and there are many, many positions as we all know within government departments and it is a large employer of people. Mr. Minister, I submit to you my belief, and were it not for individual's fear of government, this government, and fear of losing even their positions that they now hold, that you, the Provincial Mediation Board have failed to answer my questions in this regard. One of the members of your board was asked to resign and I say that on the basis that personally I saw the documentation. I suppose you can get off the hook by saying well, somebody in your department may have asked for his resignation and you didn't know. I suppose you can, but I don't think that to be the case. I think, Mr. Minister, that you do know what's going on in your department. A member of this board, in my opinion, was bumped for no legitimate reason and was replaced, Mr. Minister, by a political appointment, a member of your campaign team during the '78 election. The point that we are making, Mr. Minister, is that you as well as many other ministers of this department are guilty of making political appointments over the backs of long standing civil servants who have a right to promotion. That's what's happening in this House, Mr. Chairman, in this committee, where the minister is failing to answer my questions directly. He knows what's going on in the department. I might even be so presumptuous as to submit that Jean Gordon, Chairman of this board, resigned for good reasons; resigned because she was sick and tired of the way things were being conducted within that Provincial Mediation Board, within your department. Those are the things that I submit to you, Mr. Minister, and were the people of Saskatchewan, the average civil

servant, the one who deserves the promotion not so afraid and scared of your government and of your departments and minister, they would come forth to members of this opposition and say yes, there's the documentation, go ahead and table it. I'll run the risks. They won't and I don't blame them. I don't blame them one bit, Mr. Minister. They surely are not going to jeopardize their families and their futures for what, for your skin? No, Mr. Chairman, they are not prepared to do that and quite frankly, I don't blame them although I wish just once in a while, a few of them would so that we could hang your hat and hang you out to dry, Mr. Minister. Give us time, Mr. Chairman, I'm about that far from being finished. Mr. Chairman, I as a member of this opposition will be watching very closely the departments I am critic of and other departments. The first opportunity that we have to bring evidence and table it in this legislature, you can be sure I will table that evidence. But those are the things, Mr. Minister, that we're concerned with. We support the civil service of this province and we want to see them get legitimate promotions.

MR. WHELAN: — My suggestion to the hon. member, Mr. Chairman, is to put up or shut up. Put up or shut up! I've listened carefully to all the innuendos and all the suggestions and just to give you an indication, you talk about the politics of Murray McConnell. Murray McConnell not too long ago held a Liberal membership. Not too long ago, he attended a nominating convention for the Conservatives. You know when you start picking out people's politics, I think you're on dangerous ground. You haven't been here long enough to know that, and when you start doing that in this city I suggest that you should take a really good look at your situation. I'll tell you that as far as the mediation board is concerned, it's a good operation. If people resign for personal reasons I do not intend to ask them what those personal reasons are, and I do not intend to drag the names of people across the floor of this House. I think it's incumbent on all of us to accept a resignation if it comes. And if the people whom we put in place are going to be pounded and harassed because they have a political conviction of one kind or another — I venture to say that there are many people who vote Conservative who work in the civil service. I venture to say that there are many people who vote Liberal. I'm certainly not going to start picking them out on the basis of their politics. I think that's something that just won't work.

MR. BIRKBECK: — Mr. Chairman, Mr. Minister, it's interesting to note that the minister seems to know what the political affiliation of other people involved in the Provincial Mediation Board is. It would be interesting to know how he knows that. He might want to tell us but I won't belabor that point.

Mr. Chairman, Mr. Minister, I would only suggest to you that in my opinion the members of your board now are very competent, and the acting chairman whom you have seated with you today, from the information that's provided for me, is very competent and very capable. I'm only suggesting to you that if you run your department properly good people you have in your department will stay there for a long time and do a just service to the people of this province. I commend them for that work. I do not commend you, Mr. Minister, as head of those departments.

MR. WHELAN: — I think the acting chairman is competent. There have been many people on the mediation board over the years — some of them left for one reason or another, including me. I know this happens, so I don't see where this is a great point.

MR. ROUSSEAU: — Mr. Chairman, I believe it might be a little difficult to get the answer on this one since the acting chairman is a temporary position. Have you budgeted for the '79-'80 salary in that position, in the position of chairman? If you haven't, have you

budgeted for the acting chairman?

MR. WHELAN: — We budgeted for it; we budgeted \$25,120.

Office of the Rentalsman Vote 25 agreed.

The committee reported progress.

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Robbins (Minister of Revenue, Supply and Services) that Bill No. 4 — **An Act to amend The Fuel Petroleum Products Act** be now read a second time.

MR. R. KATZMAN (Rosthern): — Mr. Speaker, I voiced most of my concerns on this act when the minister delivered the second reading of the speech. In principle, we understand what the minister is getting after and what kind of problem he's got and in principle we will agree to allow this bill to go to Committee of the Whole and we will have a comment or two on specific areas of this bill. So, Mr. Minister, we will support you in the second reading of this bill and suggest that we will be looking for some specific information in Committee of the Whole.

Motion agreed to and bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Robbins (Minister of Revenue, Supply and Services) that Bill No. 41 — **An Act to amend The Superannuation (Supplementary Provisions) Act** be now read a second time.

