

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session — Nineteenth Legislature

April 25, 1979

The Assembly met at 2 p.m.
On the Orders of the Day.

WELCOME TO STUDENTS

HON. J.E. BROCKELBANK (Saskatoon Westmount): — I would like to introduce to the Legislative Assembly a group of 45 Grade 8 students from Westmount public school in Saskatoon. As you may have guessed, they are in the constituency of Saskatoon Westmount which I have the honor to represent.

They are accompanied today by 3 people — Mr. Toles, Mr. Gallagher and Miss Street. I am looking forward to the opportunity to meet with the students and their teachers later on to discuss any questions that might arise with regard to the question period today.

I know that all members will join with me in welcoming these students from Saskatoon to the Legislative Assembly, and wishing them a safe journey back to Saskatoon.

HON. MEMBERS: Hear, hear!

HON. D.W. CODY (Kinistino): — Mr. Speaker, it gives me a great deal of pleasure today to introduce to you and to the members of the Assembly 18 students seated in the west gallery. The 18 students are here from the Kinistino High School. They are Grade 12 students and they are accompanied here by two people, their teachers, Richard Friesen and Guy Gratias. I am sure that all hon. members will join with me in wishing that they have a very good day in the legislature, a very educational day in the legislature. I as well as yourself, Mr. Speaker, will be meeting with the students a little later on for questions. I hope that after they have witnessed the proceedings of the House they will have a great time in the city of Regina and have a good journey back to Kinistino.

HON. MEMBERS: Hear, hear!

MR. J.G. LANE (Qu'Appelle): — Mr. Speaker, it is with a great deal of pleasure that I introduce to the Assembly 27 Grade 8 students from Stewart Russell School in the Glencairn subdivision of Regina. They are accompanied by Alice Henderson. I would like to advise the Assembly, Mr. Speaker, that they have one of the finer, I believe, debating programs of the schools led by Alice Henderson. I had the honor to be invited to participate last year and I understand it's being proceeded with again this year. They are a very active and interested group, Mr. Speaker. They are seated in the east gallery. I know we wish them all an interesting afternoon and we thank them for coming.

HON. MEMBERS: Hear, hear!

MR. G. TAYLOR (Indian Head-Wolseley): — Mr. Speaker, I'd like to introduce to you and through you to this Assembly 19 members of the Grade 12 class from the Broadview High School seated in the east gallery, and their teacher, Mr. Mike Pitzel. I'd like to point out at this time that Broadview was the one high school in the Indian Head-Wolseley constituency under the guidance of Mr. Pitzel that invited all three candidates to speak to his students. I think you should be congratulated for taking this stand, Mr. Pitzel. I hope you have an enjoyable day here today, enjoy the proceedings of the House. I'll be

meeting with you after the oral questions for pictures and some refreshments. Of course, I hope you have a safe trip home.

HON. MEMBERS: Hear, hear!

QUESTIONS

SALE OF GOLDEN ACRES MOTEL

MR. W.C. THATCHER (Thunder Creek): — Mr. Speaker, question to the minister in charge of SEDCO. Mr. Minister, from time to time the subject of the Golden Acres Motel in Moose Jaw has come up in this Assembly. Mr. Minister is it true that a gentleman by the name of Marshall Eliuk of Peace River, Alberta has taken an option with SEDCO to purchase Golden Acres Motel for the price of \$450,000 and has presented SEDCO with a cheque for \$45,000?

HON. N. VICKAR (Minister of Industry and Commerce): — Mr. Speaker, the hon. member is partially correct.

MR. THATCHER: — Mr. Minister, perhaps in the supplementary you could elaborate on what portion is not correct. However, Mr. Minister, since the court records of January 17, 1977 indicate that the principal and interest charges against Golden Acres at the time they went into receivership were \$509,363 and since the interest meter has since been running approximately 27 months, it is now obvious that the people of Saskatchewan and SEDCO will take a loss of at least \$175,000. Since this is now clearly established, would the minister tell this Assembly whether or not, in light of this loss, that the personal guarantees which are on record in this Assembly and in Crown corporations as indicating do exist, will now be caused to cover this loss?

MR. VICKAR: — Mr. Speaker, I think the hon. member is making an awful lot of assumptions. I have said before and I will repeat again that nothing will be disclosed until such time as Golden Acres is completely disposed of. At that time, everything will be disclosed in Crown corporations.

MR. THATCHER: — Supplementary question, Mr. Speaker. Mr. Minister, (and I would direct this supplementary to the Minister of Highways (Mr. Kramer) if he were present, is it true that in this deal and the package to Mr. Marshall Eliuk of Peace River, Alberta, that Mr. Eliuk has been granted by the Department of Highways in conjunction with SEDCO, direct access from the Golden Acres property directly onto the Trans-Canada Highway, something which was previously denied to the initial owners. Would the minister tell us, in this arrangement which has been made (which I believe Mr. Eliuk will stand behind), precisely who will pay for this access? Will it be the Department of Highways? Will it be Mr. Eliuk and what will be the costs since this has already been worked out?

MR. VICKAR: — Mr. Speaker, assuming that the hon. member is partially correct in this instance, I can't speak for the Department of Highways nor do I like the hon. member's type of questioning. It might interfere at the end with the sale of the Golden Acres property. I would like to recommend to the hon. member, if he would, please refrain from using that completely negative approach with the sale of that property.

MR. SPEAKER: — Order, I'll take a new question.

GOLDEN ACRES

MR. THATCHER: — Mr. Minister, on the occasions in this Assembly since Golden Acres has been brought up in the question periods, isn't it true when you announced the sale of Golden Acres on March 28 that you were not in fact announcing the sale; you were announcing an option? Isn't it true that you did not tell the truth on that occasion when you indicated that it would be sold and the details announced on April 19? Again, isn't it true that you were not telling the truth yesterday in this Assembly when you changed it, saying that the sale would be announced on May 30? Again, that was inaccurate. Mr. Minister, how many inaccuracies must we have before we can expect some sort of action on your part? Mr. Minister, you have said in this Assembly today that I am partially incorrect. Would the minister finally have enough nerve to stand on his feet and tell me where I am on this?

SOME HON. MEMBERS: Hear, hear!

MEDICAL AGE OF CONSENT

MR. E.A. BERNTSON (Souris-Cannington): — This morning I phoned MCIC (Medical Care Insurance Commission) inquiries and asked for a breakdown of my annual MCIC statement to which they replied we can provide that, but anyone in your family over the age of 13 will get their breakdown under a separate cover. Can you indicate to this House under what legislative authority MCIC can withhold information about my 14-year-old daughter as it relates to health care in Saskatchewan?

HON. E.L. TCHORZEWSKI (Minister of Health): — Mr. Speaker, I don't know who the member spoke to in the Medical Care Insurance Commission, but it has been my experience that indeed, that kind of information is provided. There are numbers of people . . . (inaudible interjection) . . . if the Leader of the Opposition (Mr. Collver) will wait a minute, I will finish the answer and he might be informed. There are quite a large number of people who write to the Medical Care Insurance Commission and indeed, to my office as a result of the statements which we have sent out last year and this year indicating the amount of expenditures made on their behalf because of certain health care services. Those people, some of them have inquired about the breakdown of the kind of services they have received and that has been provided. If the member wants to speak to me about his particular case at any time today, I certainly will check into the situation which he raises because I'm sure it's available.

MR. BERNTSON: — Mr. Speaker, supplementary. The fact is that MCIC has indicated to many who have called that anyone over the age of 13 will get the breakdown under a separate cover. Bearing in mind that in recent days, you, in this House, have said you do not intend to bring in any legislation to reduce the medical age of consent, would you not agree the reason you've been able to say that is the medical age of consent under MCIC policy is now effectively 13 years of age? What legislative authority have you got?

MR. TCHORZEWSKI: — Mr. Speaker, I want to first of all say the member in his question is doing nothing less than trying to deliberately mislead the public with that kind of statement. Mr. Speaker, that is not the policy of the Medical Care Insurance Commission. That has got nothing to do with the inquiry he made and in light of the kind of questioning he is pursuing, I doubt very much whether he made the call. But nevertheless, I shall check that. I will give him, Mr. Speaker, the benefit of the doubt because you have to give the Conservatives an awful lot of doubt. If he would be so good as to, as I said earlier, indicate to me what is precisely the information he wanted, I

will talk to the Medical Care Insurance Commission and I will see that information is provided to him.

MR. BERNTSON: — Mr. Speaker, on a personal point of privilege, I would ask that the minister withdraw the remarks as it relates to whether or not . . .

MR. SPEAKER: — Order, order.

MR. BERNTSON: — Mr. Speaker, you'll not accept the point of privilege?

MR. SPEAKER: — I want to keep order in this committee. If the member wishes to ask me about a point of order later on, he can.

MR. BERNTSON: — Since Mr. Speaker won't entertain a point of privilege at this time, I will accept the source and just take it from there.

By way of supplementary, Mr. Speaker, I wonder if the Minister of Health (Mr. Tchorzewski) would instruct MCIC (Medical Care Insurance Commission) to provide information, as it relates to the breakdown of the annual statement of MCIC, to the parents of all those covered on their card and not just those under 13 years of age?

MR. TCHORZEWSKI: — Mr. Speaker, if it will make the member feel better I will accept the fact at his word that he indeed made the call. I don't want to start a debate on that particular question, and it's not really a matter of whether anybody was out of order, but if it will satisfy him I'll do that.

I will also undertake to take the suggestion he has made and the question he has asked to the Medical Care Insurance Commission and make an inquiry, and later this week or early next week I will get back to him personally and give him all the information he requests.

DISBANDING OF THE DEPARTMENT OF TOURISM AND RENEWABLE RESOURCES

MR. J.G. LANE (Qu'Appelle): — I'd like to direct a question to the last Minister of Tourism and Renewable Resources in the province of Saskatchewan. Can you, in light of the press announcements of yesterday that a proposal is before Cabinet to disband and do away with the Department of Tourism and Renewable Resources, advise this Assembly when the tentative date is for that particular practice and would you also advise the Assembly whether or not your resignation from that portfolio, previously announced, in fact had something to do with the desires of the government to do away with this department?

HON. A.S. MATSALLA (Minister of Tourism and Renewable Resources): — Mr. Chairman, in reply to the hon. member's question, I want to first of all state that the matter of government reorganization is always being discussed at one time or another with the government, particularly from the standpoint of providing better delivery of services to the Saskatchewan people.

For the hon. member to accept the announcement as gospel truth is far from accurate. I want to say that I indicated earlier that discussions with respect to government reorganizations are an ongoing thing and will continue with any government that is being progressive.

MR. LANE: — A supplementary, Mr. Speaker. In light of the minister's pointed refusal to deny the charge, would the minister indicate why the people of Saskatchewan should have confidence in your talk about government reorganization when this department is only five years old? And it indicates there was some pretty poor planning if you have a department, highly touted, only five years old, you're now deciding to do away with; so why should we have confidence in that type of planning and reorganization?

MR. MATSALLA: — Mr. Speaker, I don't think it's a question of poor planning at all. I think it's planning with the thought in mind of providing better services to the people of Saskatchewan. Again I say, reorganization in government should be an ongoing thing and this government which is broad-minded and open to the idea, will always accept the fact that reorganization is something that should always be kept in mind with a government that is going to provide the best kind of services to Saskatchewan people.

SOME HON. MEMBERS: Hear, hear!

MR. LANE: — With answers like that I would hope he would stay in the cabinet, Mr. Premier. But I think the minister will admit that the practice of this particular study under Mr. Mitchell, is highly irregular to say the least. First of all you say you have ongoing discussions and now all of a sudden the exception is that a deputy minister of a department (one of the worst ones), the department . . .

MR. SPEAKER: — Order, order! I think the member is getting into debate. I wonder if he could just get to the question?

MR. LANE: — My question is, you have had a deputy minister seconded for four months, you've by-passed the department of management improvement or the Budget Bureau, so you followed a highly irregular practice on your study in this case. Would you not now admit that in fact the removal and the folding up or disbanding of the Department of Tourism and Renewable Resources was planned for some considerable months and you were just putting the stamp of approval on it by using Mr. Mitchell and that it was probably contingent on your resigning and tied to your resignation?

MR. MATSALLA: — Mr. Speaker, the hon. member's assumption that the Department of Tourism and Renewable Resources is going to be disbanded, is premature and far from accurate.

LAKESIDE NURSING HOME - WOLSELEY

MR. G. TAYLOR (Indian Head-Wolseley): — Mr. Speaker, my question is to the Minister of Social Services (Mr. Rolfes). Have you changed your policies regarding the Lakeside Nursing Home in Wolseley?

HON. H.H. ROLFES (Minister of Social Services): — No, Mr. Speaker.

MR. TAYLOR: — Supplementary question, Mr. Speaker. As we have seen evidence of departments not informing their ministers of decisions being made, on the side opposite, is it possible, Mr. Minister, that someone in your department has changed this policy and has failed to inform you of it?

