

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session — Nineteenth Legislature

May 2, 1979

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

WELCOME TO STUDENTS

MR. D.F. McARTHUR (Regina Lakeview): — Mr. Speaker, I would like to introduce to you and to this Assembly this afternoon, 24 Grade 5 students from McLeod School in Regina. They are sitting in the west gallery. I certainly find it encouraging that such a young group of students have found it in their interest to come and observe our proceedings.

I'm sure all members join with me in wishing this group of students an educational and enjoyable afternoon here in the legislature. I look forward to meeting with them a little later at 3 p.m.

HON. MEMBERS: Hear, hear!

HON. N. VICKAR (Melfort): — Mr. Speaker, I too would like to introduce a group of 53 students to you, and through you to the House, from two schools in Melfort, Brunswick and Broadway. These 53 Grade 5 students are accompanied by their teachers, Mr. Gordon Manz, Mrs. Elizabeth Byggdin, and a couple of student teachers, Patti Jellicoe and Kathy Campbell, and I understand their bus driver, Lyle Cox, is in the group as well. These students visited the Northern Telecom Industries this morning, and the RCMP (Royal Canadian Mounted Police) barracks, and I hope they had a good and enjoyable morning. I am looking forward to meeting with them at 3 p.m. this afternoon.

HON. MEMBERS: Hear, hear!

MR. B. PONIATOWSKI (Saskatoon Eastview): — Mr. Speaker, it's my pleasure to introduce to you and to the members of the Assembly, 12 Grade 8 students from St. Charles School in Saskatoon. The students are seated in the Speaker's gallery and are accompanied by their teacher, Norbert Schidlorsky. Welcoming these students and their teachers brings many fond memories to my mind as I had the pleasure of being the principal of St. Charles School during the mid-fifties. I know all members will join with me in wishing the students and their teacher, Norbert Schidlorsky, an enjoyable and educational experience in the legislature, and also a good visit to Regina. I will be meeting with them later this afternoon.

HON. MEMBERS: Hear, hear!

HON. H.H. ROLFES (Saskatoon Buena Vista): — Mr. Speaker, I would like to, or I have the privilege this afternoon to introduce three schools to the Assembly. First of all I would like to introduce the students and teachers of Hugh Cairns School. Hugh Cairns School is about half a block away from the house that I reside in in Saskatoon, and I know many of the students personally, and also their parents. The students are accompanied here by their teachers, Mr. Brent and Mr. Sulatyski. They are 47 in number. I will be meeting with them, Mr. Speaker, later on this afternoon.

Secondly, Mr. Speaker, I would like to join with the member for Saskatoon Eastview in

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introducing to you the children and the teachers from St. Charles School. The reason why the member for Eastview had such a successful year at St. Charles is because I laid the foundation as a principal at St. Charles before he arrived. But my greatest pleasure today, Mr. Speaker, of course, is to introduce the children and staff from George Vanier School. George Vanier School is the school that my children attend in Saskatoon, and it gives me a great deal of pleasure not only to introduce Mr. Fisher and Mr. Schidlorusky, but I would also today make special mention of a very young boy that I'm very proud of, my son, who is with the children here today. I hope that all members will join with me in the pride that I have for my son, and also for the many other children of George Vanier School. I do hope that they have a good experience here in Regina and in the House. It will certainly be my pleasure to meet with them with the member for Eastview.

HON. MEMBERS: Hear, hear!

QUESTIONS

UNITED STATES RECRUITING DOCTORS

MR. E.A. BERNTSON (Souris-Cannington): — Mr. Speaker, a question to the Minister of Health (Mr. Tchorzewski). Health Systems Research Institute of Salt Lake City, Utah put an ad in Saskatchewan papers to recruit doctors. They recruit doctors for rural communities in North and South Dakota, Montana, Idaho, Wyoming and Nevada. The first day that that ad ran in Saskatchewan they had five replies, five applications. Could you indicate to this house if, in fact, you have any mechanics to check on how many doctors are leaving Saskatchewan and how many have left to date?

HON. E. TCHORZEWSKI (Minister of Health): — Mr. Speaker, indeed, we are very well aware of the number of doctors who leave Saskatchewan and the number of doctors who enter Saskatchewan. I don't know how many doctors may leave Saskatchewan in 1979 but if previous experience with those kinds of ads (which I might add to the member opposite is recruiting doctors in those clinics to work on salary and he should take a close look at that) last year there were five doctors from Saskatchewan who went to practice in the United States, whereas 126 new ones were registered by the College of Physicians and Surgeons . . .

SOME HON. MEMBERS: Hear, hear!

MR. TCHORZEWSKI: — . . . to practice in the province of Saskatchewan. I think that that is a pretty positive indication of the kind of medical practice and service that we get provided in this province throughout the province.

MR. BERNTSON: — Well, Mr. Speaker, in light of recent events and the obvious disenchantment between the medical profession and the Department of Health in almost anyone's judgment except the members opposite, would you now make some positive move in light of this apparent medical professional exodus from Saskatchewan to create an atmosphere of harmony between MCIC (Medical Care Insurance Commission) and SMA (Saskatchewan Medical Association) such as firing Dr. Penman?

MR. TCHORZEWSKI: — Well, Mr. Speaker, I went to quite a large number of schools before I graduated from high school. I don't know how many the member went to opposite but if he thinks five doctors leaving the province to go to the United States is

an exodus that's a different definition of an exodus than I have. So, therefore, I do not share his concern. I also want to indicate that . . .

MR. LANE: — That's why you went to so many different schools.

MR. TCHORZEWSKI: — I could comment but I will not.

I am also going to indicate to the member that that disharmony that he talks about is something that exists in the minds of some people as maybe the health critic and a few others, but in reality it does not exist to that kind of an extent at all.

ESSO PROJECT AT COLD LAKE

MR. G. McLEOD (Meadow Lake): — Mr. Speaker, a question to the Minister of the Environment.

I have asked you before in the House to give information to the House and to the people living in the Beaver and Waterhen areas of northwestern Saskatchewan, regarding the effect of that Esso resources project at Cold Lake on the Beaver and Waterhen Rivers, in particular, but also on the Churchill River system, in general.

You have not provided any answers to date that inform these people as to what that impact will be. Will you now give the House assurance that you will make any information that you have in your department more readily available to the people in the province?

HON. G.R. BOWERMAN (Minister of the Environment): — Mr. Speaker, the proposal that is made by Esso with respect to the developments in the Cold Lake areas has had a public hearing process already. There are some two or three people, I believe, who personally made presentations to that public hearing board that was established in Alberta.

I can only repeat what I have said earlier, Mr. Speaker, with respect to this issue. That is, the proposal by Esso is a temporary proposal; it is not a final objective nor is it a final commitment that Esso will move, as the proposal suggests. They are about to undertake further hearings, as I understand it, and they will be in contact with our environmental officials here in Saskatchewan. I can only assure the member that we will do whatever is in our ability to do. We have already, at the first hearing, expressed our very grave concerns about their temporary proposal, relative to use of water and with respect to not only the use of water but the dispensing of effluent from the plant.

We would be remiss, indeed, in this province if we did not concern ourselves with a matter which would affect the Beaver River system and ultimately the Churchill River system as this project proposes to do.

DANNY FISHER REHABILITATION CENTRE

MR. R. ANDREW (Kindersley): — A question to the Minister of Health.

The Minister of Social Services (Mr. Rolfes) has seen fit to withdraw his support for the Danny Fisher Rehabilitation Centre in Kindersley, indicating that it is now in your hands. Could you advise this Assembly as to whether or not you are prepared to offer some financial assistance to keep that alcoholic rehabilitation centre open in Kindersley?

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HON. E. TCHORZEWSKI (Minister of Health): — Mr. Speaker, all I can say to the member opposite, is that is a matter that has to be dealt with, if it has not already been dealt with by the Alcoholism Commission, which is the agency established by the province and by this legislature to provide preventative and treatment services for people who suffer from the problem of alcohol. I am sure the commission will give that matter consideration.

MR. ANDREW: — I understand you are the minister responsible for that commission and you were in the House last night when this matter was raised. Do you know whether or not they have given any consideration to an application for assistance to the Danny Fisher Centre in Kindersley?

MR. TCHORZEWSKI: — I am not sure, Mr. Speaker. The commission may have given that consideration. I can check with the commission, if the member has not already done so, but offhand I don't know whether it has considered it or, if it has, what the results may have been.

MR. ANDREW: — Final supplementary, Mr. Speaker. I would just simply ask the three gentlemen all in a row there — one builds the liquor store, the other one takes the money and the other one is responsible for it — if perhaps we could have some communication and, perhaps, get that building open again for the people in the town of Kindersley?