MR. KATZMAN: — A comment, Mr. Minister, yesterday when Mr. Lane (Qu'Appelle) spoke on this particular bill, as well as on Bill No. 42, he requested information from the minister. We understand the minister has since given us the information and we have agreed to allow it to go to Committee of the Whole.

Motion agreed to and bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Robbins (Minister of Revenue, Supply and Services) that Bill No. 42 — **An Act to amend The Public Service Superannuation Act** be now read a second time.

MR. KATZMAN: — Mr. Speaker, once again, this is identical to the last bill that I spoke on and once again — sorry is this 51 did you say? 42 — that's correct. We have asked the same information on Bill No. 42 as we did on Bill No. 41 and we will allow it to go to Committee of the Whole.

Motion agreed to and bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Robbins (Minister of Revenue) that Bill No. 51 — **An Act to amend The Tobacco Tax Act** be now read a second time.

MR. W.C. THATCHER (Thunder Creek): — It seems like it's become fair game for the

government, any government, to whack it to smokers or to those who may consume alcohol. It's a very safe place for a government to place a tax because they assume that there will be very little criticism. Now, being a reformed smoker, from a personal point of view, it is a matter of complete indifference to me. But I'm one of the lucky ones that was able to kick the habit. I'm glad I could kick it because it's just become far too expensive to continue to smoke. You can argue on that side of the House and you can argue, I suppose elsewhere, that nobody has to take it. It is not essential but there does come a point in time where, I suppose, you wonder does a smoker have any rights? I know a lot of people have no sympathy for smokers any longer but to many people it is a habit and a very . . . oh well, a habit I suppose that many of them would like to kick but for one reason or not, cannot. I am not speaking against this bill because certainly we will support it, but I am putting a question to the minister. I do suggest to the minister that how much is enough? What is the fair level that you tax commodities like alcohol and tobacco? I have no answer but I do wonder if the government has not, perhaps, viewed these two items as, perhaps, a little bit too much of an open season as far as additional taxes are concerned. I know you can argue that they are luxury items and the arguments are valid because they certainly are and certainly should be treated in this manner. But where does that point come where enough is enough and is simply high enough? We're certainly going to support this particular bill but again, I do ask the minister to consider smokers in the upcoming year and perhaps in the formulation of the 1980 budget to be fair to smokers because they do have some rights and I do believe you do have the odd smoker over on that side of the House. I do ask the minister to consider at what point is enough, enough? We will support the bill and go to the Committee of the Whole and run it through as quickly as you wish.

MR. ROBBINS: — Mr. Speaker, I did want to answer the hon. member's question. He says it is becoming too expensive to smoke and, frankly, I think that's a good approach. In the final analysis, if that happens we will have far less expenditures in our medical care system in terms of emphysema, asthma and a lot of other things.

I think the member made a good point. He says, how far are we going to go before we stop? Well, we haven't got as far as Tory Ontario yet. Their tax rate is higher than ours and, therefore, we have some leeway yet.

I admit it is a luxury item. I don't know how far you have to go in terms of getting everyone to quit; maybe that will never be accomplished. But frankly, it is a luxury item; I agree with the member in that respect. Although the taxes are heavy, and they are, I think it is a logical place to raise revenue in relation to a luxury item.

I have a daughter who smokes. I hope I can get the tax high enough so she will quit.

Motion agreed to and bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Rolfes (Minister of Social Services) that Bill No. 57 — **An Act to amend The Saskatchewan Assistance Act** be now read a second time.

MR. KATZMAN (Rosthern): — For the benefit of the minister so he doesn't feel that we are picking on him today, I would suggest that Mr. Lane asked several questions the other day when this came up, and hopefully the minister will have some answers when he closes out debate today. Then we will get back to his comments in Committee of the Whole. I think that as much as we disagree with certain portions of this piece of

legislation, we will discuss each one as it comes forward in Committee of the Whole.

Motion agreed and bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Matsalla (Minister of Tourism and Renewable Resources) that Bill No. 26 — **An Act respecting Regional Parks** be now read a second time.

MR. L.W. BIRKBECK (Moosomin): — I believe this to be a very good bill but I would like clarification of a few points.

Under the explanation notes I have here, this amendment is necessary because of the announced increase in capital and maintenance grants. Can the minister please tell me how much these new grants are to be and how much more money also, for capital expense over maintenance grants? Further down, section 11, which is in the old act, should be, it states, section 10 in the existing provisions and section 10 should be section 11. Further down, existing provisions, section 16 should be section 17, and existing provisions again, section 27 should be section 28.

MR. SPEAKER: — Order! The understood rules of the House are that in second reading we discuss the principle of the bill. I am not so sure that the member is discussing the principle of the bill. It appears to me that what he is discussing is something that should more appropriately be discussed in committee. Now, if the member has something to proceed with on the principle, I would be delighted to let him go ahead.

MR. J. GARNER (Wilkie): — Mr. Speaker, before we can discuss the principle of this bill, we will have to have this bill go to the Committee of the Whole.