MR. ROLFES: — No, Mr. Speaker.

MR. TAYLOR: — Are you not aware, Mr. Minister, that there is a directive from your

department which is reducing Lakeside Home from a 70-bed nursing home (which you assured me in February that it would remain) to a 65-bed nursing home?

MR. ROLFES: — Mr. Speaker, I always tell the truth. It's synonymous with me, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. ROLFES: — But, Mr. Speaker, that's more than the member for Thunder Creek (Mr. Thatcher) can say about himself or his seatmate.

Mr. Speaker, I don't know what the member is basing his facts on. But, Mr. Speaker, I want to assure him that there is no policy change as it relates to the nursing home which he is referring to. I am not sure if the number of beds is 65 or 70 — if it was 65, they remain at 65. If they are 70, they will remain at 70. There is no change.

RICHERS REPORT

MRS. J. DUNCAN (Maple Creek): — Mr. Speaker, a question to the Minister of Social Services. In response to my question yesterday on the Riches Report you stated you were, 'not aware' that that is correct. Mr. Minister seeing that you commented on this report last Thursday in the Saskatoon Star Phoenix, were you deliberately misleading me or trying to evade the question?

MR. ROLFES: — Mr. Speaker, as I said, I don't mislead people. Mr. Speaker, that practice is foreign to me . . . (inaudible interjection) . . . Since I can't put up with the rivalry over there, my voice won't permit it today, I'll have to wait until there is some silence on the other side.

Mr. Speaker, I said to the . . . (inaudible interjection) . . . at least I had them at one time which is more than I can say for you . . .

SOME HON. MEMBERS: Hear, hear!

MR. ROLFES: — Mr. Speaker, this is the report the hon. member is referring to. When I was asked by the press in Saskatoon to make a comment on the report, I indicated to them that I had not gotten beyond page 5. Therefore, I didn't want to comment but if they had some general questions to ask pertaining to restraint policies as far as the federal and provincial governments were concerned I would be willing to answer some questions and that is what I did.

Yesterday the member also asked me a question as to whether or not a questionnaire was sent to the people of my department and whether or not they had answered those questionnaires. If she had gone through the back part of the report I think she could have gotten her answer. Yes, a questionnaire was sent out. Yes, some people did answer the questionnaire. I didn't get that far yesterday but I managed to look through it last night very quickly and I found the answers there.

MRS. DUNCAN: — Supplementary. One of the findings was the lowering of staff morale, yet you stated in the paper this was likely incorrect and you haven't found that. Mr. Minister, if the responses came from within your own department, how can you deny it?

MR. ROLFES: — It's not very difficult to deny, Mr. Speaker. The evidence shows otherwise. I think I have a high morale in the department and out in the field and I'm proud of the people who work for social services. What is indicated, Mr. Speaker, also in the report — as I skimmed it rather quickly and again I did not read the report in detail, I am not going to comment on the report in detail — what I will say in general terms (and I have said to the press in general terms), when you work in the area of social services or health or education and you directly work with people, you constantly are working under pressure and there is a burnt-out factor. I think the member for Indian Head-Wolseley (Mr. Taylor) indicated the other day in the House that if you are directly working with people, there is a burnt-out factor and I think we must be aware of and guard against that. In that regard, Mr. Speaker, yes, I agree that there could be some people who would want to get out of social services and move into some area where maybe the pressures aren't quite as direct and where they could preserve some of their energies in other fields.

MRS. DUNCAN: — A supplementary question, Mr. Speaker. As the report is critical of your department and points to serious problems in it, would you not agree then, Mr. Minister, that you as the minister, cannot handle or cope with the criticism and that in fact, you are unable to show any semblance of control over your own department?

MR. ROLFES: — Mr. Speaker, I really like those kinds of questions. I will let the people of the province decide as to whether or not I am a capable minister.

SOME HON. MEMBERS: Hear, hear!

MR. ROLFES: — Secondly, Mr. Speaker, I will let the Premier of this province decide whether or not I am a capable minister of the Crown.

Thirdly, Mr. Speaker, the report does not say, as she had indicated, that . . . (inaudible interjection) . . . well, his is about 155. Thanks very much, Mr. Speaker, the report does not bear out what she has indicated and I don't think the member has read the report. If she had read the report she knows that her accusations are not correct and therefore, I do not agree with her statement.

UNFUNDED LIABILITY - TEACHERS' SUPERANNUATION FUND

MR. H. SWAN (Rosetown-Elrose): — The other day I asked a question to the Minister of Education (Mr. Shillington) and before we got the answer the question period came to an end. I hope that isn't going to happen again.

During estimates you gave me a figure of \$675 million that was an unfunded liability in the teachers' superannuation fund. In a letter signed by you to the teachers in Martin Collegiate, you stated that the unfunded liability was \$725 million. It is a difference of \$50 million and I would like to know which one of the answers is closest. It seems that we are having some trouble with figures.

HON. E.B. SHILLINGTON (Minister of Education): — The letter to Martin Collegiate was written before we had our last actuarial study done. Previous to this March, the last actuarial study we had done, I would think, Mr. Speaker, would have been about 18 months ago. And so our figure of \$800 million which I was using in that letter to the staff of Martin Collegiate was an estimate.

In March of this year and after that letter was written, we had a further actuarial study done by Thomas Alexander Associates, and they came up with the figure of \$675 million, so that is the current figure. The figure of \$800 million is a figure which is out of date and in fact, was out of date when the letter was written. But it is the estimate we had.

MR. SWAN: — Supplementary, Mr. Speaker. The letter states \$725 million. It was a letter which you sent in April, dated April 4 and signed by you. It must have come out and should have come out with the same figure that you gave me in the House but doesn't. I am still wondering whether the figure should be \$725 million.

MR. SHILLINGTON: — I am not sure what the date of the letter was. The figure being used there was a figure which we had been using during the fall and winter and during the spring in our discussion with the teachers. I think that figure has now become out of date and the proper figure now is \$675 million. That figure is out of date.

INTERIM FINANCING FOR SASK POWER

HON. W.E. SMISHEK (Minister of Finance): — Mr. Speaker, on Monday last the member for Thunder Creek (Mr. Thatcher) asked why the line of credit by the Saskatchewan Power Corporation from the Chemical Bank has increased in 1978 from \$44.5 million to \$48.5 million in 1979. Mr. Speaker, under the original agreement of April 4, 1977, SPC arranged for a line of credit up to \$65 million (U.S.). Saskatchewan Power Corporation subsequently reduced the commitment by \$16.5 million (U.S.) Leaving a ceiling balance of \$48.5 million (U.S.), which is outstanding at this date. The amount has increased from \$44.5 million to \$48.5 million (U.S.) because of additional capital needs.

The increase has not occurred due to the currency difference as the hon. member tried to imply. Currency differentials only occur when you convert from one currency to a foreign currency. As this loan was initiated in U.S. currency and is outstanding in U.S. currency, there has been no conversion of U.S. currency to Canadian currency.

MR. THATCHER: — Supplementary question. Mr. Minister in answer to that question in a previous session of this Assembly you indicated that that original \$44.5 million was to purchase, I believe, a drag line or a machine similar to it. Have you not paid for this? Exactly what capital requirement has SPC done in the United States in the past year for only \$4 million. In other words, if it's capital what exactly have you purchased there for \$4 million?

MR. SMISHEK: — Mr. Speaker, now what we arranged for here was for a line of credit. In terms of permanent financing, in terms of paying off the \$48.5 million as I indicated to the hon. member, that amount is due by September 29, and permanent financing will be arranged. It is part of our capital requirements for the current year.

MR. THATCHER: — Supplementary question . . .

MR. SPEAKER: — Order!

STATEMENT BY SPEAKER

MR. SPEAKER: — Before orders of the day I have a statement which I would like to make.

Yesterday a point of order was raised to the effect that a member cannot rise in the Assembly before orders of the day in order to correct an article about him in the newspaper. The hon. member for Nipawin referred to Beauchesne's Parliamentary Rules and Forms, Fifth Edition, page 117, paragraph 332(1). That citation prohibits the quoting of a newspaper during debate which reflects upon a debate before the House. It should be noted that this citation refers to debate and is, thus, not applicable to the situation of yesterday. I, instead, refer all hon. members to Beauchesne's Parliamentary Rules and Forms, Fifth Edition, page 117, paragraphs 332(3), which states:

When a complaint is made of a newspaper, it is the practice in the House of Commons for the member to rise on a question of privilege and point out that he has been libelled or misrepresented. He may read as much of the article as is necessary to prove his case but he cannot go further. He is bound to confine himself strictly to the question of privilege.

This is from debates, April 5, 1933, page 3729. While this practice has not been widely used recently in this Assembly, it is a common practice in many other legislatures. The complaint raised yesterday by the hon. member for Moose Jaw South (Mr. Snyder) was in order. I do want to caution members, though, that a complaint can be raised only by the member who has been libelled or misrepresented by the media. The member must confine his comments to the specific correction to be made and must not enter into a debate on the point.

POINT OF ORDER

MR. R.L. COLLVER (Leader of the Opposition): — Mr. Speaker, I rise on a point of order arising out of today's question period. In so doing I just want to comment that it is a pity, Mr. Speaker, that that same ruling has been applied to us on our side of the House . . .

MR. SPEAKER: — Order, order! It is sometimes, very seldom allowed members to comment on the Speaker's statements. There is nothing that really puts a Speaker in a position that allows a member to comment because we get into interminable discussion from each side of the House about the Speaker's ruling. Why should the Speaker bother making a ruling? When he takes the time to bring in a citation, citing the rule I think that closes the matter.

Now, if the member for Nipawin has a new point of order I would be glad to listen to it.

MR. COLLVER: — I certainly do have a new point of order, Mr. Speaker. You have ruled in this Assembly before, on many occasions, that you must immediately, if you rise on a matter of privilege, you must immediately rise when the statement is made. You may not do so after question period; you may not do so later; you may not do so the next day. You must rise immediately.

MR. SPEAKER: — What is the member's point of privilege or point of order?

MR. COLLVER: — My point of order is simply this. Today, the member for Souris-Cannington (Mr. Berntson) rose on a matter of personal privilege. He said twice, on a matter of privilege. You pointedly called that a point of order which is not allowed during question period. I ask you, Mr. Speaker, is that not the rule . . .

MR. SPEAKER: — Order, order! I have had enough of the member for Nipawin misrepresenting what I said in this Chamber.

I think the member for Nipawin should just listen for one moment. Perhaps he can grasp the situation as it occurred earlier today.

Now, in this Chamber, I have to weigh the comments that are made by members and decide whether there is enough evidence to proceed on a point of privilege. If there is an obvious point of privilege there I will interrupt the question period or at any other time and so does any other member. But I weighed what the member had said and I felt, in my view, and I think the record will show it that there was not enough substance there to proceed with the point of privilege in the question period. Now, it happened that earlier in the day it was going the other way across the House. The member for Thunder Creek (Mr. Thatcher) was saying that the member for Melfort (Mr. Vickar) did not tell the truth and he said that at least three times. At that point, I decided there was not enough evidence there to interrupt the question period and bring the member for Thunder Creek to order because he was using unparliamentary language or language that should not be used in this Chamber. I think I applied the same rules to the member for Souris-Cannington (Mr. Berntson) as I did to the member for Melfort. I don't think any harm was done. If it's a serious point of privilege, I'll deal with it in the question period. But, I'm not going to allow the question period to be disturbed by what I consider to be frivolous points of privilege.

CONDOLENCES

HON. A.E. BLAKENEY (Premier): — Mr. Speaker, before the orders of the day, I would like to advise the House of the death this morning of a former member of the House, Samuel Norville Horner, who was a member of this House from 1929 to 1934, representing the Francis constituency and was a member of the Conservative Party. I simply advise the House of this and we have not had an opportunity to frame a proper motion of condolence. I do not expect to be in the House tomorrow or for a few days. I will ask my colleague, the House Leader, to have framed an appropriate motion of condolence and we can express our sympathy to the bereaved family. All members will know that the Horner family is a large family, they have been very active in the political life of western Canada and I know members would like to express condolences to the Horner family on the passing of Samuel Norville Horner.

MR. R.L. COLLVER (Leader of the Opposition): — Mr. Speaker, if I might, just before the orders of the day, since I also will be away for a few days, express my deepest sympathy to the Horner family for this loss. As the Premier has already mentioned, the Horner family has made a wonderful contribution to the political life not only of Saskatchewan, but of Canada. We may not agree with all of the Horners all of the time, but I know that everyone in this Assembly will want to pass along to the Horner family the deepest condolences, certainly of our caucus and of the entire Chamber.