MR. TCHORZEWSKI: — Well, Mr. Speaker, I think I have indicated to the member opposite my response to his question. He, as his colleagues opposite, continually argue in this House and outside this House about the importance of having autonomous bodies to provide certain services for the people of Saskatchewan. We are providing in this legislature an autonomous cancer foundation. We have (I don't know whether it was a previous NDP government or the former Liberal government) established the alcoholism commission, which is an independent agency. They will deal with it as adequately as they have dealt with it in the past. If they have the funds that are available in order to be able to provide that service, and it fits into their priorities, then obviously it will be a positive answer. If they don't at this particular time, then it will probably not be a positive answer. But they will make that decision, as they should.

DONATIONS TO COMMUNITIES BY PCS

MR. R.A. LARTER (Estevan): — Mr. Speaker, a question to the minister in charge of PCS (Potash Corporation of Saskatchewan). Mr. Minister, I think as you well know the people in the potash mines, generally speaking, are pretty good corporate citizens with regard to the communities where they are located. They are assisting these communities with both monetary and physical donations as far as curling rinks, town halls, sports complexes and whatever. It is my understanding that when PCS first bought out these mines they cut out some of these donations. It is my understanding now that you have reinstated some of these donations in these communities. Is that correct?

HON. J.R. MESSER (Minister of Mineral Resources): — Mr. Speaker, the member is wrong. In the instance where we purchased mines which carried on what we felt to be reasonable attitudes towards requests from communities for recreational facilities and the like of that, that policy was continued by the PCS, and continues to be the policy of the PCS.

MR. LARTER: — Supplementary, Mr. Speaker. Mr. Minister, wherever you have for instance a large complex, an industrial complex, such as Sask Power at Estevan, Sask Power plant at Saskatoon, do you not feel that these corporations should be doing the same thing for these cities? For instance, in Estevan, the grant you give them in lieu of taxes to the city is paid back by the city for power bills during the year. Do you not feel that these communities are justified in those same donations?

MR. MESSER: — No, I do not, Mr. Speaker. It's unfortunate, if the member is speaking for the community of Estevan, they did not follow through with the discussion I had with them, which would have concluded in a meeting where we may have more appropriately dealt with this rather than in the Assembly and ultimately the public of Saskatchewan. But let me say, Mr. Speaker, in answering the question, there's a very substantial difference between the PCS and its policy, and the policy of the SPC (Saskatchewan Power Corporation).

The profits of the Potash Corporation of Saskatchewan are largely derived, almost entirely derived, from a product that is sold outside the province of Saskatchewan, and a very healthy and handsome profit it does derive.

We believe, Mr. Speaker, that it is appropriate where those mines are in operation and are employing people from that community that we should contribute to community projects. That is much different from the Saskatchewan Power Corporation where its profits, modest as they are, because the charges for electricity and gas are the cheapest in Canada, if it contributes to those community projects, it has to pass off that cost to other customers in the province of Saskatchewan who are paying for that electricity and power.

We believe that it's more appropriate to have other government agencies fund and give assistance to those community projects as is the case followed by the Government of Saskatchewan today.

SOME HON. MEMBERS: Hear, hear!

MR. LARTER: — A final supplementary, Mr. Speaker. Do you not feel that with the SPC (Saskatchewan Power Corporation) plant being in Estevan (as I've said many times before, besides giving a very viable industry to our city), you present much imposition to the city on taxing its education and sports facilities by the influx of people? Why would you not consider it the same? We are supplying through our resources at Estevan for all of the people in Saskatchewan.

MR. MESSER: — Mr. Speaker, the member know that there are moneys given in lieu of taxes to the community where we have such operations. He says 'not very much' but the fact of the matter is that it's a significant amount of money and I think it would be interpreted by Saskatchewan people to be a significant amount of money.

He also knows that the city has asked the corporation to collect some moneys on the electricity sold to the consumers in the community of Estevan and they derive some significant moneys through that as well. The conveyor or the motivator in the collection of that money is the Saskatchewan Power Corporation.

We also provide to that community hundreds of thousands of dollars in wages by virtue of the employees who have been located there by the Saskatchewan Power

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Corporation, and I think the community certainly benefits by that.

My colleague, the Minister of Labour (Mr. Snyder) says 'a real imposition' and I would doubt that the city council of Estevan would suggest that we should move this imposition out of Estevan and perhaps put them in Weyburn.

He knows full well that they have an asset in that we have hundreds of employees there, and those employees not only spend their money there but I'd say they are good citizens of the community and, as individuals, contribute very significantly to that community and its projects.

SOME HON. MEMBERS: Hear, hear!

CO-OPERATIVE SEED-CLEANING PLANTS

MR. J. GARNER (Wilkie): — Mr. Minister, having reviewed some of your policies, I notice that you have a policy for the construction of co-operative seed-cleaning plants. I want you to clearly understand that I'm a firm believer in co-ops, Mr. Minister, but do you have a policy for an individual or a company or for private enterprise to build seed-cleaning plants?

HON. E.E. KAEDING (Minister of Agriculture): — No we do not.

MR. GARNER: — A supplementary, Mr. Speaker. Mr. Minister, in your co-operative policy it states that in order to receive a grant you have to have 100 bonafide farmers and they have to have at least a total of 200,000 acres (and that's a 2,000 acre allotment per farmer); that's over a three-section farmer. Mr. Minister, many times in this House I have heard you defending and talking about the family farm and the small farmer. Where, Mr. Minister, do you get that that is helping out the small farmer when you are talking about a three-section farmer, and why have we not got a policy to help out that individual or private enterprise in the seed cleaning business in Saskatchewan?

MR. KAEDING: — Mr. Speaker, in his usual way he has managed to distort everything he reads. It says that there must be at least 100 farmers and there must be a total sign-up of 200,000 acres. That doesn't mean that 100 farmers have to have 200,000 acres; it said there must be at least 100 farmers and there must be a sign-up of at least 200,000 acres. If that takes 300 farmers or 500 farmers, that's what it takes.

With regard to his proposition of why we don't make it available to private industry — we are providing in that policy up to 50 per cent approximately of the funding of a seed cleaning plant. If we were to make that money available to a private individual he would have no obligation to us to continue to serve the public. He could put that money in his pocket; he could go ahead and he could clean seed for two or three years then sell his plant and stick the money in his pocket. In the case of a co-operative we know that that facility is going to be there for many, many years to come because it has the support of the community behind it. Therefore, we are able to give that kind of support to it. We can't do that with an individual because we can't guarantee his commitment to the operation.

MR. GARNER: — Mr. Minister, could you not have a policy geared the say way as you have for the co-operative one for that individual, and why will your department at least

not look into it?

MR. KAEDING: — Well, Mr. Speaker, we have looked into it. We have examined all kinds of ways of providing facilities. We find this to be the most efficient and desirable way to deal with the policy. We are looking at another policy, as I indicated to you earlier, where we can get a smaller-sized unit, which would not require as great a sign-up. We think we have one on the drawing board now which will do that. But it will be for co-operatives.

DELAY IN SUPPLYING REQUESTED INFORMATION

MR. H. SWAN (Rosetown-Elrose): — A question to the Minister of Municipal Affairs (Mr. MacMurchy).

During estimates you promised me some information and I haven't received it yet. That was the information I asked for with regard to the grants under your revenue sharing program for the years 1977, 1978 and 1979. Now I did receive 1979, but when can I get the remainder of the information?

HON. G. MacMURCHY (Minister of Municipal Affairs): — Mr. Speaker, I apologize to the hon. member for the delay. I just received a package of material in my office this morning from the department, which (if not all) is a major portion of the information which the hon. member was requesting. I will bring it down to him as soon as I have drafted a memo saying, here is the information as requested. So it will either be down today or tomorrow.

MR. SWAN: — Supplementary question to the minister. During our discussion over the past while with regard to revenue sharing, I have mentioned to you that a number of the municipalities are not getting as much money under revenue sharing as they had previously and that was the reason I needed the information. But I have a letter here (and I'm sure you have a copy of it), listing five municipalities that have made that statement (and these five are out of my constituency), stating that they're not getting as much money now as they did two years ago, before revenue sharing was introduced. I'm wondering if you've looked at the letter and is that true?

MR. MacMURCHY: — Well, Mr. Speaker, it's hard to explain that there is a problem with the application of the equalization formula. I think the hon. member is aware that review of the equalization formula necessitated grandfathering a number of rural municipalities this year in order to have them receive as much this year as last year. We have to continue to review the application of the equalization formula and that will take place. I don't think it's true that in total funding there are any rural municipalities that can say they have received less under revenue sharing than prior to revenue sharing. I think the hon. member knows that there's been a significant infusion of new money under revenue sharing to rural municipalities. When rural municipalities take into account both their conditional grants and their unconditional grants, I think the hon. member and rural municipalities will find that they're receiving significantly more under revenue sharing than prior to revenue sharing.