MR. SPEAKER: — I would warn the member that this is the last opportunity to discuss the principle of the bill at this stage. There may be an opportunity to discuss the bill further as to the principle of any change that takes place on third reading, but if the member wants to discuss the principle of what is before him now, he has to do it now.

MR. GARNER: — Mr. Speaker, basically, I am in favor of the bill and I will have some questions for the Committee of the Whole.

HON. A. MATSALLA (Minister of Tourism and Renewable Resources): — Mr. Speaker, I have just a few comments and they're really comments in reply to some of the questions that were raised by the hon. member for Wilkie (Mr. Garner). He raised a question it was previously and what it is going to be now. As he is aware, the capital grant previously or the present capital grant is 60 per cent provincial and 40 per cent local. The legislation is going to provide for a change in the grant formula by increasing it to 66.66 per cent provincial and 33.33 per cent local. There is also a change in the maintenance grant formula. Presently, it is 50 per cent provincial and 50 per cent local. The legislation is going to provide for an increase from 50 per cent provincial to 75 per cent provincial, reducing the local share to 25 per cent.

The other point he raised with regard to the numbering of the sections of the bill, I think those will be best dealt with in committee and we can get them in order at that time. I'm pleased that the hon. member has indicated his support and I'm certain the support of his caucus with respect to this legislation.

AN HON. MEMBER: — I wouldn't count on it there, Adolph.

Motion agreed to and bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Matsalla (Minister of Tourism and Renewable Resources) that Bill No. 27 — **An Act to amend The Forest Act** be now read a second time.

MR. J. GARNER (Wilkie): — I'll have some questions for Committee of the Whole.

MR. R. KATZMAN (Rosthern): — Mr. Speaker, the act is the amending of The Forest Act and as the minister is aware, The Forest Act refers to stumpage and so forth, which I believe is covered under this department. The fees that are charged to people who are cutting lumber, private loggers I guess, would refer to the small farm groups that are in the winter time cutting lumber in certain areas for personal use in small sales mills. My concern is with The Forest Act. The changes here are correct. But the concern that I have is that under the forestry act, the way the Department of Tourism allows the cutting of fence posts and other lumber, it seems to me that we are not taking the first attack on the burnt out areas which need to be cleaned out so that new growth can come forward. In talking to several people whom I know in the area north of Wadena who have been involved for many years in fence post and small dimensional lumber, they cannot understand why the department does not allow them to go in and clear a whole area, more area, I should say, that has been burnt out so that the growth can start again. Now, this could be their misunderstanding and therefore, they're passing it along to me. But I suggested to them that I would raise it in the House with you so that I could have your answer in Hansard. Their concern is that if we can go in there, clean this area out and get the new growth going, it would be better than taking it out in sections, as it seems to have to be done in the past years. They're also a little concerned with some of the clean-ups that are not done in the area, for an example, when a client moves in, the shaving piles and so forth that are left behind. They're concerned that the clean-up isn't as good as they think it should be. Now, I don't know if it's in The Forests Act or tourism is where it's handled. But those are some of the concerns that were passed along to me by small fellows in the business, in one-man and two-man operations, who, to subsidize their farms, are out logging in the winter.

The other concern they have is they find it's a little difficult when they make their temporary road into the area of forest they're allowed to cut, that sometimes they have problems getting enough clearance to run their zigger, heavier machinery in. Therefore, in one case, they informed me they were pulling out their trees by horse team because of not being allowed in early enough so it was still frozen when they had to pull things out. Access is not always to the closest road. They sometimes had to come in another way because of the requirements of The Forest Act. I leave those with you and maybe when you're answering, you can give me the answers.

MR. MATSALLA: — Mr. Speaker, I would just like to reply briefly to some of the concerns that have been pointed out by the hon. member for Rosthern (Mr. Katzman).

I think some of the concerns he expresses are quite possibly local and isolated. I think it would be best to deal with those on that basis. I would ask the hon. member to provide me with more specifics and details regarding the concerns that he is pointing out. With regard to the burnt out areas, I don't think there is any problem getting permits to clear out the areas and use up some of the timber that is there. But there may have been some problems in some specific cases and I would prefer that we deal with them in that manner. With regard to clearing out the burnt out areas, I think his suggestion is a good

one as far as clearing out the area so that there could be natural regeneration or we proceed with forestation. Again, this might be isolated cases and therefore I would appreciate it if the member will give more details with regard to these cases.

Cleaning up of areas by small operators is, I agree, a problem. That's one of the problems that we do have with the smaller operations, that perhaps the clean-up isn't what we would like it to be. Regarding the temporary roads, it's a question of how wide the operators would like these roads to be. If they're asking for roads that are of 100-foot or 200-foot widths, that could be a problem because then we would have to be cutting down a lot of timber.

AN HON. MEMBER: — 50 feet.

MR. MATSALLA: — Well, in any event I think the concerns that are being brought out by the hon. member are more of isolated and local concerns. I would wish that the member could bring these to my attention and I'll deal with them accordingly. With regard to stumpage fees and the charge of fees, again, there are all sorts of fees, and I think perhaps this information would be best available in a more accurate way, say, during the time that we're dealing with estimates.

Motion agreed to and bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Kaeding (Minister of Agriculture) that Bill No. 28 — **An Act to amend The Apiaries Act** be now read a second time.