SECOND READINGS

HON. G.T. SNYDER (Minister of Labour) moved second reading of Bill No. 99 — **An Act to provide for Compensation to Workers for Injuries sustained in the Course of their Employment.**

He said: Mr. Speaker, we have before us today a new Workers' Compensation Act. This legislation shifts the emphasis in permanent impairment as a result of work injuries from a pension based on medical rating of disability to a system of income maintenance.

Saskatchewan, Mr. Speaker, I believe, has always been regarded as a leader in the field of labor legislation and this legislation means that Saskatchewan I believe will achieve another first in Canada.

When the royal commission on worker's compensation was established in 1928, it found both workers and employers alike were dissatisfied with the common law system of compensation for work injuries. Workers found the common law system to be expensive and slow especially in the case of temporary disability. On the infrequent occasion when a worker was able to prove fault on the employers part settlements were usually small and the settlement was belated. The employers found that uncertainty as to liability, the financial strain, the embarrassment of a large settlement and the ill will and the distress that the common law system engendered between employee and employer made them dissatisfied with the system as well.

The unanimous recommendation of that 1928 royal commission established then the basic principles of workers' compensation that have endured until this day. Mr. Speaker, I want to take the opportunity to restate these principles at this time because they represent the core around which our compensation for work injuries is built. The royal commission concluded that workers' compensation should be a system of collective liability, administered by an independent board and funded by employer assessments. The decision to the board was to be on the real merits and the justice of the case and should not be bound to follow strict legal precedent. It was at this time the concept of collective liability was firmly established in workers' compensation. From these principles then our first system of compensation was built. It was in effect a social contract between the employers and their workers. Each gained the security they had both desired. These are also the principles around which our present compensation system is built. Our basic system is sound. It's one of the best in Canada, Mr. Speaker. Our income ceiling in Saskatchewan is \$20,000 a year — one of the highest in Canada — reflecting the prosperity of the people of Saskatchewan, the prosperity they have enjoyed over the past few years. Benefits to disabled workers and their families have been regularly increased to keep up with the rising living costs. The compensation board has been a national leader in its approach to industrial disease.

The changes made to compensation in 1974 have given us the most secure workers' compensation system in the entire Dominion of Canada. It is fully funded in a time when other costs are rising. There has been a lowering of assessment rates for several industry groups this year. Our system today is still based on the original premise of a no-fault system with collective liability among industry groups. As I stated previously our basic system of compensation is one of the best in Canada but we still feel there are further improvements that need to be made to the system. The year 1978 then saw the establishment of the workers' compensation review committee chaired by Judge Alastair Muir, which conducted a statutory review of compensation in Saskatchewan. The Muir committee have very thoroughly reviewed the workers' compensation system and suggested changes that, I believe, will bring our system into line with the present day realities while retaining the original principles that remain relevant today.

The committee found that the vast majority of people who are injured each year recover completely and are not left with any residual disability as a result of their work injury. However, some 600 or 700 people each year suffer work injuries which result in a permanent disability and these people are assessed by the compensation board for pensions. At present, Mr. Speaker, these pensions are based on a medical rating of disability. This means that for a particular injury the percentage of disability is the same

for everyone. For example, the loss of a leg at the knee results in a disability of between 35 per cent and 45 per cent regardless of whether the injured worker is an iron worker or a filing clerk. If the worker returns to his previous job then, although the individual suffers the trauma of losing a leg, he experiences no financial hardship. Such a worker may, in effect, even be better off financially because of the additional monthly compensation pension. If, however, because of the injury the worker has to seek alternate employment at a lower wage, then the person may suffer a very substantial financial hardship in spite of the monthly pension which he receives from the compensation board. In both of these cases the pension is based on a medical rating of disability and the percentage of disability will be the same for both workers.

The compensation board has some flexibility in these situations but the fact remains that for some injured workers our compensation does not provide adequate protection at the time when it is needed most. The Muir Committee then, Mr. Speaker, has recommended an alternative to our present system, that of a two-part system for compensation. This two-part system would protect an injured worker against income loss as a result of an injury and would also provide a recognition of permanent impairment as a result of injury. I am pleased to say that this concept had the support of both the labor representatives and the employer representatives on the Muir Committee. It's a concept with which my colleagues and I also agree.

Mr. Speaker, this legislation which is before us today proposes then to shift the emphasis for work injury from the present medical rating of disability to a system of income maintenance. This shift in emphasis will result in our compensation giving more adequate income protection to an injured worker during the time he is disabled and needs that protection the most. This legislation then ensures that a worker who experiences a loss of earning capacity, as a result of a work injury, shall be entitled to 75 per cent of his gross wage at the time of the injury. These benefits are bound by the maximum and minimum of compensation and will continue as long as the earning capacity continues or until age 65, whichever comes first.

These benefits will take into account any Canada Pension Plan, disability benefits and any earned income. There will also be an automatic adjustment annually, Mr. Speaker, to the pre-accident wage base in order to ensure that the standard of living is maintained and not eroded by inflation.

Let me give you an example to help illustrate this concept. Take the example of the general laborer who earns \$1,000 a month. We'll say he loses a leg in an industrial accident. He eventually returns to work but at a lower paying job of \$800 a month. His loss of wages then is \$200 a month. This man would receive 75 per cent of the difference in his loss of wages or 75 per cent of \$200 which equals, of course, \$150 per month in income maintenance from the compensation board. As his salary increase, his compensation benefits decrease. As inflation increases, his pre-accident wage base is increased.

In our society today, most people are eligible for a variety of retirement pension schemes at age 65. This legislation recognizes this fact and provides that at age 65, the income maintenance benefits cease and are replaced by pension maintenance. This provision reflects our belief that no individual should suffer a pension loss as a result of a work injury. To provide for this change, the board will set aside moneys which will be used to pay retirement pensions for those workers over 65 years of age who have been on income maintenance for a period of more than two years.

Specifically, Mr. Speaker, the compensation board will set aside 10 per cent of the compensation benefits being paid for those receiving benefits for more than 24 consecutive months. This money will be used to provide an annuity for the workers at age 65. Where it would be more beneficial, the board may pay such an amount to an already established superannuation fund. Moreover, Mr. Speaker, this legislation also recognizes that even though an injured worker may suffer no income loss as a result of a permanent disability, that worker has the right to have his permanent impairment recognized by the compensation board. To this end, this legislation directs the board to award a lump sum payment for recognition of a permanent, physical impairment which would be the same dollar amount for the same impairment. This lump sum would range from between \$500 to \$10,000 and would be in addition to any income maintenance benefits received.

To illustrate this point, let me take two workers, A and B. Both workers received the same work injury that results in a physical impairment. Worker A suffers no income loss while worker B has some income loss. Both workers receive the same lump sum payment for recognition of physical impairment. For worker A with no income loss, that's all he receives. For worker B with income loss, he receives both income maintenance benefits as well as the lump sum payment.

This legislation, Mr. Speaker, sets up a new minimum for compensation at \$505 a month for those totally unable to work because of their industrial injury. This amount is approximately 95 per cent or 90 per cent of the present minimum wage and we feel this represents a standard below which no injured worker in Saskatchewan should fall, in the event that the injured worker is totally disabled.

A maximum for compensation with a ceiling for 1979 is \$20,000 per year, one of the highest in Canada. Presently the ceiling is calculated by a regulatory formula. The members will know that this formula states that in any one year, if over 10 per cent of the workers who received compensation benefits that year earned over the maximum, the maximum must be increased by \$1,000 steps. This process continues until less than 10 per cent of the workers earned more than the maximum. This formula will be continued in the new legislation. It will continue to be used to calculate the maximum rate upon which compensation will be based.

Mr. Speaker, the Muir Committee had suggested that there be a review of all the pensions presently being paid to workers, in order that appropriate supplementary benefits will be provided. This legislation, while it follows the spirit of the Muir Committee report, goes one step further.

When these workers were injured and their pension was established in years gone by, they were given to understand that their pensions would continue for life. We naturally intend to honor that commitment. We also intend that these workers be integrated into the income maintenance system. To do this, we assume that the pensions the insured workers are receiving are based on the pre-accident income with some adjustment for inflation. After determining this pre-accident income the worker's case is reviewed and if there is an income loss he is eligible for supplementary income maintenance benefits. If there has been no loss the worker continues to receive his regular compensation pension. The worker receives whichever benefit is greater.

In this way, Mr. Speaker, we hope to apply the same concepts of income maintenance to our workers who have received permanent disabilities in the past. The benefits to the present, surviving, dependent spouse will also be increased, keeping in mind again the

principles of income maintenance. Here again, Mr. Speaker, we recognize and honor our commitment that these surviving spouses will receive no less than their present spouse's benefit level for the remainder of their lives.

In addition, spouses benefits will be supplemented by \$75 per month to age 65 or remarriage and by \$5 per month per child. Orphan children will receive \$135 per month.

Where it is more advantageous, the board may supplement the benefit to a surviving spouse, but to the proposed minimum compensation of \$505 a month, taking into account any Canada Pension Plan benefits and any compensation child allowances.

Occasionally, Mr. Speaker, situations arise where a worker has been severely disabled, and the worker's spouse is needed to care for him or her on a full time basis. As a result this House foregoes opportunities for employment in the work force during this period of time. If the disabled worker then dies from another non-compensable cause the spouse is then not eligible for survivor's benefits from the board and may also have a very great deal of difficulty because of age of returning to the work force at that time of life. This is inequitable and we have recognized it as being such. We therefore have included in this legislation the assurance that the spouse be afforded all available rehabilitation measures and the injured worker's pension be continued for one year after the worker's death for an adjustment period.

Mr. Speaker, I am pleased to say the most important recommendations made by the Muir committee have been included in this legislation. In some cases we have even gone one step further than the recommendation. However, there are some recommendations we are not implementing at this time. The Muir committee recommended that farm labor and teachers be covered under this act but both have been excluded by section 8 of the legislation. These groups have been historically excluded from compensation because of special problems involved in coverage for them, and of course, farmers will continue to be able to make application to be covered in a voluntary way. The board will continue to encourage this. The Muir committee also recommended that a vice-chairperson be added to the compensation board. I think it has to be said the three member board has worked quite well in the past and the government would like to take some time to review further this course of action before making any changes that might change the balance in a board that seems to be operating quite well at the present. So we would like to take some further time to consider this recommendation.

To assist workers in their recovery from injuries, the Muir report recommended a new rehabilitation facility to be built. Again, Mr. Speaker, this recommendation is under what I believe to be intensive review by the government, and we intend to consult all the parties that would be involved before making this decision. Under the Workers' Compensation Act 1974 all injuries covered by the act were specified when an appended schedule was attached to the act. The legislation instead, Mr. Speaker, specifies which industries are not covered. This change has been made for the sake of simplicity and so the public would find it easier to make use of the legislation. This does not change the industries which are covered or not covered by this legislation.

There's one further change we've made to the recommendation to the Muir committee. It was recommended that all future surviving dependent spouses receive benefits as if the deceased spouse had lived but had been totally disabled. Under the new system this

would mean the surviving spouse would receive 75 per cent of the gross income of the deceased spouse up to the maximum until the spouse reached 65 years of age. In most cases, surviving spouses are women. We did not feel this recommendation fully recognized the financial independence of many women today. Therefore, we've made some changes for dependent spouses. The shift in emphasis to income maintenance is continued for surviving spouses. The new legislation proposes that surviving spouses receive the full income maintenance benefits that the worker would have received for five years or until remarriage. This ensures that there is no drastic change in the family income at the time of a fatal accident and also allows the adjustment period for the family. After five years, these benefits may be reviewed annually. If there are still children under 16 years of age or if the spouse is unable to work, the benefits will continue. Thus, the board will be able to extend surviving spouse benefits as long as necessary to avoid any undue hardship resulting from the industrial fatality.

Here again, Mr. Speaker, there is a regular adjustment so the real level of benefits is not eroded by inflation. The spouse's benefits are again integrated with Canada Pension Plan survivor benefits and if there are no dependent children and if benefits are continued beyond five years, these will also be integrated with the spouse's own earning capacity. The compensation board will extend its complete counselling and vocational assistance programs to surviving spouses to help them become independent members of the labor force. Now, Mr. Speaker, I think this system then combines the best principles so that those spouses who cannot work or who have small children are adequately protected. Those spouses who are financially independent, however, will have an adjustment period, but no longer receive benefits when they no longer need them. The cost of the new income maintenance system has been carefully analysed, Mr. Speaker, and we are generally very confident that the new system will not be more costly than our present one. It will not result in any undue burden on employers and should not require any increase in assessment rates. Our board will continue to be fully funded and will maintain its present stable financial state.