MR. SWAN: — Supplementary to the minister. I have the figures for the five municipalities and I don't propose to read them all. But the lowest one gets just under \$9,000 and the highest one gets \$23,000 and all five tell me that that is considerably less money than they received prior to revenue sharing. You've inducted something over \$12 million of new money in the last two years and I believe that these people

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should benefit to some extent and they aren't. Now, I would like to know, when can they expect to receive some benefit from revenue sharing?

MR. MacMURCHY: — Well, Mr. Speaker, I think the hon. member is reading information relating to the unconditional portion of revenue sharing. When I hear the amounts involved without knowing all of the facts, that's what strikes my mind. I think there is a problem with the equalization formula or the unconditional formula. We're trying to sort that out and until we sort it out, the problem may well continue. But when one considers the unconditional and the conditional funding, I think that the hon. member and municipalities will find they're receiving a lot more money in total than before.

BOND FLOATED IN NEW YORK FOR CROWN CORPORATIONS

MR. W.C. THATCHER (Thunder Creek): — A question to the Minister of Finance. Mr. Minister, while in New York, the Premier has indicated that the credit rating of the province will not be increased, that is, it will stay where it is. Would the Minister of Finance tell the Assembly whether or not a bond issue will be floated in New York or on the American market on behalf of the province of Saskatchewan? Would the Minister of Finance confirm or deny whether or not the interest rate charged on that bond issue will be more than one-half point higher than that which was issued earlier in the year on behalf of Ontario Hydro, and if so, why are we having to pay that much more than Ontario Hydro if our credit rating is as high as you have indicated?

HON. W.E. SMISHEK (Minister of Finance): — Mr. Speaker, the hon. member is reaching conclusions totally out of his own hypothesis.

Mr. Speaker, we have made no decisions at this stage on whether we will be borrowing on the United States public market. It will all depend on the interest rates that may be available, as well as the exchange rates and the availability of money on the Canadian market as well as the interest rates that may be available on the Canadian market.

I might inform the House that last week we went to the Canadian market for \$100 million. That debenture was picked up very rapidly. The hon. members will be interested in knowing that we were able to get money at a rate better than Ontario Hydro, which has normally been recognized across Canada as getting the best interest rates. In Saskatchewan we have an AA rating compared to Ontario Hydro's having an AAA rating. We were able to borrow money at a preferred rate and also we were able to borrow money at a preferred rate to that of the Government of Canada, which went to the market just a few days before.

This indicates the confidence that the money market has in the Canadian economy and in the financial management of this government.

MR. THATCHER: — A supplementary question and I suppose I should repeat my earlier question. Mr. Minister, it is wonderful what is happening on the Canadian market and it may or may not be true, but can we get back to the American market. Are you floating a bond issue? Is it true that with the issue, the best offer you have been made is more than one-half a point higher than what Ontario Hydro floated at? I suppose this question should be, does this differential, this point spread, indicate a deterioration in our rating by, I suppose, Standard and Poor's? Does this indicate a deterioration in the province's credit rating?

MR. SMISHEK: — Mr. Speaker, the answer is no, we are not floating an issue at the

moment in the United States. It is true that we are always examining every market but at this stage, we are not in the United States public market for any kind of a debenture.

CONDOLENCES

HON. G.R. BOWERMAN (Shellbrook): — Mr. Speaker, before the orders of the day, I wish to move a motion of condolence on the passing of a former member of this Assembly, Louis Marcien Marion.

Before moving that motion, Mr. Speaker, I would like to make a few remarks. While I make the remarks on my own behalf, I want it recorded that I have also been asked by my hon. colleagues from both the constituencies of Athabasca and Cumberland — they not being in the House this afternoon — to extend on their behalf and to express on their behalf their condolences as well.

Louis Marcien Marion, died on April 6, 1979. Mr. Marion was a member of this legislature for the constituency of Athabasca from 1944 to 1952. He was born in Saskatchewan at Bellevue and attended Battleford Separate School and an Edmonton college. Mr. Marion's father, Mr. Jules Marion, had in earlier years been a member of the same constituency of Athabasca. Mr. Marion worked as a telegraph operator in Ile-a-la-Crosse and he later operated a free trade store in Ile-a-la-Crosse. He bought fish and he bought furs and was a free trader there among the peoples of Ile-a-la-Crosse. He worked for improved educational systems, improved health facilities in the North. It is recorded here he was a member of the Knights of Columbus.

I personally knew Marcien Marion and although I didn't know him well, I was aware of his activities in the political arena, first becoming aware of that fact when I was a teenager and a little bit involved in the elections of 1944 and again in 1952.

The constituency of Shellbrook and particularly my residents were somewhat related to the activities that used to flow from and affect the lives of people in our community, as farmers who weren't able to make good during the summer season, migrated into the northern parts of Saskatchewan for winter fishing operations, for the forest industry and so on. And through those contacts I had my personal acquaintance with Mr. Marion. There's likely not anyone in the legislature today who sat with Mr. Marion when he was a member of this Assembly. But I'm sure that all members of this Assembly will want to extend our condolences to the family of Mr. Marion. His wife and his daughter I understand still live in Meadow Lake.

Mr. Speaker, I therefore want to move, seconded by the hon. member for Meadow Lake (Mr. McLeod):

That this Assembly records with sorrow and regret the passing of a former member of this Assembly and expresses its grateful appreciation of the contribution he made to his community, his constituency and to this province.

Louis Marcien Marion, who died on April 6, 1979, was a member of this legislature for the constituency of Athabasca from 1944 to 1952. He was born in Saskatchewan at Bellevue and attended Battleford Separate School and an Edmonton college. His father, A. Jules Marion, had in earlier years been a member for the same constituency. At one time he worked as a

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telegraph operator in the North and later operated a trading store at Ile-a-la-Crosse and bought fish and furs in that community. He worked for improved educational and health facilities in the North. He was also a member of the Knights of Columbus.

In recording its own deep sense of loss and bereavement, this Assembly expressing its most sincere sympathy with members of the bereaved family.

MR. McLEOD: — Mr. Speaker, I would like to add my personal condolences to those already expressed to the Marion family.

I knew Mr. Marion since I was a boy in Meadow Lake and, in fact, my family and the Marion family have known each other for many years, both families being old-timers in the Meadow Lake area.

Marcien Marion was preceded in his representation in this House by his father, Mr. Jules Marion, and he carried on his family's name here in an honorable way.

Those of us who have lived in the North know something of the hardships undergone by members charged with the responsibility of representing a small population, which is spread over a vast area. Marcien Marion accepted that responsibility and was a dedicated servant to the people of northwestern Saskatchewan during his years in this legislature.

Mr. Speaker, I would like to express my sincere sympathy to Mrs. Marion, his widow, and to all members of the Marion family. May they find comfort in their memories.

HON. E. KRAMER (Minister of Highways): — I would like to add a word or two to the condolences on behalf of the late MLA for the North, Marcien Marion.

I, too, have known Marcien Marion since the '40s and also his wife who was a former North Battleford girl. Marcien Marion, as has already been said, was one of the early pioneers of the North, as was his father. A colleague of Marcien Marion's in the House (two of them in fact from that area), the first member for North Battleford when we became a province in 1905 was Don Finlayson, who later represented the constituency of Jack Fish, which was immediately to the North. Mr. Finlayson served in this legislature for 26 years and he was followed a few years later (or simultaneously in another northern seat) by Mr. Nolin, who I believe was a cousin of Jules Marion. Mr. Nolin was also an MLA and I suppose if we counted up the descendants of the Nolins they would number somewhere in the 300s or 400s in northwestern Saskatchewan — a lot of might good citizens.

So, all in all, one cannot help but express real regrets in the passing of another pioneer — a colorful figure in the North, who followed in his father's footsteps as a northern representative in the swashbuckling old days of politics which were considerably different (and some people may say fortunately) than they are today.

These people served well in their own time and I think we, as today's citizens, can be thankful that men and women of that type did exist in those days.

Mrs. Marion, his widow, did bear a great deal of the burden of those trying times, of any member trying to represent the North and trying to secure a better way of life for northern citizens.

MR. G.R. BOWERMAN (Minister of the Environment): — Mr. Speaker, I move seconded by the hon. member for Meadow Lake (Mr. McLeod):

That the resolution just passed, together with the transcripts of oral tribute to the memory of the deceased member be communicated to the bereaved family on behalf of this Assembly by Mr. Speaker.