MR. KATZMAN: — It's unfortunate the minister is not in his chair. I realize he didn't think it was coming today. I hope somebody else will pass along my remarks. I've now been in contact with the industry and they agree with this bill, as I did. My one concern was alleviated when I read clause 16 of the original bill. I think clause 16 is the only area in the Department of Agriculture (I'd compliment the minister and hope he would use that clause in many more pieces of legislation), that allows the people of the industry to make the final decision — not the government, not the Lieutenant-Governor in Council, not the minister. It allows the people of the industry to do their own . . . (inaudible interjection) . . . Gentlemen, let's talk about Bill 28 and we won't get into a hassle.

I'm suggesting to the minister, (and I'm certain Mr. Banda's taking notes) that clause 16 in this original bill is very unique because it's the only bill that I have ever seen in which the government in agriculture has left the industry to make all the decisions and the minister does not interfere. I recommend that the minister should look at putting that clause into other acts, like the horned-cattle bill which is on the list, and taking that clause out of this bill and putting it in the cattle checkoff bill and other bills where he has taken that right away from the people that are putting the dollars in and are directly affected. So I suggest to the member for Redberry (Mr. Banda), if he will pass it across to the minister when he is back in his chair, that he look at that clause. Don't remove it but give it to the other areas of the industry because it is very important. Regarding some of these changes, the industry tells me, they are in favor of them for only one reason, clause 16 allows them to make the judgment and not the minister. They believe that is very important. I will be asking some pointed questions on this bill about some other areas when we get to Committee of the Whole. Basically I agree with the principle because it's bringing up to date, it's curing the problem of diseased bees which we are going to have because we now winter bees year around and we did not do that before. I suggest, Mr. Speaker, that in Committee of the Whole I will have a few pointed

questions but with the principle of the bill I am very much in agreement.

Motion agreed to and bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Tchorzewski (Minister of Health) that Bill No. 52 — **An Act to establish a Health Research Board** be now read a second time.

MR. E.A. BERNTSON (Souris-Cannington): — Mr. Speaker, just a few remarks in conclusion. In reviewing the minister's remarks the other day, it's apparent that he has recognized a couple of very significant factors and I quote a couple of lines from the minister's remarks:

Few alternative funding sources are available and it is becoming increasingly difficult to attract the well-trained scientist who will carry on and build upon the contributions to the health sciences already made by researchers in this province. If stable funding is not provided our research community will wither. (I think this is a very significant recognition. He goes on to say:)

The Saskatchewan government has recognized the need for continuity and stability and proposed over the next five years to provide \$750,000 each year for the health research. This amount will be used in two ways; each year some portion will be used to build up an investment fund and the remainder, plus the interest from the investments made the previous years will support the awards program.

Mr. Speaker, I recognize that the government has indeed recognized the need for continuity and stability. But it certainly hasn't recognized the need for quantity — \$750,000 a year for five years, if there was not a nickel spent in those five years on research, adds up to \$3,750,000. Invest it any place you want, you will not generate more than \$1 million from that investment — \$1 million annually. That, Mr. Speaker, is peanuts as it relates to health research. I think this is not a serious effort to get into health research in Saskatchewan, compared to the Alberta situation where \$300 million will be the initial start-up grant for their health research centre with a \$30 million annual grant for continued research. Mr. Speaker, \$1 million is not even a drop in the bucket for an annual research fund.

I support the principle of the bill, Mr. Speaker. I will be bringing forth amendments during committee and urging the minister and his colleagues opposite to bring the fund to a reasonable level so that we can, in fact, provide more than travelling expenses for our researchers to go to Alberta.

HON. E.L. TCHORZEWSKI (Minister of Health): — Mr. Speaker, I am not going to take a great deal of time. I certainly welcome the support of the member, the health critic for the opposition (Mr. Berntson) for this legislation and for the establishment of the Health Research Fund. I am glad he agrees with the two points I made because I think they're important points — the factor of continuity. One of the difficulties with research in Canada over the years, as highlighted in particular in recent years, is the fact that health research, as in many kinds of research, has always been dependent on yearly and annual appropriations, mainly at the federal government level. So it had fluctuations in it that nobody in the research community could anticipate. Therefore, in many cases, difficulties were created for them.

We believe that we have to establish some continuity and that is why we chose the approach of establishing a fund which the member may argue, as he does, is not adequate. He may think that \$750,000 a year is not as much as what he would like to see. I'm sure that \$750,000 a year or \$1 million a year or \$5 million a year in the eyes of some people, might not be as much as they would like to see. But it's \$750,000 that was not there before. It's a good start and it will give us an opportunity to anticipate and to learn as to what the needs are.

It is not the only source of health research funding that is available. In the last year, '77-'78, there was somewhere between \$2 million and \$3 million that did come from the National Health Research and Development Program and what this seed money (if you want to call it that, developmental money, which we are going to provide with our fund) is going to do is make our research community much more capable to increase that federal funding which comes to this province very substantially. Because, quite frankly, most of that funding has been going to Ontario and Quebec and to some degree, British Columbia. So, there are a lot of intangibles here that we will only see happening after we have it established.