In summary then, Mr. Speaker, this legislation places the emphasis on income maintenance for our compensation system. For presently disabled workers, their pensions will be reviewed and upgraded according to the loss in earning capacity that they have experienced. For present surviving dependent spouses, the benefits will be increased by \$75 a month or in some cases to the proposed minimum of \$505 a month. For future workers, they will receive a lump sum payment for permanent physical impairment and where there is also a loss of earning capacity, income maintenance benefits as long as necessary. For future dependent spouses, they will receive benefits equal to 75 per cent of the gross wage of the deceased worker up to the maximum for five years or until the youngest child is 16 years old or until the youngest child is 21 if the child is still in school. All income maintenance benefits will be integrated with Canada Pension Plan benefits and any earned income will be adjusted regularly to stop the erosion by inflation.

It is, therefore Mr. Speaker, with a great deal of personal pride and satisfaction that I have the opportunity to place this legislation before the Assembly. The innovative income maintenance system it provides will keep our workers' compensation system at the head of the list in the whole of Canada, I believe. Saskatchewan will continue to be a leader in labor legislation.

I am extremely pleased, Mr. Speaker, then to move that Bill No. 99 be now read a second time.

MR. R. KATZMAN (Rosthern): — Before the member takes his seat can I ask a question?

MR. SPEAKER: — Will the member permit a question before assuming his seat?

MR. SNYDER: — Yes, but I think the appropriate time would be in Committee of the Whole.

MR. KATZMAN: — You just didn't make one thing clear in your presentation. Will this be back dated for those on compensation or not? Will those that are presently on compensation — will these new rules affect them or are they on the old system?

MR. SNYDER: — I tried to indicate during my second reading remarks, Mr. Speaker, that there would be a case by case review and in each instance there will be a formula which will be applied in order to take into consideration earning benefits or income protection loss during the intervening period of time. So past pensioners, past injuries will be acknowledged and will be integrated into the income maintenance system envisaged in the legislation.

MR. KATZMAN: — Mr. Speaker, the critic for labor in our caucus has had a death in the family and therefore, the minister was aware that he wouldn't be here to respond. The minister won't be here another day to bring it on so the agreement was that he would do it today and I would adjourn it.

I would like to make one or two comments before I adjourn. I am glad to see the minister is looking backwards to people who have been on compensation in the past and will review them on a case by case basis. There are many individuals — where a clerk may lost a left hand and he is a right handed person and yet a workman who works with his hands, out in construction if he loses his left hand is really in trouble to lose his income . . . This bill will consider that type of problem.

I am pleased to note that the minister indicates, if a person is making a certain income and because of his injury is able to go back to work but at a lower income and a different style of living which he will be forced into because of the permanent injury, that the workers' compensation will fund him approximately 75 per cent of the difference of what he is losing because of the injury which he has received.

As we all know, with workers' compensation to a workman who has been injured, it is very, very important that he is totally dealt with fairly and given a good hearing.

I would suggest to the minister that he suggest to the people in the workers' compensation department that they make sure they make literature available to both the unions and the employers when this bill comes into effect so that everybody will understand it and there will be as little as possible misunderstanding of what the real benefits of the bill are. Mr. Speaker, because Mr. Andrew wishes to reply in length, I would beg leave to adjourn debate on this motion.

Debate adjourned.

HON. R. ROMANOW (Attorney General) moved second reading of Bill No. 93 — **An Act to amend The Ombudsman Act.**

He said: Mr. Speaker, I move second reading of The Ombudsman Act which correlates the ombudsman's salary to be that consistent with the judge of the provincial

court of the province of Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

MR. KATZMAN: — I would like to indicate to the member moving the second reading that we agree totally with the concept you are using for the ombudsman's wages.

Motion agreed to and bill read a second time.

HON. R. ROMANOW (Attorney General) moved second reading of Bill No. 98 — **An Act to amend The Expropriation Procedure Act.**

He said: In 1968 The Expropriation Procedure Act provided for a unique situation in expropriation law that was a requirement that before any step could be taken to expropriate land, the expropriating authority must first make a reasonable endeavor to acquire the land by purchase from the registered owner. That was made a condition precedent to a valid expropriation. This did differ from the 14-day notice suggested by the special committee in its report of December of 1967.

In expropriation matters it is always most difficult to protect the individual's interests and rights while at the same time recognizing the needs of an expropriating authority to acquire property at a price which is in accord with the market and at a price which is not duly affected by the speculation which may arise due to the project giving rise to the expropriations.

The problem, Mr. Speaker, which we are attempting to solve in these amendments arises from the uncertainty existing in determining what is a reasonable endeavor. We do not wish to alter that concept of reasonable endeavor but where the finding is that that element is lacking, the current legislation results in a substantial escalation, or at least could result in a substantial escalation of value placing, thereby putting an undue burden on the public purse and perhaps giving an undeserved windfall to the owner. Mr. Speaker, to solve the problem it is considered more just and equitable not to void the expropriation with its resulting uncertainties and potential windfalls but to penalize the authority doing the expropriating, where, in a court's view of the facts and circumstances, that authority fails to meet the statutory prerequisite. That penalty is listed in this amendment to be 10 per cent of the value of the land expropriated, together with such actual expenses, costs and disbursements that the court feels to be reasonable.

In my judgment that appears much more equitable in the current situation which would allow substantial increases in value where an expropriation is voided and also does not require the whole process of expropriation to be re-instituted on some subsequent date.

There are some other amendments, Mr. Speaker, but I think they can be summarized as follows. The amendments are necessary to avoid the uncertainty that any particular expropriation maybe upset months or maybe even years later, to avoid the problem of inflated costs to a project because of a new expropriation date, to avoid time delays on a public project, and to ensure that all owners receive equitable treatment by ensuring the same valuation date.

The purpose of the proposed amendment to section 49 is to ensure that lands expropriated are valued on the basis of fair market value without regard to the purpose

for which the property was expropriated. The amendment provides that the value of lands expropriated will not be affected by the expectation of the project, where such expectation has increased or decreased the value of the land. This could also occur where the proposed location of deleterious public work is presumed or announced sometime in advance of expropriation and the value of the land is adversely affected by the inquiry. Similar provisions are found in expropriation statutes right across Canada.

Two other amendments must be mentioned. I think they are basically routine. Section 41 currently only allows the payment of money into court where the money has been awarded in an action under the act. Often the total amount to obtain a settlement can be agreed upon but the division by the owners cannot. The amendment will allow payment into court and a determination of the value of respective interests, even where there is no need to have a court determine the amount of the compensation to be paid by the expropriating authority.

The addition of new section 49, subsection 1, is strictly to allow all persons involved in expropriation to ascertain the date on which notices have been served for the assistance in the calculation of time periods running under the act.

Mr. Speaker, I move second reading of Bill No. 98/

MR. LANE: — I would like to reply to the Hon. Attorney General and indicate why we are opposing this particular piece of legislation. I indicate as well at the outset that my knowledge of the fact stems from my involvement on behalf of a client. I would like to keep it on a general matter and advise hon. members of the Assembly exactly what is happening with the particular bill.

We were somewhat unique in our expropriation procedures in that we required the expropriating authority to, 'make reasonable endeavor to acquire by purchase before they, in fact, expropriated.' I would like to say that in this province many of those representing particularly rural areas know the lengths to which Sask Power goes when it attempts to get easements for power lines. We all know the lengths to which Sask Tel goes in dealing with farmers and rural people when they attempt to get easements for telephone lines. They go out of their way to try and solve the problem and come to some amicable settlement. They take sometimes years in dealing with the farmers. The reason is that it is in the government's interest as well as the public's interest to have the expropriating authority go out and deal with the individual who is having a very basic right (the right to own land) taken away from him. That obligation was put there seriously and it was put there for a reason. That was to avoid and to prohibit government agencies from merely going up to an individual and taking away his right to own land. It was there fairly and it was there, as I say, to protect the very basic right.

What happened? Because of the urgency and because of the rush and I suggest because of undue haste, in Sask Tel's procedures and the Cornwall development, it went out very rapidly, acquired land and served notices of expropriation on a substantial part of downtown Regina within one month of the decision being made by cabinet to proceed with downtown development. Now that was completely contrary to the practice being followed by government service, by Sask Tel itself, when dealing with Sask Tel easements. It's certainly contrary to the practice followed, as most of you know, by Saskatchewan Power, and certainly contrary to the practice followed by the Department of Highways.

I say to the Attorney General when he talks about windfall profits or windfall benefits

accruing to the landholder because the expropriating authority didn't follow the proper procedure or didn't make a reasonable endeavor, it is, I think, a very unfortunate term being chosen by the Attorney General. It's not a windfall benefit to the owner. It's a penalty to the expropriating authority for improperly dealing with the very basic right to own your own land. That's a penalty worth, I think, and I think all members will agree, its weight in gold, to use the phrase, so that right is in fact protected and is invaluable.

I say that taking away that right and putting a limit on it is going to make it easier, I warn all members, for anybody, Saskatchewan Power, the Department of Highways, Sask Tel or anybody, to deal with the farmers in your area in taking away their land. I don't think that's a wise practice and I don't think it's a good practice. I think the government opposite, if Sask Tel, the Department of Highways and SPC decide to modify their policy now because of the changes in this act, will rue the day when this change is being made. I suggest to you that it's not a good practice. It's a dangerous policy. I don't think it's necessary. I suggest to the Attorney General that to use the unfortunate phrase 'windfall benefits' is deflecting from the very issue and that is, it's up to the courts to decide what is a reasonable endeavor to acquire by purchase. It's up to the courts to decide what is a reasonable endeavor to acquire by purchase. It has been a long-standing protection for the public, a protection which I think is being taken away. What we are seeing is the government moving to protect either a hastily implemented policy or a poorly implemented direction to expropriate land. I say to you that this is inherently dangerous. We are opposing this particular piece of legislation. We say it is very unwise. We are not intending, however, to prolong debate on this bill. We say to you, you will rue the day you brought these changes in.

Motion agreed to on division and bill read a second time.

HON. A.S. MATSALLA (Minister of Tourism and Renewable Resources) moved second reading of Bill No. 100 — **An Act respecting the Protection of Wildlife.**

He said: Mr. Speaker, the 1970s has produced changing demands and changing emphasis in the field of wildlife management. Up to now, the legislative base for wildlife management and conservation in Saskatchewan has rested in The Game Act and in The Fur Act. These acts date back to 1930 when jurisdiction over natural resources was transferred from Canada to the provinces. They have become antiquated. There are several provisions which are completely outdated and extremely cumbersome and, in fact, are contrary to modern wildlife management principles.

Let me give the House some examples. The Game Act provides for the protection from poison, traps and snares for game animals only. All other animals, not classified as game, are not afforded protection from the sometimes inhumane and unnecessary practices. In fact, Mr. Speaker, under The Game Act my department is able to extend very limited protection to the non-game wildlife species of any kind. This is particularly difficult for us when we are confronted with the need to protect rare or endangered non-game animals such as the peregrine falcon, the black footed ferret, or the kit fox.

Under The Game Act, only the nests and eggs of game birds are protected. The nests of other birds such as hawks, owls and pelicans and the eagle, are afforded no protection whatsoever. I believe that it is critically important that the nests and eggs of these rare and beautiful birds must be protected if coming generations are to have the opportunity to enjoy them.

The Game Act provides for control over the sale of game meat, but not over other valuable parts of the game animal, such as the hide, claws and antlers. I believe that in an age where wildlife resources and wildlife habitat are rapidly depleting, the disposition of all parts of legally-taken game animals should be closely monitored.

The present game act has no provision to protect people from careless hunters. Under The Game Act, we can take no legal action against someone carelessly using a firearm until that person has actually caused injury to himself or to another person. I think we should have some legal authority to act to prevent firearm accidents, rather than to act only after the tragedy of injury or death has occurred.

Perhaps the area of the existing game act where the provisions are the most antiquated is that of hunter-landowner relations, and the liability of hunters and landowners when an accident or injury occurs to a person who is hunting on private land. Under the provision of The Game Act, in such a situation, the landowner could be held responsible for injury to anyone hunting on his land. I am convinced that this is somewhat unfair to the landowner, since the hunter uses the land of his own free will, and often without the knowledge of the landowner.

Mr. Speaker, these are some of the areas where the existing legislation is inadequate, where it is antiquated, or where it is cumbersome to work with or enforce. In my opening remarks I mentioned also that in some areas the game and the fur acts were inconsistent or were contradictory.

Let me give some examples:

The Fur Act restricts the hunting of foxes and coyotes in the northern fur conservation area, except by registered trappers in that area. The Game Act makes no such restriction. Taxidermists are required to have a permit under The Fur Act, but no permit is required under The Game Act.

The Game Act states that to be classed as a resident, a person must hold Canadian citizenship and have resided in Saskatchewan for at least two months. The Fur Act requires a residency period of at least two years.

Persons convicted of a violation under The Game Act are automatically restricted from hunting for a period of one year — three years where the conviction is for night hunting. Persons convicted of similar violations under The Fur Act lose their current licence only.

I am sure the House will agree that there is a strong need to update the legislation and to bring it into line with the wildlife management and conservation practices of the 1980s, and that the need is just as strong to consolidate it, modernize it and make certain that it is consistent.