Motion agreed to.

GOVERNMENT MOTIONS

HON. R.J. ROMANOW (Attorney General) moved, seconded by Hon. G.T. Snyder (Minister of Labour):

That an humble Address be presented to His Honour the Lieutenant Governor recommending to His Honour that Mr. Myron Kuziak of Regina, in the province of Saskatchewan, be appointed the Member of the Public and Private Rights Board under Section 6 of The Expropriation Procedure Act, being chapter E-16 of the Revised Statutes of Saskatchewan, 1978.

He said: Mr. Kuziak is presently the sole member of the Public and Private Rights Board, has concluded a five year term and the statute requires that we get a resolution, the Address, before an appointment or re-appointment (in this case a re-appointment). Mr. Speaker, I so move.

Motion agreed to.

COMMITTEE OF THE WHOLE

BILL NO. 88 — AN ACT RESPECTING LABOUR RELATIONS IN THE CONSTRUCTION INDUSTRY IN SASKATCHEWAN

Section 1

MR. R. ANDREW (Kindersley): — Mr. Chairman, yesterday when I spoke on this particular bill, I sought assurance from the Minister of Labour (Mr. Snyder) that in fact the people involved both on the labor side and on the management side would be consulted. I mean this in a very sincere way because I'm sure the minister, as well as the Leader of the Opposition (Mr. Collver) and other members of our caucus have received many representations from various positions, from various people directly involved in this particular legislation; be they labor, be they management.

I'll just simply read some of these. Here's one from the Mechanical Contractors Association of Saskatchewan. This is the problem that I'm concerned about:

I've been instructed to write to you on behalf of our association to inform you that a vote was taken by our association of our membership in the matter of accreditation. The vote was overwhelmingly 71 per cent in opposition to having accreditation legislation.

Now, there's a large number of contractors involved here, perhaps 250. In answer to

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that, as I understand it, the minister replying to that particular inquiry indicated that he intended to use provision 10 subsection 3 of the proposed act to ensure that he did a proper investigation. Now, my question to the minister is this. Exactly how far is the minister prepared to go to determine the support for and the support against this particular piece of legislation by the industry?

HON. G.T. SNYDER (Minister of Labour): — I think it has to be said, Mr. Chairman, the process of consultation that has taken place with respect to this bill probably exceeds the consultation that has taken place prior to the introduction of any piece of legislation, which I'm acquainted with, during the period of time that I've been in this House, over a period, I think, of some 19 years. This has been a matter which has been discussed thoroughly with the building trade's councils, with independent contractors, with the labor relations council of the industry. As I indicated, I make no secret of the fact that there is no a unanimous view with respect to this particular piece of legislation. I think it would be rather remarkable, given the tone of the industry and the circumstances surrounding the introduction of this kind of legislation, to find a unanimity in the construction industry where there has been, I think, a major degree of chaos in the past.

With respect to the letter that the hon. member refers to from the Mechanical Contractors Association of Saskatchewan, I have to tell the hon. member that first of all, the vote was taken (I'm given to understand) at a point in time previous to the delivery of the last draft. I am referring also, in a sheaf of notes, to information that I have received as late as April 27, in which mechanical contractors have said to me:

The following noted contractors employ unionized employees in the mechanical contracting business. The trades that we have collective agreements with are the plumbers and sheet metal workers. Collectively we represent about 70 per cent of the unionized contractors in the noted trades in the north of Davidson, Saskatchewan district and probably represent about 75 per cent of the unionized workload in the same area. Be herewith advised that we support the Construction Industry Labour Relations Act known as Bill 88, which is before the House for a second reading. Please be further advised that we wish to disassociate our firm with any correspondence you have received from the Mechanical Contractors Association or the secretary of same, regarding this subject. Respectfully submitted on behalf of the following mechanical contracting firms: Botting Associates, Century Mechanical, Dent Mechanical Limited, Smith Plumbing and Heating, M.E. Cook Mechanical Limited, Nixon Plumbing and Heating, Thorpe Brothers Limited, Dominion Bridge Company Limited, Myers Plumbing and Heating Limited.

Another letter . . . I trust I won't be boring the hon. member . . . April 26, 1979:

Walter Botting, Mechanical Contractor, Saskatoon. Unionized contractors in north Saskatchewan met in support of the legislation. They disassociate themselves from any correspondence which may have come from Tom Baylis of the Mechanical Contractors Association in Saskatchewan. They represent 70 per cent to 80 per cent of the mechanical contractors in northern Saskatchewan. They are having a large meeting tomorrow at 4 o'clock. They will get a letter to you to support this legislation and you should receive it Monday, is the information received by me.

Well, I can go on and on if the member wishes with a sheaf of letters which give support from a host of other contractors.

Stetner Electrical Limited. Dear Sirs: An electrical contractor and member of the Saskatchewan Electrical Contractors Association and the Saskatchewan Construction Association of Labour Relations Council, I wish to inform you that I am in support of Bill 88.

Another letter, April 27, 1979:

We the undersigned electrical trades section representatives of the Saskatchewan Construction Association Labour Relations Council are in support of Bill 88 accreditation legislation. Signed Stetner, Stetner Electric; P. Hydler, Comstok International; Norman Headford, Headford Electric Limited.

A wire from Cana Construction:

Cana Construction supports Bill 88.

We give our full support to Construction Industry Labour Relations Act. L.W. Thorpe, Thorpe Brothers Limited.

Saskatoon Electrical Contractors at a meeting April 25 approved the proposed Construction Industry Labour Relations Act:

Please be advised that I and the majority of unionized contractors of Saskatchewan support Bill No. 88 before the House. I herewith advise that I want to disassociate myself from any correspondence you may have received from the Mechanical Contractors Association. Signed Walter Botting.

And I can go on and on. I'll not take the time of the House, but I think the hon. member wants to have another word or two to say. I understand in his second reading speech that he and members on the other side of the House have chosen to vote against the legislation. If they wish to do that, of course that's the judgment that they must make. I think, in essence, the legislation, while not a panacea for total and absolute labor peace, represents a step in the right general direction and with the good will of both parties I think it will serve as a useful vehicle to iron out a large number of the problems that we have faced in the construction industry over many years. I shall not go on unless the member particularly wishes. I can go on at some length, if that's the wish.

MR. ANDREW: — Mr. Chairman, the question that I asked the minister was in fact . . . you know I have similar letters for and against and that's not the question. I've met with the people involved and some say, we have overwhelming support for it; others appear against it and there is overwhelming support against it. Mr. Minister, I indicated to you that we were, by and large, in favor of trying to promote better industrial relations within the construction field and that, by and large, the general concept of accreditation was, you know, not unacceptable to us. The minister has referred on previous occasions to many different bills and many discussions, many hours of discussions over the years in fact, on this particular legislation. The question that I have and the concern that I have is that it strikes me that there are two things: number one, there doesn't seem to be a clear cut system to measure who are for and who are against. That's number one. Number

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two, the people very often are explaining to me that they are really not very sure just exactly what this accreditation legislation is all about. In other words, perhaps there are a lot of people who really don't understand it completely. The draft legislation, as I understand it, originally did not contain clause 9 and clause 10, as we have in the present bill. Clause 9 and 10 override clause 11, which called for 50 per cent plus 1 to appear before the Labour Relations Board and determine whether or not they did have the support. They override that and give that power to the minister. The assurance that I request from the minister is not simply to say, well, look, I have enough letters in here that show me that we've got support. What I'm asking the minister to do — if he can give that type of assurance we can probably get this matter through with the support of this side — is to be prepared (and somebody has to do it, clearly the opposition can't go out and do a polling of all the people who will come under this act) because of section 9 and 10, because he is the sole person now who is going to determine that, to do a proper polling to determine whether there is a majority of the people supporting the legislation. That's simply all I ask. Can you give the House that assurance?

MR. SNYDER: — I think to the best of my ability and as a result of what I believe to be extensive consultation with large numbers of the employer people and with the advice and consent of the Labour Relations Council of the construction industry, I believe without question they support the proposition envisaged in clause nine which provides to get the system off on a strong note that the minister will be provided with the authority to name the agent after once again consulting with the parties or the contractors that are directly involved.

I don't know what more assurance I can give the member, other than to indicate that the deputy minister, over a significant period of time, has consulted with the parties and they regarded this as the most appropriate method, in the initial stages, to start up the program through the next of bargaining; and then after 1981 obviously the contractors involved will have the opportunity to proceed through the Labour Relations Board and change that bargaining agent if that is their wish.