Mr. Speaker, as I said in my initial remarks, I certainly welcome the support of the member opposite. I will be interested in seeing what his amendments are going to be in committee and I am most happy that it is going to go into committee now.

Motion agreed to and bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Tchorzewski (Minister of Health) that Bill No. 59 — **An Act to amend The Mental Health Act** be now read a second time.

MR. R. KATZMAN (Rosthern): — Mr. Minister, in Bill No. 59 there are two portions of it which concern me. It's the principle of what you're attempting to do in two sections of the bill. I'm very close, I realize, to being involved in Committee of the Whole discussion, but I think they're tied together and, for that reason, I would talk about it on principle.

I assume, by the one section, that you intend the estate of people who are in an institution who have any outside wealth, when they pass on, if they spend their years there and then pass on in the institute, will be charged for the expenses. In the bill, are you attempting to collect from the estate of a person who dies while they are in an institution, and under the government care? You are suggesting that you will collect from his executors or administrators the funds that it has cost the state to keep him in that institute.

I suggest, Mr. Minister, that you go back into the mental health association and check with some of the concerns they had about four or five years ago in Saskatoon at their annual meeting, where they made reference to this exact concern. I'm not sure if it was Mr. . . . it was a lawyer from the university staff who was the guest speaker and was talking on this exact point, that in some cases it has been interesting to note that families, rather than have the father or the mother, leave any estate to their children that are in a mental institution, for their care, they leave them penniless. In other words, so that they are a burden on the state totally. The concern is that a father leaves a business with a mentally retarded son or daughter as one of the beneficiaries of that business. If he is in an institute, the government has the authority to come back into that business and, basically, put a representative of the government in that business running it, or having a

say. Now, I'm not sure if this will cause that or not. But I remember directly that at that meeting, that was one of the major concerns. One of the recommendations made by the lawyers present there was that any family that had businesses do not leave cash or something to a person in this position, so that it will cover his burial costs and so forth if something should happen.

There is another portion of the bill that bothers me, and I would think it would bother any member from Saskatoon and probably any member with a good conscience in this province, which we all, I think, have. I think we all have that. It says that anybody who is in a mental institution in another province and comes back to Saskatchewan can be placed back in an institution. Now, my concern is that once again due examination of this person should be held and I wonder if this also covers the jails and that area, when you say in this bill, that when anybody who was in a mental institution comes back into Saskatchewan, we have the right to put him into one of ours. Does that cover a jail, where he has been put for some crime and they say he is mentally unstable and, therefore, criminally insane. Then he is released and comes back to Saskatchewan. Are we covered by this clause to re-examine him for the protection of society, for the protection of the citizens of Saskatchewan?

I am hoping that the minister, in his wind-up speech, can cover these two concerns of mine. I have one or two other areas that I would like to speak on in committee, but I will wait to hear the minister's answers before I comment on how I feel about the bill.

HON. E.L. TCHORZEWSKI (Minister of Health): — Mr. Speaker, I shall try to assist the member in an attempt to answer his question. I think he (I don't say this in any negative sense) misunderstands what the amendment does, what I consider the major amendment, the one dealing with the question of the estates and the payment of the estates toward the care of the patient who had been in a mental institution.

That is, indeed, what the law is now. Right now, if an individual is a patient in the Saskatchewan Hospital at North Battleford, his estate will be charged for the time that he stays there.

What this amendment does is stops that from happening. So, what you are looking for and seeking to have happen, indeed, this amendment accomplishes it. So, knowing that you will understand, I am sure you will support the amendment.

The amendment, for further clarification, is precisely what the Saskatchewan Mental Health Association, in a brief presented to me about this time last year, asked that we bring about. Really, this amendment is a result of a discussion which I did have with them about a year ago and have followed up on. I am sure that they will welcome it. Just let me read the section, an explanation which will help you.

The amendment will provide that the charges against the estate of a deceased person who has been a patient in an institution will be made in the future only in respect of the cost of care and maintenance received in the institution prior to May 1, 1979.

The only institution now in operation is the Saskatchewan Hospital at North Battleford. That was precisely the way the Saskatchewan Mental Health Association wanted us to do it and that is what we are doing. I hope that helps clarify the question that was raised.

On the other amendment, and that is the authorization for being able to transport a patient in a hospital from, say, Manitoba to the Psychiatric Centre which is now

established in Saskatoon. This amendment is necessary in order that that may be done. It provides legal authority for transferring a patient from a hospital in Manitoba or Ontario to an institution in Saskatchewan because it may be a son or a daughter of a family who lives in Saskatchewan and therefore they would like to have him or her near to them. This facilitates that and I think again is worthy of support by the members opposite, Mr. Speaker.

MR. KATZMAN: — I agree. I misread that one, but I ask one other question. Are you suggesting now that anybody that is there as of May 1, 1979 and on will only be charged for the time that was prior to May 1?

MR. TCHORZEWSKI: — Yes.

Motion agreed to and bill read a second time.