Mr. Speaker, this bill, in my view, does an excellent job of responding to these needs on both counts.

Let me give the House some of the highlights of the bill — those which address the issues I have just raised and others which break new ground in wildlife management and conservation.

The meaning of wildlife, as it is defined in section 2, subsection (aa), has been

broadened to include all wildlife species, not just game animals. This broadening of the term will enable us to protect rare and endangered species, a problem I mentioned earlier. It is also expanded to include imported and exotic wildlife. While my department has up to now not been required to exercise any control over the sale of imported animals such as monkeys and parrots for pets, those animals are becoming increasingly rare in their own habitat and it is likely that we may be called upon in the near future to ban the sale of certain rare species as part of an international conservation measure.

The House, Mr. Speaker, should also note that authority to protect wildlife species rests in the regulations under the act. This will enable my department to act quickly and effectively if it becomes evident that measures must be taken to protect an endangered or rare species.

Mr. Speaker, section 21 addresses the problem of careless hunting practices which I mentioned earlier. It should be noted that the bill clearly states that while hunting,

A person who discharges or causes to be discharged or handles a firearm without reasonable consideration for persons or property or without due care and attention is guilty of an offence.

I believe that this provision will afford the people of Saskatchewan excellent protection from careless hunters and it gives us the authority to act before the tragedy of a firearm accident occurs.

Mr. Speaker, while we are on the subject of careless hunting, I want to take a few moments to discuss my department's record and some of my views on firearm safety and on careless hunting. We recognize that careless hunting and handling of firearms can be extremely dangerous and that the deaths and injuries those careless practices cause are tragic and could be totally avoidable. It is with this belief in mind that this new provision, designed to stop careless hunting practices before the tragedy occurs, was included in this bill; but we have taken other initiatives, Mr. Speaker. We have extensively publicized the necessity for responsible and careful hunting practices and handling of firearms and we have strongly encouraged hunters and firearm users to take advantage of our firearm safety program. In fact, last year we increased funding to the firearm safety program substantially. We increased the grant per graduating student from \$1 to \$3. We increased the annual grant to the Saskatchewan Wildlife Federation for administration and promotion of the program from \$1,000 to \$4,000.

Mr. Speaker, this increased funding has yielded immediate, positive results. During 1978, a total of 6,415 Saskatchewan residents graduated from the program. This is an increase of 2,269 students or 54.73 per cent over 1977.

Let me give the House some figures on firearm accidents. In 1960, there were 106 firearm accidents reported. Fourteen of these were fatal. In 1977 there were 67 firearm accidents reports; 8 of them were fatal. In 1978, 59 accidents were reported and only 4 were fatal. Since 1960 the firearms safety program has graduated 65,630 students. Only 88 of these graduates have been involved in firearm accidents. Mr. Speaker, these figures are solid proof that the voluntary firearms safety program is working and it is working well.

Mr. Speaker, the bill provides for greater penalties for offenders, specifically, the maximum penalty under the bill stands at \$1,000. This is doubled from \$500 in the

existing Game Act and Fur Act. The minimum penalty is removed. This brings the proposed legislation in line with other legislation and permits magistrates to use discretion when imposing penalties. The only exception to this rule is that of night hunting. I think we all agree that this is a particularly dangerous offence and worthy of higher penalties. The minimum fine for night hunting is \$500 and the maximum is \$2,000.

Mr. Speaker, perhaps the most important provision in this bill is section 38. This section deals with the often controversial issue of hunting on private land. My department and I have considered very carefully the varying points of view in this issue and I am convinced that section 38 is a fair compromise. Under The Game Act and The Fur Act land owners were required to post signs of a specific size at specified locations on posted land. This was often cumbersome, expensive and time consuming for the landowner. While section 38 still sets guidelines for posting land, no hunting and no shooting, it also sets out a procedure where landowners, by providing reasonable notice, can set out instructions to hunters wishing access to the property. Such instructions might cover hunting methods, use of vehicles, and so on. The term 'reasonable notice' means that signs are not required to be placed at specific locations and in locations where they will be clearly legible and visible by hunters, taking into account such factors as the type of terrain, number of access roads, and so on.

As I mentioned earlier, I believe that section 38 is a fair compromise. We recognize that some landowners would be satisfied only if we introduced legislation which flatly prohibited hunting on all private lands except by permission. While legislation of this type must have some benefits it must be remembered that it is often very difficult for a hunter to locate landowners particularly those whose holdings may not be near their farm homes or those who do not reside permanently upon their farms. Legislation of this sort would restrict hunting activity to the point where the future of the sport might be in serious jeopardy.

I believe a combination of the new provisions in this bill and promotion of good hunter ethics and hunter-landowner relations will foster the development of a healthy respectful and co-operative relationship between hunters and farmers in Saskatchewan.

Mr. Speaker, another area I mentioned earlier was the question of liability should an accident, injury or death occur to a person while hunting on private land. This whole area is subject to some uncertainty as to liability on the part of the hunter and the landowner.

While it has never been tested thoroughly in the courts, there is a possibility that under the existing legislation the landowner could be found responsible should a hunter meet with an accident while hunting on unposted land.

To settle this issue we incorporated section 39 into the bill. Under section 39 the responsibility rests fully with the hunter in such a situation. The only obligation upon the landowner is not to deliberately create a danger which could harm a hunter. I believe this provision is fair and equitable to hunters and to landowners.

Mr. Speaker, in my opening remarks I noted there were inconsistencies between the game act and the fur act. This bill will remove those inconsistencies either through the provisions in the bill itself or in the regulations.

I want to discuss another area which the bill covers and which might come under questioning by the members opposite. Section 65 calls for the repeal of the wolf and coyote bounty act.

In the past, wolves and coyotes have caused problems, particularly to farmers, but now, Mr. Speaker, the numbers of these animals and their natural habitat have been reduced so greatly that the damage they cause is no longer a widespread problem. I think the House will agree the bounty incentive on these animals, particularly for wolves, which are now quite rare in Saskatchewan, is outdated and is viewed unfavorably by the general public, particularly from the standpoint of inhuman hunting practices and the high value of the animal's pelts. However, Mr. Speaker, should wolves, coyotes or any other species of wildlife ever cause serious problems, the bill includes provisions whereby control measures can be implemented.

Mr. Speaker, in drafting this legislation my department and I were ever mindful of what I consider to be the biggest challenge that will face wildlife and wildlife managers in the 1980s. That challenge, Mr. Speaker, is maintaining adequate wildlife populations on a continually decreasing wildlife habitat. With the increasing economic pressure upon farmers to expand their acreage and to farm more intensively, the destruction and clearing of natural wildlife habitat is inevitable. As that natural habitat is depleted the onus will be upon my department to maintain wildlife populations and to develop sufficient natural habitat areas.

Mr. Speaker, we are meeting this challenge in a number of ways. With the wildlife development fund we are purchasing land which is of marginal nature. The land is carefully evaluated and developed and managed to reach its maximum potential as wildlife habitat. The wildlife development fund is financed by a \$1 impost placed upon hunting licences, so in fact, those who are paying the major portion of the cost of this acquisition are the prime users of the wildlife resource, the hunters.

I want to inform the House that legislation covering the wildlife development fund is being dealt with under amendments to The Department of Tourism and Renewable Resources Act. This bill includes provisions to enable us to further ensure a sufficient amount of habitat will be available in the future. By regulations this bill will enable my department to implement habitat development and management programs on Crown-owned land.

It also contains provisions whereby landowners may enter into co-operative arrangements with the department to undertake habitat development and management on private land.

Mr. Speaker, by taking these initiatives I am confident we are ensuring a bright future for wildlife and for the people of Saskatchewan who use and enjoy our wildlife resources. Mr. Speaker, I am proud to move second reading of this bill. It is the product of years of research and evaluation and it is an excellent example of how the interests of several groups can be met fairly and equitably.

Mr. Speaker, I believe the House should be informed that I have discussed the principle of the bill with the Saskatchewan Wildlife Federation and the Federation of Saskatchewan Indians and I have their approval. I feel this process of consultation is important in view of the growing controversy over treaty Indian hunting, fishing and trapping rights. I want to make it clear provincial jurisdiction does not cover these rights which are enshrined in a 1930 resources transfer agreement with the federal

government. The bill respects their rights. The bill deals with this issue in section 32. It stipulates non-Indians may not possess wildlife taken by an Indian for food. It further states non-Indians may not aid or assist treaty Indians in hunting while treaty Indians are exercising their special rights. This section is essentially unchanged from The Game Act.

While I recognize the entire area of treaty Indian rights could be the subject of considerable debate, I do not believe it is necessary to enter that debate in conjunction with this bill. The bill is a provincial one, concerned only with provincial jurisdiction. I sincerely believe any debate should reflect that fact.

Mr. Speaker, as I said a few moments ago, the bill has the support of the Saskatchewan Wildlife Federation, an organization with a membership well in excess of \$30,000. I am confident it has the support of environmentalists and conservationists and I believe it will be acceptable to the landowners. Mr. Speaker, I am confident this bill is one which has the approval of the Saskatchewan public in general.

Finally, the bill looks forward to a new decade and it insures a healthy future for our vital wildlife resources. Mr. Speaker, it gives me great pleasure to move second reading of this bill.

MR. KATZMAN: — Mr. Speaker, the member who wishes to respond to this bill is absent this afternoon and he and the Premier are doing some government work today. He is showing the Premier how things are done so I will ask leave to adjourn debate so he can reply tomorrow on this motion.

Debate adjourned.

HON. A.S. MATSALLA (Minister of Tourism and Renewable Resources) moved second reading of Bill No. 101 — **An Act to amend The Department of Tourism and Renewable Resources Act.**

He said: Mr. Speaker, this bill proposes amendments to two distinct provisions in The Department of Tourism and Renewable Resources Act. This first area where we are proposing changes is to the wildlife development fund. The bill moves the legislative base for the wildlife development fund out of The Game Act, where it currently exists, and places it in The Department of Tourism and Renewable Resources Act.

Mr. Speaker, we are making this move for two reasons. Administrative responsibility for the wildlife development fund has been moved within my department from the Fisheries and Wildlife Branch to the Lands and Surveys Branch. I believe it is appropriate that the legislative base for the fund reflect this. Secondly, during this session we are repealing The Game Act and introducing a new wildlife act. The new act does not provide a legislative base for the wildlife development fund. The fund was deleted deliberately in developing the new act because of our intention to place it in The Department of Tourism and Renewable Resources Act.

Mr. Speaker, in addition to moving the legislative base for the fund to The Department of Tourism and Renewable Resources Act the bill introduces several changes which will simplify administration. The bill specifies which revenues from wildlife development fund lands may be placed in the fund and which revenues will be placed in the consolidated fund. The bill specifies types of audits and accounting procedures to be used in administering the fund, and it specifies the financial reports and statements to

be tabled annually in the legislature. Finally, Mr. Speaker, the bill includes a section which insures that wildlife development fund lands will be subject to the provisions of The Forest Act and The Provincial Lands Act. By having the provisions of these acts apply, officials in my department will have authority to monitor and regulate such activities as grazing and timber harvesting on wildlife development fund lands. This will insure that these lands are administered to provide optimum benefit for wildlife resources.

Mr. Speaker, the second provision which this bill addresses is section 23 of The Department of Tourism and Renewable Resources Act. Section 23 deals with administrative and accounting procedures related to the forest protection and development advance account and the commercial advance account. The first provides funds for forest fire prevention and suppression as well as certain construction projects, and the second provides working capital to operate our system of provincial parks and recreation sites.

Mr. Speaker, under section 23 as it currently stands, a surplus or deficit accruing to either of these accounts is applied in the fiscal year in which it was incurred. A surplus or deficit is not known until the end of the fiscal year, at which time financial statements must be prepared and audited. This situation is exceedingly difficult to administer.

Mr. Speaker, the amendment overcomes this difficulty by providing for any surplus to be paid into the consolidated fund and any deficit to be charged to the department's appropriation in the fiscal year following the one in which the surplus or deficit was incurred. This minor change will result in considerable efficiency and improvement in the administration of these two advance accounts.

Mr. Speaker, I urge this House to support this bill. It is not controversial in nature and seeks only to clarify and improve administration of several program areas which are important to the people of Saskatchewan.

Mr. Speaker, I take pleasure in moving second reading of this bill.

MR. KATZMAN: — For the same reason I adjourned the last bill, I would ask to adjourn this bill.

Debate adjourned.

COMMITTEE OF FINANCE CO-OPERATION AND CO-OPERATIVE DEVELOPMENT VOTE 6

HON. W.A. ROBBINS (Minister of Revenue, Supply and Services): — Mr. Chairman, immediately to my left is Jack Reed who is the Deputy Minister of the department; behind me is Mr. Warkentin, the Director of Operations; to his left, Mr. Munholland, the Director of Administration; and to my right, Mr. Art Nobe(?) The Director of Communications and Development.