Now I don't know what more I can do other than offer the member the assurance that we have, I think almost to the extent of being tedious, explored those possibilities and have consulted more widely, I believe, than has been the case with any other piece of legislation that's been before the House, in my memory.

I don't know what else I can tell the hon. member other than the fact that there has been a great deal of consultation and this in effect follows the familiar pattern that was indulged in by the Ontario government at the time they passed a piece of legislation. I'm not using that as a particular example except to say that the starting point was the same as we are suggesting here — in that the Minister of Labour was charged with the responsibility of designating the agent, if you like, who would serve to bargain on behalf of the employer members.

MR. ANDREW: — Mr. Speaker, is the minister, or an official in your department, in a position to advise the Assembly as to approximately how many companies will be involved (as close as you can come bearing in mind that some can be unionized or decertified in that short period of time)? How many people will be involved? How many unionized contractors in the province of Saskatchewan will be involved in this particular legislation? Do you have that answer?

MR. SNYDER: — It will obviously be a large number of contractors. I think it would be frivolous of us to attempt to guess the precise number. I'm not sure if I told you several

hundred; if it was 400 or if it was 600. I'm not sure what particular point the hon. member attempted to make. We don't know the precise number of employers who will be affected. It will be the bonafide, organized, unionized contractors who will be directly affected.

MR. ANDREW: — My question to the minister is this, the information I have . . . All I'm trying to do is come down to the question of how many people are involved to determine whether to support it or not support it.

As I understand, there are approximately 700 people who are members of the Saskatchewan Construction Association; now those are unionized and non-unionized people. Approximately 250 of those people are unionized; is that to your knowledge a proper figure?

MR. SNYDER: — I think probably you are in the ball park. As the hon. member knows, from time to time there will be companies that start up and companies that pass from the scene for a number of reasons, but I would imagine that is a fairly accurate figure, give or take 25, 30, 50 — I don't think we can be entirely sure of the figure. I think that is probably accurate or close to the figure.

MR. ANDREW: — Some of the contractors are also raising a concern about the section involving an employer who is part of the unit having shares in another company, then that other company would automatically be within the unit. Have these people made representation to your department on this particular issue? I think the concern is that it is not simply a clause to get around the act but will maybe be all encompassing and pick up a lot of the companies that maybe are not unrelated to that construction industry.

MR. SNYDER: — I think the hon. member has to recognize that there will be some objections and there have been some objections expressed by the employers with respect to section 17. The section says principally, that no unionized employer shall, for the purpose of avoiding:

- (a) the effect on him of any designation of the minister or order of the board determining an employers' organization to be the representative employers' organization with respect to a trade division; or
- (b) any collective bargaining agreement that is in effect or that may come into effect between the representative employers' organization and a trade union.

What it is saying essentially is that you can't go out and set up a dummy company, and you can't set up a double-breasted operation for the purpose of circumventing the laws that are intended to apply in this set of circumstances.

I think the objection by the construction industry is a rather timid one because I think their argument represents a rather weak argument, if they are prepared to say that the legislation is bad because somehow it will prevent doing something which I think is as nefarious, such as going the double-breasted route, if you like, and going with a non-union company in order to circumvent the provisions of this and other acts.

MR. R. KATZMAN (Rosthern): — Mr. Minister, through the labor relations bill we had a discussion going the other day over the 25 per cent that can apply and how 50 per cent plus 1 more voter will allow you to be certified.

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One of our concerns, as the member for Kindersley (Mr. Andrew) was making was, in this particular bill you don't allow the employers the same rights you give the employees. That is a concern on this side of the House, not because its employers, but because of the importance which you have placed on it yourself every time you have got up to speak. You have said how important it was that when 25 per cent wanted to vote, that was a sufficient majority — that they were allowed to go before the board and if 50 per cent plus 1 were in favor of it, it goes.

In this bill you are not giving the same consideration and yet when you explained to the member for Thunder Creek (Mr. Thatcher) the other day, your reason for saying that to remove yourself from a bargaining unit you needed to come in with 50 per cent plus 1 of the membership, you said how important it was for stability.

I suggest to the minister, using his own arguments, he is not treating both sides the same way. That is part of the concern. Using your own arguments, Mr. Minister, can you explain why you are going differently on this side than the other bill you were explaining the other day?

MR. SNYDER: — Well, I think the hon. member will have to appreciate that probably we are being somewhat more lax in providing the opportunity for the employer, after 1981, to apply for an amendment to the Labour Relations Board. He must only allege to represent a majority. If an employer's organization claims to represent a majority of the unionized employees in their trade division in accordance with the rules of the board, he may make application to the board for an order designating it as the representative employer's organization for all unionized employers in that trade division, at which time the Labour Relations Board will be obliged to conduct a vote. And 50 per cent plus 1 will be the required majority in order for that trade division to be represented by someone else other than the representative of the employer's organization that was named previously by the minister.

I think it is even somewhat more lax; it doesn't specify that you have to have 25 per cent as the magic figure, as is suggested by the hon. member, when a group of trade unionists are attempting to form themselves into a union and to have a vote conducted in order to have a trade union organization certified.

So, under section 11, an application to the board requires that the employer's organization claim to represent a majority of the unionized employers.

MR. KATZMAN: — Mr. Minister, on that same argument, you say claims to represent. If somebody makes the claim I assume he will have to back it up the same as a union membership. When I was arranging to have some more members come in to the union I had to back it up with signed cards. I am assuming that the same requirements will be here; therefore, he is going to have to prove it. You are indicating he doesn't even have to prove it; all he has to do is say it. Am I correct? Is that what you are saying? He doesn't have to prove it? He just has to say it?

MR. SNYDER: — The deputy indicates to me that the rationale basically rests with the fact that it is so very difficult in order to determine just how many employers there are in any given set of circumstances. So in order to determine what an absolute majority is it becomes somewhat more difficult. It is a very simple matter when a group of employees are attempting to form a union because, you know, in a place of employment if there are 100 employees 50 plus 1 represents the majority of those. In some particular

occupations, in some particular industries, it is not difficult because you know the precise number of companies which are incorporated for that purpose in the province at any one given time. But it is the difficulty which we have in determining the precise numbers that makes it difficult for purposes of this act.

MR. KATZMAN: — Mr. Minister, in my opinion, you have just shown me a big loophole in your law, which means if a contractor wanted to really destroy and cause a vote in two years all he has to do is form about 30 little companies which he will be allowed to vote for in each case. Therefore, he will maybe have a majority of the voting on that trade. In that way one person with all kinds of little companies could destroy the whole intent of this act, because he will have enough votes to do as he pleases and swing the whole bill. So by your own admission just now, you have shown me a big loophole in this law.

MR. SNYDER: — Well that represents pretty much a hypothetical case and I doubt very much whether that would be the case. In each instance, each of those companies would have to be unionized in order for them to have a vote. They would have to be unionized contractors because obviously the provisions don't apply in the case of a non-union employer. So obviously, I think the member is dealing largely with a hypothetical case, which is very unlikely to occur. I can't imagine it occurring really.

MR. KATZMAN: — Mr. Minister, am I not correct that in most cases you hire your union workers from the union hall? Therefore, if you say you are coming in, you are going to hire from the union hall automatically and that makes you a unionized contractor. If he has different trades going in different places, rather than the one place, I think he could do it by skating along the fine edge of the law. I think he could get away with destroying your act.

MR. SNYDER: — Once again, I have to indicate to the member, that represents a hypothetical set of circumstances and we don't believe that that's a possibility. There are some gymnastics which you have to go through in order to incorporate a company. You would have to be a pretty devious person, I think, to set up 30, 40 or 50 companies and go to the hiring hall and hire employees from the hiring hall in order to have a preponderance of votes, in order to circumvent the act. I suppose there are some people who still believe in Santa Claus, but I frankly don't believe that that's a circumstance which will arise out of this legislation.

MR. KATZMAN: — All I'm suggesting to the minister is that's in my opinion a possible loophole just what he has said. The second question I would have, Mr. Minister, is there any reason why you put the legislation as two years down the road where you don't say, as in a union contract, it's on the anniversary date they have the right to appeal it? You have it two years down the road but I don't know how often you can appeal it then after. Is it every year on the anniversary date or when?

MR. SNYDER: — No, the reason that 1981 is the time frame that's suggested is because we want to get by the next round of collective bargaining with that reasonable degree of stability before there's any upset or there are any applications made to the Labour Relations Board for the purpose of selecting a new employer representative. After that point in time, January becomes not the anniversary date like the 30-60 day hunting period prior to the collective agreement as is the case in The Trade Union Act. In this particular set of circumstances, January of each year will be the appropriate period when an application can be made to the Labour Relations Board.