SECOND READINGS

HON. R.J. ROMANOW (Attorney General) moved second reading of Bill No. 1 — **An Act to amend The Private Investigators and Security Guards Act.**

He said: Mr. Speaker, I have a series of bills which I think can be classified as housekeeping bills and I will not take up the House. Mr. Speaker, it'll be finished by quarter to five. With respect to The Private Investigators and Security Guards Act, this as I've said is strictly a housekeeping amendment. In 1976 when the original act was passed, clause (b) of subsection 3 of section 7 — The Private Investigators and Security Guards Act — should have referred to a bond of a guarantee company instead of a bond of guarantee. The proposed amendment is solely for the purpose of correcting an obvious error in omitting the word company. Actually, I should have moved this bill to the non-controversial bills committee but for a number of reasons didn't. This will only clarify the provision and put the section into the form in which it should have originally been enacted. There is no bond of guarantee approved under The Guarantee Company Securities Act. What is required is a bond of a guarantee company which has been approved under The Guarantee Company Securities Act. Mr. Speaker, I move second reading of a bill to amend The Private Investigators and Security Guards Act.

MR. KATZMAN: — Just one question of the Minister. Have you enacted all the provisions of this bill or are you still sitting on certain provisions of the private investigators? I refer to uniforms and so forth.

MR. ROMANOW: — Mr. Speaker, I don't believe we'll need legislation for that aspect of the matter as I think these can be handled by regulations by the — I think it's registrar or director, I'm not sure of the title. In any event, no immediate plans for implementation of this are before the department at the present time. We have been receiving ongoing communications from private investigators, people, as to what should or shouldn't be done. It's a controversial area. I think we'll need more time before we implement anything.

Motion agreed to and bill read a second time.

HON. R. ROMANOW (Attorney General) moved second reading of Bill No. 2 — **An Act to amend The Attachment of Debts Act.**

He said: Mr. Speaker, sections 24 and 25 of The Attachment of Debts Act provide

for a method of continuing garnishee with respect to maintenance orders. The beneficiary of the maintenance orders may serve a copy of the order on the employer of the person against whom the order is made. The employer is obliged to deduct on a monthly basis the amount in the order from the wages of the person against whom the order was made. While the definition of maintenance order in section 24(e) includes several kinds of maintenance orders, it does not include filiation orders made under The Children of Unmarried Parents Act. Section 22(2) sets out the amount that is exempt from attachment. Section 22(8) provides that section 22 does not apply to garnishee summons issued under maintenance orders but it does not include filiation orders. The purpose of the amendment is to make the remedy of continuing garnishee available to beneficiaries under filiation orders since they are for all intents and purposes the same, namely maintenance orders.

I move second reading of this bill.

Motion agreed and bill read a second time.

HON. R. ROMANOW (Attorney General) moved second reading of Bill No. 3 — **An Act to amend The Children of Unmarried Parents Act.**

He said: The problem which prompted the proposed legislation is that the remedies provided in The Children of Unmarried Parents Act for enforcement of filiation orders made under the act are not sufficient. The only remedies provided in the act are the remedies of distress and imprisonment. There is no effective method of guaranteeing that the sums payable under the filiation order are in fact paid. The purpose of this proposed amendment is to make available to the beneficiary of the filiation order similar remedies as are available to beneficiaries of a maintenance order under The Deserted Wives and Children's Maintenance Act; that is the order may be filed in a district court and thereupon becomes a judgment of the court, making available such remedies as garnishment and execution.

An Act to amend The Children of Unmarried Parents Act is also a corollary to An Act to amend The Attachment of Debts Act, previously dealt with by this House just a minute ago, which provides that filiation orders may be enforced by continuing garnishees in the same manner as other maintenance orders.

I moved second reading of this bill.

MR. J.G. LANE (Qu'Appelle): — I would like to make a comment to the Attorney General. When you are dealing with these particular items on filiation orders, attachment of debts, etc., I don't notice any changes to The Reciprocal Enforcement of Maintenance Orders Act on any of the items. I am wondering if the Attorney General could advise the Assembly on the general question of reciprocity, whether or not he has had further discussions. I realize that there are attempts made by the various attorneys general to get some teeth into the reciprocal orders but I've seen situations, as I'm sure most of the bar have, where it's still not effective — that the process of getting an order in another jurisdiction is still costly and time consuming. I realize it's not apropos strictly to this particular item but I would appreciate the Attorney General's comments on a problem that still hasn't been resolved in my opinion.

HON. R.J. ROMANOW (Attorney General): — Mr. Speaker, I'll undertake to provide the member at Committee of the Whole with either a written report or a verbal report on this. I can say in general terms we are making progress. There is some legislation

around and I think I best leave it to Committee of the Whole.

Motion agreed to and bill read a second time.

HON. R.J. ROMANOW (Attorney General) moved second reading of Bill No. 34 — **An Act to amend The Summary Offences Procedure Act.**

He said: Mr. Speaker, these amendments deal with two separate issues. Both I think, again, are in the category of housekeeping amendments. The first set out in section 3 merely updating the summary offence appeals procedure, and the section enshrining an already functioning fine options program in the Summary Offences Procedure Act itself, so that when a person is involved with summary offence procedures his attention will automatically be drawn to the fine options program, a circumstance that does not exist presently as the program is based on regulations passed pursuant to the Department of Social Services Act.