MR. L.W. BIRKBECK (Moosomin): — Mr. Minister, just some very brief comments that I think likely would please the government House later, and possibly some of the ministers. We have had some extensive delays in the estimates and I think this time, Mr. Chairman and Mr. Minister, you're going to see that the estimates roll quite nicely. I'm going to be making some fair comments which I feel you will concur with and I will have

a limited number of questions. The member for Regina South (Mr. Rousseau) has three or four brief questions and I'm hopeful that if we have the answers to those questions from the Regina South member, we will be able to expediate the estimates on co-operation and co-operative development within a matter of maybe 15 or 20 minutes.

Mr. Chairman and Mr. Minister, I think firstly what I want to make very clear to this House, and quite frankly to the people of Saskatchewan (I was going to say to co-operative minded people, but quite frankly that is the people of Saskatchewan) is that we should very much keep in mind that the co-op philosophy is a philosophy upon which this province was developed and is continuing to develop. It is a philosophy which the Progressive Conservative Party of Saskatchewan wholeheartedly concurs with and, Mr. Speaker, I would suspect likely all political parties concur with for one reason or another. I suppose, Mr. Chairman, some of the differences which we, in this Assembly, may have, are political differences. But in real terms we have none. In actuality we support co-operatives.

Mr. Chairman, Mr. Minister, there are indications from the government, many times, that they are the only supporters of co-operatives. Mr. Chairman, that is one of the problems which I see — the co-op movement as it continues to grow in this province. That is its problem. Its problem is that you are attempting to be in their hip pocket. They don't, quite frankly, want you there or us or any other political party. What we support is that they be non-political and that they maintain local autonomy. These are the things that we have said repeatedly from this side of the House, Mr. Chairman.

Now, I can understand a political party wanting to support the co-op movement for political reasons because of the fact that all Saskatchewan people, in one way or another, belong to a co-op. But the converse can be also taken note of, that being (and I think taken note of primarily by the government) that there were more people in this province who voted against you and for some other party than actually voted for you. In other words, if you want the support of the co-ops, the support of your policies, then you as well must maintain an independent position — you are not the founders of co-ops, they are. We are not the founders of co-ops. I think it is our job to listen to the recommendations they make to us from time to time and attempt to fulfil those recommendations.

Mr. Chairman and Mr. Minister, that, many times, does not seem to be the case. The one glowing example, I suppose, is CPN (Co-operative Programming Network), and I'm personally not going to touch on that matter as the member for Regina South (Mr. Rousseau) is, and therefore I won't consume the time in this House discussing it. As I said before, the biggest concern I have is that you do all in your power to relieve these co-operative programs (no matter what they are — whether it's federated co-operatives or credit union) of any political support. That's what I want to say.

Now, I know that I'm accurate in this. I've spoken with the people in the co-operative movement in this province, and that's what they're saying. We don't want you politicians hanging around us, so that you can have our support. And that's quite frankly, what appears to be the case many times . . . (inaudible interjection) . . . now, that's right. The member for Morse (Mr. Gross) says well, they don't want us hanging around them. They don't. They don't want us, they don't want you, and they don't want anybody politically. Mr. Chairman, we're adamantly in favor of allowing them to be non-political. For their continued growth, they must remain non-political, and I want to support that concept on behalf of this caucus. And I want to oppose this government or any political party that attempts to slide themselves in the hip pockets of co-ops in order to get the

support of those massive numbers.

Well, Mr. Chairman, those are some minor criticisms of not just this government's position, but, I suppose, many government's position, as it relates to co-ops.

Now let me say a few words in praise of the co-ops. Firstly, and to outline just very briefly one or two areas in which I would like to see them make more proper explanations and suggestions to the people so that they better understand co-ops. The first thing I suggest the co-ops are doing, in particular Credit Union Central if I may use them as an example, is taking the lead (rightly or wrongly, I'm not here to discuss that) in internal employee-management relationship improvements. They are dealing with the problem of democratic attitudes prevailing within the employees of the credit union, like Credit Union Central right here in Regina as well as the various local credit unions.

It might be interesting to note that the central here has built in a power rating, if I may refer to it as a power rating, of one to 20. One is the lowest range, 20 the highest. The employee pay is based upon numerical rank. Now, I don't know whether they're the only organization that does that. I'm sure there are maybe others. But this is one area in which they are proceeding. One to nine constitutes non-management; ten to twenty is management. Presently, all major decisions are primarily made by top management. Now, on the one hand, I'm saying this is good. They are building in a type of formula, a system by which to rate, but on the other hand, what it points out clearly is that they are having the pyramid effect. When the pyramid effect takes place in the co-operative system whether it is credit unions, federated co-operatives or whatever, then you lose local autonomy. When you lose local autonomy then that organization is not going to do justice and bring fair play to the membership which it represents or should represent.

Now, the other thing they have gone into quite extensively is actually a determination of an attitude of the quality of work life. As we all know, we do have many problems in this country in particular, with productivity. We have to devise ways and means by which to make people more productive and at the same time, enjoy their job, whatever they do, and to have good surroundings.

Again, Credit Union Central is spending time and money. They have a team of sociologists who were consulted to classify employee reaction to working conditions. The results will be revealed this June. The survey was to determine how people feel emotionally, mentally and physically about their jobs.

I give Credit Union Central a lot of credit for initiating that type of program. I don't know what the results are going to be but since we have to deal with people as employees, then we have to look at what their concerns are, whether they are justified or not. Whatever those concerns are, that is what management, (in this particular situation), Credit Union Central is looking at — what the employees' problems are and what we can do after finding them out to correct those problems.

It could be suggested they have gone too far in some instances. I think that the building at places of employment of gymnastic work out areas and games rooms and this type of thing may be going a little too far, in particular in the cities where those facilities are available at any rate.

But nonetheless, it is a concept which a co-operative, Credit Union Central, is undertaking to determine. I think we should give them credit for that. I don't know

whether it is a pioneering effort, whether I should go so far as to say that it is or not, but at least it's an effort in what I feel is a good direction to determine what it's going to take to derive productivity from its employees. They have also taken up a concern with women and their position as employees, something which governments of the day have been rather reluctant to undertake. We have raised that question in the House; I know I have when I was a critic for the women's division of the Department of Labour. Women's problems in the work force are many, notwithstanding the fact that their wages in this country are only about 40 per cent of what men make. Again, the credit union is looking at that specific problem, the women employees of credit unions.

They've also considered the area of civil rights which at this point in time, Mr. Chairman, Mr. Minister, seems to be something many people get off on quickly, saying am I losing a right in that respect? I know we on this side of the House have raised that question of maintenance of individual rights. Again, Credit Union Central is undertaking to ascertain what are proper or improper restrictions on the employee's individual civil rights. In other words, is it proper for employees of a corporation or a co-operative or any business for that matter, to be involved politically? Is that an infringement to say no you can't? I suppose that's questionable and I suppose that's why they're undertaking to determine just what is an infringement on those civil rights.

There are many areas like that and as I said at the outset, I am not going to take a lot of the time of the House in getting into the details of it. But I would add that I do have the details on it. I have a work sheet I have prepared and it has a lot of very interesting information. But I think basically what I want to say is that the information I have indicates our support for co-ops because of what is evident in some of the information that I have and the initiatives they have taken.

Mr. Chairman, if I might just outline one of the criticisms I receive from people who are not strong supporters of co-ops and ask the minister if he might advise this House, advise me as to how we might change that attitude. That attitude, very simply, is an attitude towards the taxation policies as it pertains to co-operatives. I have had discussions with people who have been involved with co-operatives for a long time. I understand, Mr. Minister, they do in fact, pay into taxation but it's not clearly defined; it's not something you can say, well they do pay taxes. It's not that easy just to put it in a nutshell so that that individual who is not a strong supporter of a co-op can understand.

So, Mr. Chairman, that is just a question that I put to the minister. Those are some of the comments that I have made. I suppose some of it may need repeating. I hope not. But, Mr. Chairman, it's just very simply put that the support of co-operatives in this province by our side of the House has always been there although at times, through one remark or another, it has been taken that we were not. I know we do have many discussions about it but we are very much in favor of the co-ops. We want to work with the government and with anyone else we can, to further their position in this province in recognition of the desire of the people of Saskatchewan to involve themselves and stand behind the philosophy and principles of co-ops which have founded the development of this entire province.

Mr. Chairman, for now those are the only comments I would care to address to the minister. I will give him a few moments to reply and then we may move into a few questions on CPN. Thank you.

MR. ROBBINS: — Mr. Chairman, it is very nice of the member to give me a few moments to reply. I appreciate that opportunity. He did start out and talk a little bit about the

election and he did say that more people voted against this government than voted for it. I recall in the previous House people arguing that no one should sit in this House unless they got 50 per cent of the vote cast. On that basis there would be 29 here and 3 over there and the member for Moosomin (Mr. Birkbeck) wouldn't be in this House.

I know that the members will be a little bit lax with me in this respect. I wrote out a little short verse while the member was speaking because it was related to elections and I hope you will bear with me for a minute:

The election is over, the results have been given,
Some are so happy you'd think this were heaven,
And some are as blue as the blue of the sky
And some have nothing but a big alibi,
But whether you're happy or whether you're sad
Co-ops are the answer to your problems me lad.

I know that's just doggerel but . . .

SOME HON. MEMBERS: Hear, hear!

MR. ROBBINS: — I agree with the member that co-operatives as organizations are non-political and they have always stuck to that. I think, strictly so, I think that's true. They have done that. But you also have to face up to the fact that people within co-operatives must make their political choices on their own and I would think that the vast majority of them support this side of the House. It may be only coincidental but the fact of the matter is that's my observation.

I note your raise of co-operatives with regard to Credit Union Central, related to the fact that they are looking after their employees and doing some studies in relation to making sure that their employees feel they are part of the movement, etc. I think that is also true in federated co-operatives on the consumer side, in the Saskatchewan Wheat Pool on the producer side, and it is also true on the financial side through Credit Union Central, the Co-op Trust and the Co-operators' Insurance.

With regard to taxation policies as they pertain to co-operatives, I think all members are familiar with the fact that co-operatives' earnings are allocated back to the individual member and taxable in their hands. Any business a co-operative does with a non-member, of course, is taxable income in their hands in relation to the taxation acts and they do pay taxes on that basis.

If you look at the Saskatchewan Wheat Pool report or Federated Co-operatives report (I have them in my desk), you will find they pay substantial amounts of tax.

It is true the co-operative movement is very large in the province. Over half the total population of this province, about 517,000 members are members of credit unions; at the end of last year we had \$2,081,000,000 in credit unions. And they do more than half of what we might term the banking business in this province. The Saskatchewan Wheat Pool handles about two-thirds of the total grain production in this province. It is true that Federated Co-operatives is a very large wholesale, had \$875 million in sales last year and \$24 million in net earnings. That's at the wholesale level, which is later distributed out to the local co-operatives on the basis of patronage they have done with federated, and along with earnings realized at the local level, are allocated on to the membership on the basis of their patronage.

So I think it is true to say that although the co-operative department is not a large department it is dealing with a very large economic sector in the province of Saskatchewan. What we want to be for the co-operative movement is simply their voice in government. They have complaints of things they want to bring to government. We hope they will come to the department of co-ops. That is the proper approach for them to make in relation to government. We will express their concerns and their needs to the various government departments as required.

MR. BIRKBECK: — Well, Mr. Chairman, I think those are fair comments by the minister and I don't have any further questions in that regard. I think that he fairly answered the fair suggestions which I made. I would just conclude my remarks by saying that notwithstanding the fact that the hon. minister is considerably older than myself and has less time to make mistakes, I learned a long time ago from my parents that I should learn by my mistakes. Therefore, I would exchange with the hon. minister a poem as well. I suppose it would exemplify the difference between the government and this side of the House. We are maybe in many instances, a little more human and we do recognize that we are that human that we do make mistakes. Therefore, Mr. Minister, you might want to take note of this.

My life is full of blunders and oh how I have yearned
To have one life to practise and yet another when I have learned.

MR. ROUSSEAU: — Before I get into any comments about the CPN co-operatives could you answer a couple of questions, Mr. Minister? The first question I would ask is, there's an outstanding loan of, I believe the amount is \$2.6 million to CPN. Is this guaranteed or made by the co-operatives or guaranteed by the co-operative department?

MR. ROBBINS: — It's guaranteed by the Co-operative Guarantee Board.

MR. ROUSSEAU: — I assume under The Co-operative Guarantee Act as I'm looking at your report. Now before I get into that again I'd like some explanation on how this Co-operative Guarantee Act operates. Looking at your table 4 on page 15 it says: the aggregate loans outstanding 1978 is \$7.8 million, which is the amount of page 16 of aggregate loans outstanding, but then only \$6 million in loans made in 1978. Then again looking at the guaranteed portion of loan amount outstanding on page 15, the total of the other and the 100 percent. First answer that question as well. What's the 100 per cent referring to? Totalling \$6,560,000. Can you explain that to me — I don't follow the procedure there.