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MR. ANDREW: — One further point on the question raised by the member for Rosthern (Mr. Katzman). I would ask for some further clarification, in particular, 17 subsection 2, which reads:

Where the employers organization or trade union alleges that a unionized employer has contravened subsection 1

which relates to setting up this other company to try to get around the unionized company . . .

it may apply to the Board for an order determining the other company or entity mentioned in subsection 1 be, (a) a unionized employer in that trade division

But does that clause, by creating a company not automatically create that company, then, to be another member of that total unionized thing?

MR. SNYDER: — In the event that the employer is operating or seeks to operate a company which, to use the jargon of the trade, is a double-breasted company, then the responsibility rests with the Labour Relations Board to make a determination whether they're using the same head office using the same equipment, or virtually the same company but have formed that company in order to go non-union under different sets of circumstances. That's the purpose for the section. It think it's eminently fair. I don't see why we should be in a position where we should allow a company that has been duly organized in the usual process to circumvent the law by setting up a company using basically the same equipment and operating with virtually the same board of directors and whatever, in order to sidestep the provisions of the legislation.

MR. ANDREW: — I think we're perhaps talking about two things, Mr. Minister. You're talking about this double-breasted company, and I can agree with you to that extent depending on the interpretation that's going to be placed on these quite frankly. But assuming that the Labour Relations Board determines that that company is in contravention of section 17, then by this act it says that that company then automatically becomes a unionized employer in that trade division (do you follow what I'm saying?) And therefore, becomes another company and presumably has another vote. You could apply that to subsection 11 and perhaps it's something that could be straightened out.

MR. SNYDER: — We agree that would be the effect in the event that a non-union company was determined by the Labour Relations Board to be a part of or a significant offshoot of the original company. Then it would become a unionized company and it would indeed have the vote for voting purposes. It would have a vote, no question about that. We agree.

MR. ANDREW: — I think it does point out (and perhaps you would agree with me, Mr. Minister) the problem that the trade union, of course, is one person and can be counted as one person. What we're dealing with here is one person could all of a sudden become five persons if you deal with a company as a person. It becomes a nebulous thing to try to hold onto and to count. Perhaps that's something you would have to monitor.

MR. SNYDER: — I suppose our only suggestion is that technically anything is possible.

You can take the figure and multiply it ten-fold if you like, but we think it's highly unlikely that that sort of thing will take place because it represents a fair bit in terms of effort to go through the rigors of forming a new company for the obvious purpose. Frankly, we aren't of the belief that that will be the natural outgrowth of this legislation. If it does, then of course, we're governed by the circumstances of the moment and this piece of legislation is not necessarily the last word. There are still opportunities available to us. I expect there will other sessions of this legislature and we'll have the advantage of the experience of having worked with this legislation.

MR. KATZMAN: — Just one question to the minister. You got the point that the member and I were both making now that it can multiply. Would you be willing to advise us under this legislation of any company that has more than one (as you call it, double-breasted) that has allocated to be over? In other words, if somebody has got 10 little ones going, that means 10 votes and you're going to see our problem which we're recommending. We would like to know about them.

MR. SNYDER: — I'm a little bit at a disadvantage in terms of assuring the hon. member that we'll keep him on our mailing list and ensure him of everything that we find happening about us in the Department of Labour. We want to co-operate with the hon. member and provide him with all of the information we can. I understand officially the hon. member for Rosthern (Mr. Katzman) is no longer really the labor critic. So under what particular umbrella we provide him with all of the information I'm not sure, but we'll attempt to keep you informed. Don't hold me to an absolute promise of keeping you informed of every intimate detail that goes on in the department over the next number of months.

MR. THATCHER: — Mr. Minister, listening to the exchanges back and forth, I suppose it's fair to assume this legislation probably originates because of the problems in the industry last year.

Mr. Minister, if I recall, basically last year what happened was all the trades settled (if my memory serves me correctly) except the laborers. The laborers then struck and the bulk of the industry went down.

From listening to your comments, the same thing can basically still happen. So very briefly, without getting inflammatory and for those of us who are not experts on the trade union movement or make no pretence of being, could you briefly tell us how this bill is going to prevent similar situations from occurring such as the unfortunate problems in the industry last summer?

MR. SNYDER: — We're not about to suggest at this stage or have we from the very beginning that this piece of legislation is the be-all and the end-all or the answer to all of the industrial relations problems in the construction industry. I suppose there is really nothing to suggest a similar set of circumstances might not recur but we believe it adds a degree of stability and a better opportunity for an employers' organization to speak with one voice for all of the organized contractors in that particular trade division. I think that's the genuine advantage of it because prior to this point in time, there was a very real possibility for the trade union movement in a particular set of circumstances to take on a weak contractor. Let me give you a classic example which could very well recur. Let me give you the example of operating engineers erecting a drag line for the Saskatchewan Power Corporation, which might be prepared, because of its interest in seeing that project completed, to sign an agreement with the operating engineers. It would perhaps be a rather handsome agreement that would put operating

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engineers totally out of pace in the total pecking order in the construction industry, setting a very unholy precedent throughout and causing leapfrogging to take place, as is the case in bargaining contracts in an industry such as the construction industry.

This piece of legislation, I think, prevents that sort of thing from happening and, I think, adds a greater measure of stability and will give, I think, a greater opportunity for the organized employers in the trade union movement (the people in the building trades) to enter into more civilized discussions and, I think do the job in a way which will be beneficial to the community generally and to the construction industry and will be a credit to the collective bargaining system. We are not suggesting that it's a panacea. We are not suggesting that had this legislation been in place last summer we would not have had a strike. I think perhaps it might have happened that we would have had a strike in any case. I think it goes some distance to preventing the reoccurrence of such a thing but it certainly doesn't provide any ironclad guarantees.

MR. THATCHER: — Mr. Minister, I didn't ask you whether it was a panacea; I was asking you what you are trying to accomplish and what it will change. I really don't need the rhetoric about how wonderful the legislation is. But one comment does intrigue me. You indicated that if this legislation had been in place last summer we would not have had a strike.

MR. SNYDER: — I didn't say that.

MR. THATCHER: — I thought I heard you say that we might not have had a strike. I believe you said that, that we might not have had a strike. Now tell me, in the light of that statement, if this particular piece of legislation had been there . . . And I may be wrong, but I believe it was the labor union, last year (am I correct on that?) that caused the strike — assuming it was the laborers and I'm subject to correction . . . (inaudible interjection) . . . All right. But they were the union; as I understood it, the other ones had settled, and there was the one that was left. All right, if this piece of legislation had been in place last year when the negotiations were going on, what would have happened last summer that didn't happen? Because somewhere I missed the point where, with this piece of legislation, there is anything specific, anything that has changed for the existing construction trades which are negotiating. So please qualify that remark that it might not have happened. What could have happened differently if it had been here last summer?

MR. SNYDER: — Well, the hon. member will be aware of the fact that membership in the labor relations council of the industry has been a voluntary thing up until this point. As a result there have been a large number of fairly important (and by important I mean in important in size) contractors that have remained quite aloof from the whole bargaining structure because they knew that they were at liberty to strike out on their own to enter into an agreement with their employees and discard any kind of organized bargaining through that central bargaining agency.

We are inclined to believe, had this not been the case a year ago this past summer, with the interest that a number of the larger contractors probably would have taken in the event that membership in the organization had been mandatory, that we would have had, I think, input by a larger number of people who have heretofore taken a pretty limited interest in the whole bargaining process. We think that that might have had some real major effect in the event which led up to a 17 week shutdown. The hon. member indicates that the laborers were somehow responsible. I think he laid the responsibility at the doorstep of the labor union. I told the member from my seat I didn't

believe that to be the case. I think they had forced upon them a set of circumstances which made a strike in the construction industry inevitable because they were having forced upon them a set of circumstances that was not in existence, the two-tier system set of circumstances, that was not in existence in any other province in Canada. For them to be faced with a proposition of having that set of circumstances hoisted upon them, I think that was fundamentally the cause of the strike. Had that same set of circumstances emerged even with this legislation in place, I think we probably would have had a strike that would have been precipitated for the same reasons, even though this legislation might have been in place. But I do believe with the mandatory membership of the larger contractors, some of them who have remained aloof from it all will be taking a more direct interest and I think bring a greater degree of sanity and stability to the bargaining process.

Now that may not answer the member's question but it's virtually as good as I can do. I can't cross a great many more t's or dot many more i's for the hon. member.

MR. THATCHER: — Well, you're right, it didn't answer my question and I'm not asking you to dot any i's. I think the questions are about as broad and general as you can get. Contrary to the minister, I'm not interested in going back into the issues of the strike last summer. That thing is settled. It's behind us and I don't know why the minister would choose to bring those issues up again.