Dealing firstly with the section 3 amendments: this amendment was initiated by officials of the Attorney-General's department in response to requests from members of the bench that the summary offence appeals procedures under provincial statutes be made the same as the summary offence appeals procedures under the Criminal Code. Additionally they requested that the rules of court relating to appeals in summary conviction matters which were made under the Criminal Code be made applicable to provincial summary offence appeals procedures. These amendments were made necessary by virtue of the fact that the Criminal Code underwent substantial amendments to Part 24 in the intervening years from July 16, '71 to January 1, '77. Part 24 of the Criminal Code deals with summary offence appeals procedure. This province had by subsection 3(3) as it presently exists, adopted the Criminal Code summary offence appeals procedure as it stood on July 16, '71 so as to make the appeals procedures for provincial offences and Criminal Code summary conviction offences uniform, thereby avoiding confusion, simplifying matters for the bench, the bar and the public, and to avoid the administrative costs and headaches of trying to maintain two separate appeal procedures, one for the Criminal Code and one for provincial offences.

Because of the federal amendments to the Criminal Code that worked substantial changes and the major legislative change in 1977, these procedures ceased to be uniform. The province was faced once more with two sets of appeals procedures. The result is the amendments here which bring our appeal procedures into conformity with the situation as it is set out in the Criminal Code.

I could go on with details but I think this is a procedure that is fairly well understood by lawyers and I need not elaborate on that.

Moving now to the fine options program amendments set out in section 4 of this bill, which is the other aspect of the amendments. These amendments were initiated partly by the officials of the Attorney General's department and partly by the Department of Social Services, the department that administers the fine options program. I think, by the way, this is an excellent program, Mr. Speaker, and generally agreed to be such by members.

As indicated to you earlier, this amendment empowers the Lieutenant-Governor in Council to establish a fine options program by regulations which will allow a person on whom a fine has been imposed to discharge the whole, or any part of the fine, by earning credits for the performance of work in order to avoid imprisonment for default

of the fine.

The amendment will also grant power to the Lieutenant-Governor in Council to enter in an agreement with the government of any other province or provinces, to ensure that a Saskatchewan resident will have a fine option to imprisonment, where he is in default of fines incurred for offences committed in other provinces. This provision was suggested by the Department of Social Services personnel in response to requests from persons now resident in the province who have outstanding fines in other provinces, who might want to settle this account through the fine options program.

This subsection will, once an agreement based on it is made, guarantee to Saskatchewan residents the right to exercise their fine option in respect to offences committed beyond the jurisdiction.

Mr. Speaker, I move second reading of Bill No. 34 of The Summary Offences Procedure Act.

Motion agreed to and bill read a second time.

HON. R. ROMANOW (Attorney General) moved second reading of Bill No. 37 — **An Act to amend The Proceedings against The Crown Act.**

He said: Mr. Speaker, much of the litigation commenced against the Crown in the right of the province of Saskatchewan, must be brought in accordance with the provisions of The Proceedings against The Crown Act. At the present time, section 15 of the act requires that a document be served on the Crown, documents such as a Writ of Summons, a statement of Claim, shall be served by leaving a copy with the Attorney General personally, or the deputy Attorney General.

While the provisions of The Interpretations Act do extend somewhat the list of persons upon whom these documents may be served, including for example persons authorized to act as attorney general in the absence of the Attorney General, or a person authorized to act as deputy in the absence of the Deputy Attorney General, it is not legal for other persons to accept service of these documents, which must be served on the Crown pursuant to the act, before the action can be legally commenced.

It has been my experience, certainly over the last three or four years, that occasions regularly arise where both the Attorney General and his deputy and other persons are absent, and they cannot be conveniently located to affect personal service of these documents.

Mr. Speaker, I do not agree that such inconvenience to litigants should exist, especially if they want to sue this government, if a reasonable alternative can be provided. It is therefore proposed to amend the provision of section 15 of this act, to facilitate the service of documents. Several of the solicitors employed in my department will be designated once this bill is passed, so that service on them, of documents, will be sufficient service on the Crown under this act. The way things have been going and the law suits against the government for the last few years, it will give your friendly Attorney General a few moments rest. This ought to ensure that persons always have ready access to service of documents on the Crown in order to start their actions pursuant to this bill.

Mr. Speaker, I move second reading of Bill No. 37.

MR. J.G. LANE (Qu'Appelle): — Mr. Speaker, with the way this government has been sued, I don't know why you didn't just set up a postal box and let everybody send it in rather than . . .

SOME HON. MEMBERS: — Hear, hear!

MR. LANE: — . . . going through the procedure. I'm wondering if the Attorney General could advise us why he simply didn't follow the normal service procedure set out in the rules dealing with corporations and make that applicable to The Proceedings against the Crown Act where we could just serve any person at the particular office of the Attorney General. The same thing applies for corporations. I'm sure the Attorney General is aware of it and I think that would have solved the problem.