MR. ROBBINS: — The loans are not necessarily 100 per cent guaranteed. They may be proportionately guaranteed. There may be a loan, 50 per cent of it guaranteed, 40 per cent of it guaranteed, 60 per cent, and they vary.

MR. ROUSSEAU: — Well that answers part of the question. The question I posed was a little more in depth than that. To reply to your answer, then, why do you refer to it as 100 percent if it's not 100 per cent guaranteed? The top of the page says 100 per cent, the top of that column.

MR. ROBBINS: — The column under the 100 per cent — those loans are fully guaranteed or 100 per cent, but if you take the differential between that figure and the \$6,560,000, which is approximately \$1,400,000, the remaining portions of those loans are not fully guaranteed.

MR. ROUSSEAU: — So the other column is partially guaranteed?

MR. ROBBINS: — The last column gives you the total number of loans which are guaranteed. But the other column gives you the 100 per cent guarantee which is \$5,121,000. If you take that away from \$6,560,000 then you've got \$1,440,000 or \$39,000 which is partially guaranteed.

MR. ROUSSEAU: — Yes, I understand that. The fourth column and the fifth column add up to the last column. Right. Then I would assume then that the \$7,850,000, the difference between that and the total, is not guaranteed at all. Is that what that means?

MR. ROBBINS: — Well, the difference between the \$6,560,000 and the \$7,850,000 are not guaranteed at all.

MR. ROUSSEAU: — O.K., now I have it straight.

To get back to the CPN, has there been any discussions, any meetings held with respect to the loss which could occur through the fact that your department has guaranteed \$2.6 million? Have you with CPN co-operative had meetings with respect to the possible loss and the repayment of the guarantee which you are covering?

MR. ROBBINS: — No, because the guarantee is really through the Department of Finance. You must realize that CPN . . . Really your questions on CPN (other than the fact that we gave you the information that it is guaranteed) should be directed to the Attorney General who is responsible for the communications secretariat, related to CPN. We have no connection with it other than the fact that the guaranteed board guaranteed the loan.

MR. ROUSSEAU: — Mr. Chairman, I'm going to leave this area if I can be assured by the Attorney General that during his estimates I will be able to come back because he seems to lack the courage of his convictions when it comes to CPN. I recall back on March 20 when the discussion of CPN was brought up in this House, the Attorney General at that time assured us (and it's in Hansard) that he would come back the following week with an awful lot of information. I am still waiting for that information. If it's in another area other than co-operatives, if I can touch this subject up in the Attorney General's Department, I would be happy to just drop it today and let it go at that.

MR. ROMANOW: — Mr. Chairman, there is a specific vote in the Department of the Attorney General dealing with the communications secretariat. I'm prepared to undertake the hon. member so that we can have a full discussion on CPN at that time, absolutely full. I will be prepared to deal with the questions of the loan guarantees and the questions of the receiver manager's report and the position of the Progressive Conservative Party over the several months respecting the CPN. I will be looking forward to discussing this matter in full detail with you and your colleagues.

MR. ROUSSEAU: — Well, Mr. Chairman, I am extremely happy that the Attorney General has given us that assurance. So, therefore, rather than get onto that subject I would just make this comment. It has already been noted by the member for Moosomin (Mr. Birkbeck) that contrary to the comments made by the Attorney General on March 20 with respect to co-operatives, it is the government members who seem to oppose

and object to co-operative movements, I'll just confirm and tell you why I say that.

The statement that was made by the Attorney General at the time, page 855; he says he doesn't like community controlled organizations. (He was referring to me, by the way) and he doesn't like co-op community controlled organization in particular.

Well, not so, Mr. Attorney General. That fact is that if you had any respect for co-operatives yourself, you wouldn't be pitting co-ops against co-ops as in the CPN versus the Regina Cable. You would let the people of the province form co-operatives, which is the way it should be, formed by and founded by the people of the province not by your appointees as you did in CPN. You are the one that placed two individuals to form a co-operative for your benefit, not for the benefit of the people. The Regina Cable co-operative was a group that was formed by the people of the province. The CPN were people appointed and placed by the government. That is why I say to you that we, over here, are in accord and agree because co-operatives are probably the best example the free enterprise system. That is why we believe, that I personally believe in co-operatives. The rest of the members can speak for themselves. I am sure they all feel as I do.

I am very happy that I can, again, have the opportunity to discuss this at a later date with the Attorney General when his department comes up in the estimates.

To close, and I don't know whether the member for Moosomin has any other — just to comment on the comment that the minister of revenue (Mr. Robbins) made that a co-operative should be non-political. That's right, so then why did you appoint political appointees in CPN? I totally agree they should be non-political.

Before I sit down, Mr. Minister, if you would provide me with the usual information that I have been asking in the House with respect to salaries and you don't have to give it to me now. You can give it to me in writing at your pleasure, today or tomorrow; you can give it to me now, whatever you like.

MR. ROMANOW: — Mr. Chairman, while the minister is digging up the answer on the question, I welcome the debate. I want to make two points before I sit down and leave because I have another meeting outside momentarily. The two points I would like to make are that the CPN allegation that somehow CPN is government-appointed people, I think, indicates a tremendously ignorant knowledge or lack of knowledge respecting how co-operatives are structured, how they are registered, how they operate and who controls them. I think any of the members who are members of the co-ops opposite unlike the member for Regina South (Mr. Rousseau) would know that.

Secondly, I find it absolutely incredible, Mr. Speaker, to hear the argument that the PCs support the co-ops because they are the highest form or the best form, or words to that effect of private enterprise, if you will. Mr. Speaker, that's the kind of crazy line that was advocated by the defeated candidate Mr. Al Wagar in the Regina Wascana election for the PC Party. I want to tell the House, Mr. Chairman, and the member for Regina South (Mr. Rousseau), then I'll sit down, that co-ops were structured as a defence against private enterprise, not as a compliment to private enterprise. And I want to say to the members opposite that if they think that the Saskatchewan . . .

MR. THATCHER: — Are you saying that co-operatives are socialistic? Say it! Put it on the record!

MR. ROMANOW: — I say the co-operatives were there as a defence against private enterprise. I say the Saskatchewan Wheat Pool was set up . . .

MR. THATCHER: — I want it on the record that they're socialistic!

MR. CHAIRMAN: — Order. I think we could do with less assistance both ways here and I fail to see if this is any further relevant to what we're dealing with now.

MR. ROMANOW: — Just let me close by saying that I believe the Saskatchewan Wheat Pool, if one looks at the history of the wheat pool, will bear out the truth of what I say.

MR. KATZMAN: — Point of order, Mr. Chairman.

MR. CHAIRMAN: — State your point of order.

MR. KATZMAN: — Could we get back to the Minister of Co-operatives (Mr. Robbins) and his estimates, please?

MR. CHAIRMAN: — Order! I would ask the Minister of Co-operatives if he has the answer to the . . .

MR. ROMANOW: — No, Mr. Chairman, I have the floor. I have the floor Mr. Chairman and I'm going to speak on the floor.

MR. CHAIRMAN: — If it is relevant to what we're dealing with, here, I will recognize you. But I think that you've both had your . . .

MR. ROMANOW: — Mr. Chairman, I'll be pleased to be ruled out of order by yourself. But I will not be ruled out of order by the member for Rosthern (Mr. Katzman) or by the member for Thunder Creek (Mr. Thatcher). I have the floor and the member for Regina South (Mr. Rousseau) was not ruled out of order when he talked about private enterprise and co-ops and I am speaking to that point. Do I have the floor?

MR. CHAIRMAN: — Order. State your point of order.

MR. KATZMAN: — I believe the practice has been when the debate wanders too far away from the original estimates the chairman usually puts us back on the estimates. Would he do this?

MR. CHAIRMAN: — My ruling would be this. Order. My ruling is this. As long as they are talking about co-ops then I rule it in order. But I think if we stray from there then I have to call a halt to it.

MR. ROMANOW: — Mr. Chairman, thank you very much. I want to close my remarks by saying that any suggestion such as the member for Regina South made, that co-ops are an example of private enterprise, I reject out of hand. I repeat my argument that they were raised as a defence against private enterprise and I very much reject that cock-eyed view that has been advocated by Mr. Wagar and others of the Progressive Conservative Party which I think perverts my understanding of what the co-op movement is about.

MR. ROBBINS: — If I understand your question correctly you want the estimates in

aggregate for the executive people? Pardon? Individually?

MR. ROUSSEAU: — Mr. Chairman, I know time is getting on and I don't need it now and I don't want it now. Well it would take a little time. If you have it typed out or written out photocopy it and give me a copy of it. The estimate '78-'79, the actual paid and the '79-'80 estimate. The standard one that's been asked in every estimate for this year.

MR. ROBBINS: — I'll give them to you immediately. Deputy minister's salary estimate for 1978-79, \$37,370; '78-'79 actual, \$37,934.93; estimate for 1979-80, \$38,743; administration heads, administration and research estimate, \$30,320; actual, \$37,949; estimate for '79-'80, \$33,189. Those are the correct figures. There's a reason for it, if you want to ask about it. Communications development, \$29,010 was the estimate for '78-'79; actual was \$17,340.90; estimate for '79-'80, \$33,190. Operations, '78-'79 estimate, \$30,310; actual, \$23,720.80; estimate for '79-'80, \$29,150.

MR. ROUSSEAU: — Mr. Chairman, there are two (I didn't write down the first one but I'll get it out of Hansard). I'm assuming there's a reason for the drop in the '79-'80 estimate from the actual and there's a reason for the \$12,000 drop in the actual over estimate in the third one you listed, from \$29,000 estimated to \$17,000 actual.

MR. ROBBINS: — There was a vacancy for a good portion of the year.

MR. ROUSSEAU: — What was the reason on the second one you gave out?

MR. ROBBINS: — Sorry, again there was a vacancy in the operations on two for a time.

MR. BIRKBECK: — Mr. Chairman, as I suggested at the outset of my remarks, that being we had a responsible minister, and being that I was going to be responsible in my questioning and my comments and be as fair as possible, it should be noted, Mr. Chairman, that it is unfortunate, very unfortunate that anyone should be answering to this side of the House other than the minister responsible for the department, although I accept your ruling that others can speak on it. But I must say, Mr. Chairman, that it is unfortunate the Attorney General had to take his place in this Assembly and get overly concerned because the member for Regina South (Mr. Rousseau) made his views known that the co-operatives are free enterprise.

It should be noted that because they are free enterprise does not mean to say that they are supporters of the party or that because of that, we support them. It's not because of that particular thing that we support them. It's not because of that particular thing that they support us.

That is not what's in question here, Mr. Chairman, and I suppose the Attorney General should be listening because, Mr. Minister, we're attempting to clear away the estimates which have been allotted for the Department of Co-operation and Co-operative Development. But, Mr. Chairman, surely the remarks by the Attorney General are a terrible affront to the co-operatives of this province. To suggest that they are socialistic and to suggest that they are there to oppose free enterprise is deplorable, Mr. Chairman. Knowing full well that this Attorney General is too proud or whatever, I will make the appropriate apologies, Mr. Chairman, on behalf of this Assembly to the co-operatives of this province that that's not why they are there.

MR. ROMANOW: — Tell Al Wagar that I'm sorry I hurt his feelings.

MR. BIRKBECK: — Al Wagar isn't in this House, Mr. Chairman, I am. The member for Regina South is. Those are the comments to which the Attorney General would have to address his remarks. Those are the areas that should have your concern, Mr. Attorney General. Mr. Chairman, the Attorney General is yapping a lot off the mouth because he knows he's made a big mistake in this House and he's made an awful affront on the co-operatives of this province and that's the very thing that the member for Regina South was saying, that it is you and not with the support of your party who is creating division within not just co-operatives but every sector in this province.

Mr. Chairman, those are my comments and I suggest that we allow the hon. minister to do the answering from this side of the House because, in my opinion, he's doing quite a nice job and we can get along quite nicely without any further interruptions and delays by the Attorney General.

SOME HON. MEMBERS: Hear, hear!

Item 1 agreed.

Items 2 to 4 agreed.

Ordinary Expenditure — Vote 6 agreed.

Co-operation and Co-operative Development Vote 64 agreed.

MR. BIRKBECK: — Before the minister and his staff leave the Assembly, I would like to take the opportunity to thank the minister and his staff for the work they have done in preparation of the report for the estimates, and for the work they have done throughout the year. We wish them well in the course of the next year. Thank you, Mr. Chairman.

MR. ROBBINS: — Perhaps I should have the last word. I don't want to get in an argument over semantics or anything but I can say, in my view, co-operatives are a form of public enterprise because a segment of the public voluntarily chooses to go together and form an enterprise.