But again, Mr. Minister, looking at this thing from a distance, I still don't really see what it's going to change. Now I suppose you've changed your mind. In your comments you say, well, a strike might have happened anyway now. So, somehow the minister is saying that a situation such as last summer, well it may or it may not have happened if membership in the construction association had been mandatory; somehow these people who were not compulsory members could have had some impact on the association so there would not have been a strike. In other words, if they had been members I suppose the contractors would have modified their views and the thing would have been negotiated much more quickly.

That is rather strange logic, Mr. Minister, with all due respect. I don't think the world really works that way but you may have a valid point. Let's assume that perhaps you do. By bringing these people in, making membership in the construction association to be mandatory or compulsory, that may change something. I don't know what. We are talking about the construction association; we're talking about this great step forward in labor relations — what happens on the other side? All right, we've shoved all the people, all the construction companies, and there are many different kinds of construction companies, as you know. There is heavy; there is general — heavens the list is endless — but what changes on the other side? If this is such a great leap forward (and I'm asking these questions out of complete innocence, Mr. Minister; you've forgotten more about labor legislation than I know and I'm not trying to tackle you as an expert; but, looking at this thing from a distance, what has changed? What has happened? All we've done is make a group of people belong to an association. I'm not interested in going into whether that's good or not, but how has this improved the situation such as the event that led up to the unfortunate strike of last summer? (I guess it's fair to say that any strike is unfortunate.) Tell me what's going to happen. What happens as far as the laborers who are involved and the labor unions? I guess there are several in the construction industry.

Can the same thing now happen that one trade can hold them all up? Tell us what really has happened. What has changed?

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MR. SNYDER: — I know what the hon. member is attempting to draw me into. He's attempting to draw me into discussing with him, and across the floor of the House, future plans the building trades may have with respect to future actions, amendments to bylaws, and things of that nature. I don't propose to get involved in that because that's a sphere of activity which rests with the building trades themselves and whatever activities they become involved in order to make this legislation work and serve an appropriate purpose rests with that group of people, and that group of people alone. I don't propose to have the member draw me into a discussion of that nature. The member knows what he's attempting to do and I know what he's attempting to do, and I just refuse to be drawn into that kind of dialogue.

MR. THATCHER: — Mr. Minister, I thank you for your compliment but I must very regretfully say at this point in time, you're overrating me because I haven't got the faintest idea what I was trying to draw you into; I don't even know what you're talking about.

All I want to know is, what's changing? What's happening in the labor business that this bill is such a great leap forward? That's all I want to know! I don't know enough about the trade union movement to ask you a question that technical or that good. I thank you for your compliment but I'm afraid I must plead innocent.

Mr. Minister, I think we would all like to move on and get this thing wound down, but regrettably, Mr. Minister, you haven't told us a great deal. What is going to happen that's going to happen? In other words, you're putting the contractors into one big lump and I still see several trade unions involved.

The only thing I would like to draw the minister into — and again I ask this question out of innocence and there's no devious plot here — but is the next step the minister has in mind, under this government's great love for shoving everybody into slots A, B, C, or D (and today we're putting the contractors into slot A) — Is it your ultimate plan to shove the unions involved into slot B? Are they the next ones to which you will say, look, you're the laborers; you haven't got the right to negotiate by yourselves and cause your own strike? Or is it the electricians that won't have the right to negotiate and make their own deals? Are you going to shove them all into the same slot that you are now putting the contractors in. You are putting them all in one barrel. Is it fair to say that maybe the next step is to shove the trade unions into one barrel and say, you guys settle all at once — these guys are A over here and you are B over there; you do everything together?

MR. SNYDER: — I don't know whether the hon. member was in the House when I delivered my second reading address with respect to this bill. I said at that time and I repeat now and I have committed the suggestion to writing, that I do not believe that multi-trade bargaining is anything that is acceptable or workable in the province of Saskatchewan. I think for us to attempt to involve ourselves in multi-trade bargaining would be tantamount to destroying any kind of compatibility that we might be able to engender by legislation of this nature.

Accordingly, I am attempting to tell the hon. member that we are not attempting to take trade unions and put them all into a slot. I think I have made as clear as I know how, the fact that we are not moving in the direction of multi-trade bargaining as they did in British Columbia. We are inclined to believe that the British Columbia plan is doomed to failure because they did go the multi-bargaining route where all of the trade

unionists are involved at one side of the table and their employer contractors are involved at the other. The various trades, I think, in that process lose their identity and that is one of the features that the building trades have been particularly concerned about. We have gone out of our way in attempting to assure them that is not going to be the natural outgrowth of this legislation.

MR. THATCHER: — So, then is it safe to conclude from that, after we have gone in circles for the last few minutes, that really not a great deal has been accomplished except one little thing — that the position of president of the construction association has some relevance rather than the irrelevancy which it has had over the past few years. In other words, you have created somebody. You have changed nothing on that side. The unions involved are under no different situation than they were before. You have shoved some people into an association that they may or may not want. I suppose you have created a new position. There is no improvement in labor atmosphere; the same situation holds as always held. You have just created a new position. That, is about the sum total of this bill.

MR. SNYDER: — I don't know what the hon. member is talking about in terms of us creating a new position. If you are talking about the person who is involved in bargaining for the present labor relations council of the industry, that position is in place and I expect it will continue and I am not committing myself in advance to suggest that that will be the bona fide bargaining agent for the unionized contractors in a particular trade division.

There have been some substantial changes that have taken place. It is no longer a set of circumstances that you can describe as one where the employer, in this case, the unionized contractor, can go out and make his special agreement with his employees to the detriment of the other employers in the industry and to the detriment of the bargaining process generally. I think we have taken a fairly major kind of step to bring a degree of stability to the organizing of the bargaining process in a more significant and a more intelligent manner. I see the hon. member is more interested in listening to the member for Rosthern than he is in listening to me. Probably he's getting more sensible answers from the member for Rosthern, so perhaps you should direct your questions to him rather than to this side of the House.

Sections 1 to 4 agreed.

Section 5 as amended agreed.

Sections 6 to 10 agreed.

Section 11 as amended agreed.

Sections 12 to 15 agreed.

Section 16 agreed.

Section 17 as amended agreed.

Section 18 as amended agreed.

Section 19 as amended agreed.

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Section 20 as amended agreed.

Sections 21 and 22 agreed.

Section 23 as amended agreed.

Sections 24 to 31 agreed.

The committee agreed to report the bill.

**BILL NO. 99 — AN ACT TO PROVIDE FOR COMPENSATION TO WORKERS FOR INJURIES
SUSTAINED IN THE COURSE OF THEIR EMPLOYMENT**

MR. ANDREW: — Mr. Chairman, yesterday when I spoke on this particular bill, I made mention of the merit, demerit system. Perhaps, Mr. Minister, we could address our minds to the question of merit. What I would advance to this type of system, through the many, many thousands and thousands of dollars paid into workers' compensation, is it not worth consideration that perhaps a company that has a long record of good service is somehow rewarded? I don't suggest that we deal it like an insurance company and make a lower rate for that guy, and go right into the insurance industry. But surely, let's say that one company has been operating for 30 years and has no injuries, or 20 years and has no injuries and a good safety record, those are the type of companies we wish to encourage surely in the province. Is it not worthwhile to consider perhaps rewarding that particular type of employer in some way, be it smaller or large, to encourage that safety program?

MR. SNYDER: — Well Mr. Chairman, I indicated to the hon. member when I closed the debate on second reading that this is a matter that has been looked at with a degree of care and I think with some concern. I think the merit, demerit system that he seems to support and the system that is in effect in some other provinces tends to, in some instances, reward those who have a good accident record. I think it necessarily implies those who, whether it is their fault or not, have a significant number of accidents, will pay the penalty for, perhaps, ill fortune. The suggestion is that if a company puts in place a good safety system that they should be rewarded and I have to agree, at least in a philosophical way, that we should be encouraging that sort of thing. But I don't know whether in a rational way we should be rewarding someone for something he should be doing anyway. I think it's generally accepted that that is part of the employer's obligation to provide a good safety service within the operation that he conducts. I think, perhaps, we'll have to have a continuing look at the whole matter. We may find ourselves where we will be moving away from what I think is a sound proposition, that is a system of collective liability, where a number of employees in a given industry accept their responsibilities.