MR. ROMANOW: — Thank you. Mr. Speaker, there was a number of alternatives available to the department in considering it. On balance, there's no significant reason why we chose this other than the fact that the deputy felt we would be able to achieve more flexibility and more service to the public, if I can put it that way, by simply designating a string .. (inaudible interjection) .. No, this will be a fairly extensive string and I think all you have to do is just serve it on — not virtually any solicitor, don't get me that wrong — but it'll be fairly easy. It was just a judgment call. We felt rather than doing it the other way around, which had some problems too, we'd go this way. We'll see how it works.

Motion agreed to and bill read a second time.

HON. R. ROMANOW (Attorney General) moved second reading of Bill No. 48 — **An Act to amend The Provincial Court Act.**

He said: Mr. Speaker, again, I think this is in the category of a housekeeping amendment. The amendment to section 32 of The Provincial Court Act is of a fairly limited application but you will note that a few years ago, we enacted a brand new provincial court act. What this amendment does, is ensure that pension benefits established by that act are made available to all judges whose positions are slightly different as a result of previous pension plans now made obsolete, if I can put it that way, through the passing of the new Provincial Court Act. There is at least one judge, there may be more, but at least one judge who has been contributing to The Public Service Superannuation Act prior to the enactment of The Provincial Court Act. This section allows the judge to receive a refund of contributions, if he chooses to remain part of the judges of the Provincial Court Superannuation Fund. I think we've done this in the past with respect to other judge cases, Chief Judge Boychuck; as an example, where he was involved in another pension plan.

Mr. Speaker, I move second reading of Bill No. 48.

Motion agreed to and bill read a second time.

HON. R. ROMANOW (Attorney General) moved second reading of Bill No. 53 — **An Act to amend The Vehicles Act.**

He said: Mr. Speaker, I'll deal with Bills Nos. 53, 54, 55 and 56 by the second reading notes under this particular bill, which bill is The Bill of Sale Act. These bills have

to be dealt with as a group. The amendments to each of these acts are similar in nature and are designed to accomplish similar results. Since late in 1977 the Central Registration Office using these services of the System Centre has been moving towards an automated system. Given the escalating volume of registrations and the complexity of the documents being registered, the need for accuracy and speed within the system could not be achieved under manual operation. The move towards computerization dictates certain changes in the governing legislation. The principle changes are as follows:

1. The authorization of statements to accompany security agreements.
2. The utilization of the statement as the basis for computerized updating and searching of the Central Registration Office records.
3. The Lieutenant-Governor in Council is given certain regulation-making powers which will facilitate the transition to computerization.

By requiring the secured party to indicate on a statement the kind of agreement, his or her full name and address, the full name and address of the debtor and the classification and description of the collateral, the use of a financing statement is, I believe, a major step forward in achieving both speed and accuracy which are also important. Using financing statements in the place of registered documents is a practice now followed in Manitoba and Ontario as part of their personal property security legislation.

AN HON. MEMBER: — Tory Manitoba and Tory Ontario.

MR. ROMANOW: — Yes. In Saskatchewan a test users group composed of both legal and business members reviewed the new system and the financing statement prior to implementation. The changes in the registration system and the computerization of the registration office are designed to accommodate these new developments and to achieve those two objectives of speed and accuracy. Mr. Speaker, I move second reading.

Debate adjourned.

HON. R. ROMANOW (Attorney General) moved second reading of Bill No. 61 — **An Act to amend The Legal Profession Act.**

He said: Mr. Speaker, pursuant to the provisions of section 53 of The Legal Profession Act, the governing body of the Law Society of Saskatchewan maintains a committee of their members known as the Discipline Committee for the purpose of enquiring into and determining any matter of complaint against a representative of the Law Society of Saskatchewan. Matters pertaining to questions of professional misconduct or of conduct unbecoming a solicitor are considered by this committee.

The committee is also responsible for enquiring into allegations of defaults in the payment of money received by a barrister and solicitor and also allegations of violations of the provisions of The Legal Profession Act or rules or by-laws.

The existing act limits the members of the Discipline Committee to five in number. The benchers of the law society have requested that consideration be given to the amendment of the act, extending the numbers of the Discipline Committee, because it

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is becoming more and more difficult for a committee of five to attend to the volume of its work, especially where its members are located at various centres through the province and must be drawn from busy practising solicitors.

The amendment will allow the governing body of the society the freedom to appoint as many of the members of the society as is considered necessary so that this important responsibility and function can be attended to expeditiously, more expeditiously perhaps than in the past, and thereby benefiting and protecting the consumer of legal services.

In addition to the amendment to section 53, I have recently received from the benchers of the law society, a resolution requesting an amendment to section 10 of the act, which would recognize an existing situation which is of great benefit to the profession and that is the practice of inviting the Dean of Law to the meetings of the governing body, in order that his expertise in the law and involvement with the legal education is available to them.

The amendment would provide that the Dean of the College of Law of the University of Saskatchewan be an ex officio bencher. While ex officio members of the bench do not have a vote, the appointment would recognize the assistance which is afforded to the benchers by the participation of the Dean of Law in the deliberations.

It has been the practice of the benchers to invite the Dean of Law to attend many of their meetings and I have no hesitation in accepting this recommendation from the benchers and in presenting this amendment.

Mr. Speaker, I move second reading of Bill No. 61.

Motion agreed to and bill read a second time.

The Assembly adjourned at 4:58 p.m.