REVENUE, SUPPLY AND SERVICES VOTE 18

HON. W.A. ROBBINS (Minister of Revenue, Supply and Services): — Mr. Chairman, one person has not arrived yet. He was up in the gallery and I see that he is on his way down. He should be here shortly. To my left is Mr. Harold Jones, the deputy minister of the department. Immediately behind me is Gary Brandt, the Director of Operations, and next to him is Dan Cunningham, administration under the Operations Division. Immediately to the left of Mr. Jones is Mike Barry, Director of Revenue.

ITEM 1

MR. W.C. THATCHER (Thunder Creek): — Mr. Chairman, could the minister tell the Assembly the role the Department of Revenue plays in setting up the budget? I assume that your job is to get the money in. Would you basically tell us how you work in conjunction with the Department of Finance in the preparation of the numbers?

Mr. Minister, while you are answering me and by way of giving your staff something to do for a moment, could you give me the actual figures for the fiscal year just completed,

like revenues or the budgetary inflows. Will you list them out in a budget and by now, I believe, your fiscal year closed on March 30, 1979 for 1978. I would like the actual figures, if I may, while you are answering me.

MR. ROBBINS: — Well, of course, we are involved in the budgetary process in relation to revenue forecasting and this is related to the direct taxes — the E & H tax, gasoline tax, tobacco tax, that sort of thing. The insurance taxes, like the 2 per cent insurance tax which applies to all insurance premiums, the 1 per cent motor vehicle insurance tax and the fire prevention tax. Those three together bring in about \$10 million worth of revenue in total. We haven't our final figures, of course, for the last year. Those figures won't be available for some two or three months yet but I can give you approximations of them: E & H tax, \$198 million; gasoline tax, \$82 million; tobacco tax, \$21 million. Remember that the liquor consumption tax is listed separately, it's separate from the E & H tax, \$20.5 million; insurance premium tax, \$6.8 million; motor vehicles insurance premium tax, \$1,250,000; fire prevention tax \$900,000. Those are the major ones. There are still some minor ones; public health levy; hospital revenue tax and there is still some money flowing in from succession duties and gift tax, although it's minor.

MR. THATCHER: — So, Mr. Minister, your department or your people, you have nothing whatsoever to do with the taxation arrangements with Ottawa? Your department is not involved? You do not administer the funds from the heritage fund?

MR. ROBBINS: — No.

MR. THATCHER: — What about receipt from government enterprises such as the Liquor Board and Crown investments? Do they not come in to you?

MR. ROBBINS: — The Crown Investments Corporation.

MR. THATCHER: — Well, Mr. Minister, I'm having difficulty finding your function. Your department was set up about a year ago and the term 'revenue' usually means that you are going to look after getting the money in there to pay the Minister of Finance's bills. It doesn't really look like you do a great deal. Are you even in charge of shall we say, putting the money into the consolidated fund? For instance, the heritage fund is putting \$328 million into general revenue. Does that come through you or does it go directly to finance?

MR. ROBBINS: — Directly to finance.

MR. THATCHER: — Well, Mr. Minister, tell me what the revenue part does because they don't seem to do a great deal.

AN HON. MEMBER: — Besides central vehicles!

MR. THATCHER: — Yes, I guess there is central vehicles — I didn't care to really get into that aspect, although perhaps there is someone who may.

Mr. Minister, let's talk a bit about the E & H tax (education and health tax). You indicated that you are estimating that \$198 million will have flown into the provincial treasury from the E & H tax when the fiscal year is closed off; when final audit figures are in you will have about \$198 million. I note that last year you budgeted for \$204 million and that was with a 5 per cent sales tax. Of course, events led to the lowering of that sales tax from 5 per cent to 3 per cent. One of the reasons (particularly last fall) that the

Minister of Finance (Mr. Smishek) and the Premier went to great lengths to cry about as far as the large deficit which they were probably going to be facing, was that they had been duped or tricked or whatever you care to term it, into lowering their sales tax from 5 per cent to 3 per cent. If I am not mistaken, (I am going off the top of my head), I think the Minister of Finance (and he may want to correct me here), indicated in one press release that it was going to cost the province about \$32 million. I am subject to correction if you wish, Mr. Minister, but I think you used that figure of \$32 million. Now it seems to me that if your figure is correct, at the end of March, the \$198 million will have been realized and you are in fact only \$6 million short of what was budgeted last year. Why have we got this large, large deficit which psychologically the government had been preparing the people of Saskatchewan for for about six months? I am quite certain, Mr. Minister of Finance, (and again, I am subject to your correction) — that if I go into my files I will find that number of \$32 million which you used. So I will ask you, Mr. Minister, why the big deficit? You budgeted from 5 per cent down to 3 per cent for the biggest portion of the year and yet you came within \$6 million.

Now I will ask you two questions. You came pretty close, why? Did you drastically under budget? You thought at 5 per cent that you could bring in \$204 million; at 3 per cent you brought in \$198 million. What was going on there that you were able to do this? Because, Mr. Minister, according to your own statistics, retail sales were not up all that amount last year. I suppose there was a little bit of inflation on the price of retail goods, but not that much that a drop from 5 per cent to 3 per cent could bring you that close. So I ask you, Mr. Minister, why the deficit, why the big deficit? Secondly, how did you get so close to your budget with a 2 per cent less sales tax?

MR. ROBBINS: — I am sure if you check the record you will find that the Minister of Finance and myself and others have always said a \$20 million loss in terms of the reduction from 5 per cent to 3 per cent, not \$32 million . . . (inaudible interjection) . . . No, a loss of \$60 million with two-thirds of it refundable to the province from the federal authority. I said these were estimates and you have to add the \$198 million and the \$20.5 million together — \$20.5 million on the liquor consumption tax which previously had been under the E & H tax.

So if you use that figure of roughly \$218 million and you look at it and the actual results, we would say the 1978-79 actual will come out at about \$158 million with about \$60 million off because it went down from 5 per cent to 3 per cent on a portion of the E & H tax. About \$137.4 million of that came from regular E & H tax; the \$20.6 million from what we now term the liquor consumption tax. That was 10 per cent and it was included in the E & H tax previously. So if you add those two together you come out around \$217 million. Then if you dock off the \$40 million, you get the actual result of about \$158 million to \$160 million.

MR. THATCHER: — What \$40 million are you talking about on that last comment?

MR. ROBBINS: — The \$20 million, I am sorry — the \$40 million is refundable from the federal authority. That is approximate. We don't know exactly what it will be, but two-thirds of the loss. So, we will be out about \$20 million in total, in terms. We wouldn't be far out in terms of the estimates.

MR. THATCHER: — So, then what you are saying is the E & H tax, the figure you put down here now, the estimated figure which is given in the budget as a summary of estimated budgetary cash flow, which last year was \$204 million, did not include revenue from liquor tax. Correct? This year the figure of \$239,100,000 does have that figure, that

liquor tax, built into it. Is this correct?

MR. ROBBINS: — They are both included in those figures, included in both figures.

MR. THATCHER: — Mr. Minister, if they are included in both figures, in your estimate of very close to \$240 million out of E & H on the basis of last year's experience, (assuming that you are relatively accurate on your \$198 million actual, and let's assume that you are), if you can come that close to your \$204 million and putting those same factors in that bring you that \$198 million coupled with a 2 per cent increase in the sales tax, is that not in fact going to bring you in considerably more money than \$240 million, assuming the conditions are equal, that brought you in the \$198 million?

MR. ROBBINS: — No, I think you are getting confused a bit with the figures. Let's start again.

I said \$198 million and that was an estimate, not an actual but an estimate, plus \$20.5 million for liquor consumption tax, and if you added the two together you came out with about \$218 million. That was one estimate.

If you look at the actual return, 1978-79, we don't know what it will be in total as yet, but it looks like about \$158 million, of which about \$40 million should be paid back to us from the federal authorities. Now if there had been no temporary reduction, we would've had returns of about \$217 million, which come pretty close to the \$198 million and the \$20 million — \$218 million, relatively close.

MR. THATCHER: — Mr. Minister, does your department, in any way, shape or form, have any input or do you administer the collection of a corporation income tax in the province?

MR. ROBBINS: — No, we do not. That's under finance.

MR. THATCHER: — My goodness we're running out of things to talk to you about, rather quickly.

Mr. Minister, the gasoline tax has been one of a fair amount of controversy in various parts of the country. Has the minister come to the conclusion that the high taxes on gasoline — well, now that we're on to litres nobody really knows how much or what percentage they really do take; when they were on gallons, I suppose we could understand it — are having any effect in consumption? Would the minister agree that probably they are not? Would the minister agree that if there is perhaps one thing in the West that we may have some bit of a natural advantage of over eastern Canada, it is in the area of oil and gas because of our proximity to them? Would the minister tell me whether he supports the Trudeau Government concept of the same gasoline price from one end of Canada to the other, the concept that a Maritimer should pay no more than a resident of, shall we say, Calgary, Alberta, or Regina? Do you support that concept, Mr. Minister?

MR. ROBBINS: — I suppose that as Canadians we have to work on the assumption that they are part of Canada and, because one of the major problems we have in terms of inflationary trends is related to oil, there is merit in a levelling out. But I must say that if you travel across the country you will find very wide variances in terms of gasoline prices at gasoline pumps.

I should also inform the member that there is evidence of some decline in the actual consumption of gasoline. I don't know whether he's listening or not. There's some evidence of some decline in the consumption of gasoline, and the rate of increase that has been occurring is declining partly, I suppose, because of the tendency to drive smaller cars is evident. It's beginning to have some effect, and there is some reduction in gasoline consumption. Your argument that we have high taxes — I don't want to get into an argument with the member on that respect. It's true that B.C.'s 2 cents a gallon lower. Alberta wiped out their tax. I don't agree with that and many people in Alberta don't agree with that. I've had some discussions with some of them. Manitoba tax is 1 cent lower than ours. Ontario's is now 3 cents a gallon higher than ours. Quebec's the same as ours, and all the maritime provinces are much higher — running up to 27 cents a gallon higher. So there are variances, of course across the country but it's true that based on crude oil supplies there is some attempt to level out average costs right across the country.

MR. ROUSSEAU: — Mr. Minister, I would like to get into the area of CVA and since this involves the aircraft and automobiles and trucks, I think it would be wise to take it one at a time. Let's start with aircraft. To expedite matters and, I think, to make it easier, are you prepared to give us a photocopy of the logbooks of each aircraft in your fleet? I understand that you have a separate logbook in the office, a copy of that one as well. Are you prepared to give us that?

MR. ROBBINS: — Yes, we're prepared to give you the copies of the journey logs and we're prepared to give you the same information as given in public accounts with respect to the second item.

MR. ROUSSEAU: — I'm sorry, I didn't hear that last part.

MR. ROBBINS: — I'm willing to give you the same information as is given in public accounts with respect to the second request.

MR. ROUSSEAU: — Could you elaborate a little bit on that? I'm not sure what you're talking about.

MR. ROBBINS: — We can give you the flight log from the aircraft but it's an MOT (Ministry of Transport) requirement that it remain in the plane so you can't get that information until they're down for maintenance, and they are regularly down for maintenance.

MR. ROUSSEAU: — So in other words, you will give me photocopies of it once that is available. Again to expedite matters, you have three aircraft in your air fleet, is that right? Or is that incorrect?

MR. ROBBINS: — Four.

MR. ROUSSEAU: — Sorry, I should have said four; that's right. It's two Cheyennes and two Navahos? Right. O.K., we've talked about this in the House before and you've indicated at that time that you would give us answers in estimates, so now is the time to ask the question. You are charging 30 cents per mile to user departments. First of all, why 30 cents? Secondly, why the reduction from 60 cents, which at one time you were charging and now 30 cents? And thirdly, what is your actual cost of operating those aircraft?

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MR. ROBBINS: — What we do with executive aircraft is we charge all six costs; that is depreciation, insurance, the salaries of the pilots, the salaries of the maintenance engineers, the salaries of the flight co-ordinator to an appropriation in the Department of Revenue. It's a fixed cost. The cost of those pilots' wages for example, or salaries will be there whether they make one flight a week or 20 flights a week. We charge 30 cents a mile and if you want to compute this, this covers aviation fuel, maintenance, engine reserve plus the sustenance for pilots if they have to eat meals or stay overnight on a flight. For your information (and we review this regularly) we may have to increase that as costs rise of course, but for your information, if you look at the actual cost of \$82.54 an hour, that's the variable cost, not the fixed cost on a Cheyenne . . .

MR. ROUSSEAU: — What's that number?

MR. ROBBINS: — \$82.24 an hour. The variable costs on a Cheyenne at the average flight speed of around 275 per hour, it works out to a cost of 29.99 cents per mile and we charge 30 cents a mile. We can't get it much close than that.

MR. ROUSSEAU: — You didn't answer all of my question.

MR. CHAIRMAN: — Order, order!

The Assembly recessed from 5 to 7 p.m.