In the case of a construction industry, a high risk industry, they are all gathered together in one group and they pay, by necessity, a rather high premium as a result of the nature of the industry. I think at the same time to single out a company who by good fortune, has had a good safety record, perhaps more by accident than by design, and to give them an opportunity to pay a lesser premium, perhaps is doing a disservice to another employer, who, because of no fault of his own, is faced with a number of expensive injuries which, by necessity I think, would destroy the principle of collective liability. So, I can only assure the hon. member that the provision is in the act. The board has the opportunity to make those judgments at this point in time and that is continued in the act in section 139, I guess it is, and the board can make that judgment. I'm not

convinced at this point that that would be a wise move. I suppose that's where the hon. member and I differ. I think perhaps we would be taking an unfair advantage of some employers who may have a good safety system but might suffer a disastrous set of circumstances — a fire or an explosion which might kill a number of employees and would, accordingly, show them up at least on paper as being subject to vastly increased premiums to be paid per hundred of payroll. So, I'm not totally unsympathetic to the idea except that I think it moves us away from a pretty sound principle.

MR. ANDREW: — Would you agree, Mr. Minister, that there is a distinction between, let's say, a merit system (and I understand those are existing in certain jurisdictions) and the merit-demerit system, that you refer to and the dangers of the demerit system where the small company is then punished if you like. What I'm talking about is the one that has looked after its employees, has good safety programs, there is really no merit awarded to that person — and I think incentives are good things. Perhaps that side of the House and this side of the House differ on the merits of having incentive programs.

MR. SNYDER: — I think the hon. member will have to agree that there is no magic about the whole operation. You have a group of employers gathered together in an occupational classification and if you apply a merit system to some and say because of your good record we are going to reduce your premiums, then by necessity, I think you are saying to the others that we are going to increase the assessment rate which you pay. You can't have it both ways.

It is a matter of funding the program on the basis of occupational classification, and I don't think there is any way you can apply a merit system without on the other hand picking up the additional amount of money that those employers would be obliged to pay if you did not put in place, and have it apply to those who perhaps had a record which wasn't quite as good as those you are giving the advantage to. I think there is no magic about it. It is a system that is funded entirely out of the employer contributions to the fund. There is just simply no magic about it.

MR. ANDREW: — We could perhaps debate this for some period of time. One of the other points I was concerned about is that it struck me that the total program to a certain degree was dependent upon being able to rehabilitate people. That is clearly the function of the program — to get the people back into the labor force, to rehabilitate them, whatever their injury be.

One of the things lacking is the fact that it appears that you are not, at this point in time, prepared to proceed with the rehabilitation centre that was proposed in the Muir report. Do you have any indication as to when that might proceed, next year, or five or ten years down the road?

MR. SNYDER: — Well, this is a feature that I think is a very strong thread throughout the Muir committee report, and they recommend that a new rehabilitation centre be put in place. I can't give the assurance to the hon. member of an objective time frame right now, except to assure him that it is being looked at very carefully by the government. You will recall, if you read the Muir committee report, that the suggestion was, in the event that the government was not prepared to proceed with the rehabilitation centre, the Workers' Compensation Board should establish it on their own. I only remind you of that.

In the meantime, I think I can tell you without question, the government is exploring the possibility and has shown a good deal of interest at this point in time. I am hopeful that

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we can look forward to a more updated system of rehabilitation than is the case at this present moment. I'm not saying it is particularly deficient at this point in time but I do believe it can be improved and I think it is central to the workers' compensation system as outlined in the bill that is before you. I think it is vital that we have more emphasis placed on rehabilitation and we propose to move in that direction.

MR. ANDREW: — The next question, I suppose, follows from that answer. Is it now an agency under your department, like the Workers' Compensation Board, that is looking at developing this program or does that go back to the Department of Health now, or which department is going to be the determining department as to who is going to build the centre or look into the building of this centre?

MR. SNYDER: — Over the last number of months in particular the Workers' Compensation Board and the Department of Health have been involved in some discussion. I can't report to you any further than that with any more precision or detail, except to say the Department of Health and the Compensation Board has been communicating directly with respect to that matter you draw attention to.

MR. ANDREW: — I would simply encourage you, Mr. Minister, that I hope you do press for this rehabilitation program and not create some other study to go out and start studying something else. I think the Muir Report is there; we need that particular centre and perhaps you could use your good offices to try to press the Minister of Health to get on with that program.

The final thing I wish to say on this bill is the concern that has been expressed by certain people. I think the minority report and the Muir report raised the question of whether or not we are going to get into a situation where the cost of workers' compensation program is going to skyrocket. The minister has given me his assurance that to his mind he is, I believe, confident that the premiums are not going to unduly be increased because of this new legislation. I trust that our support, quite frankly, is based on that type of assurance. I believe you indicated that the Department of Finance further made a study, and the Muir report made a study on this. I am concerned that we're not going to create another new group of sore backs in this society that are going to take advantage of this given program, creating the increased costs for the rest of the employers in the province of Saskatchewan.

MR. SNYDER: — Well, as I indicated to the member on my second reading address, the Muir Committee Report didn't make that very clear in terms of its financial assessment of the program, and has indicated they do not believe that the program will be any more expensive than the existing one. At the same time my cabinet colleagues were looking for additional assurances and, as I indicated to the hon. member, they did their own financial analysis through the Department of Finance. They are convinced also that such is the case, and I think are convinced additionally that the program hinges on a good rehabilitation program. They are very much aware of that fact also.

MR. ANDREW: — Mr. Chairman, at this point in time I don't want to unduly delay this. Our party is supporting this legislation with the reservations that I have mentioned. I would indicate to the Chair and leave in the hands of the Chair, who is far more experienced in the rules of the House than I, that we are prepared to proceed page by page on this bill, except where the amendments will not allow that to happen.

Section 1 agreed.

Section 2 as amended agreed.

Section 3 to 5 agreed.

Section 6 as amended agreed.

Sections 7 to 20 agreed.

Section 21 as amended agreed.

Sections 22 to 32 agreed.

Section 33

MR. KATZMAN: — Mr. Chairman, would the minister explain the two amendments to section 33. I realize that he amends 33(1) and strikes out a portion and adds a portion similar to 33(2). Could he explain the reasoning?

MR. SNYDER: — Well I am given to understand that after the original draft was received and the bill was printed the Legislative Counsel determined they were in the inappropriate order and switched them around. It wasn't at the suggestion of the chairman of the compensation board or myself but it is just in the interests of draftsmanship and that's the only answer I can supply to the hon. member. It doesn't change the text or the intent of the section.

MR. KATZMAN: — Is it mandatory to say that the employer must pay himself at the same rate, at the maximum, and he can't pay himself more? That's really what it says. It says the employer can't pay himself above what he's paying his employees. That's what it's doing.

MR. SNYDER: — I'm given to understand that the intention here by the amendment is to provide that the employer can insure himself up to the maximum rate, which as of January 1 is \$20,000. He can pay himself whatever he wishes but the maximum insurable rate is to the level of \$20,000 — 75 per cent of \$20,000, which would be \$15,000, would be the benefit that he would receive.

MR. KATZMAN: — So he can pay himself anything he wants but he can only take credit on compensation for the maximum allowable to any employee. Fine.

Section 33 as amended agreed.

Sections 34 to 76 agreed.

Section 77 as amended agreed.

Sections 78 and 79 agreed.

Sections 80 to 85 agreed.

Section 86 as amended agreed.

Sections 87 to 96 agreed.

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Section 97 as amended agreed.

Sections 98 to 112 agreed.

Section 113 as amended agreed.

Sections 114 to 116 agreed.

Section 117 as amended agreed.

Section 118 agreed.

Section 119 as amended agreed.

Sections 120 to 161 agreed.

Section 162 as amended agreed.

Sections 163 to 184 agreed.

Section 185 as amended agreed.

Section 186 agreed.

The committee agreed to report the bill.

BILL NO. 100 — AN ACT RESPECTING THE PROTECTION OF WILD LIFE

Section 1

MR. J. GARNER (Wilkie): — Mr. Chairman, I have a few comments to make on this bill. Basically it is . . . (inaudible interjection) . . . I'm going to overlook that this afternoon.

Mr. Minister, it is a very good bill. There are just a couple of points in it which do concern me. On page 6, no. 20:

Notwithstanding any other provisions of this act, the minister may, in his absolute discretion, reinstate the privilege to purchase a licence where such privilege has been revoked pursuant to this act.

Mr. Minister, do you have a copy of it there? I don't believe any minister, any one individual, should have quite that much power. I'm just a little concerned about that. I'm not saying it would be abused, but it could be abused, and that is one of the points I am concerned about.

The other one is no. 62 and that's on page 13 of the bill, reading:

Where a person is convicted of an offence in respect of which wildlife is seized, the wildlife shall be forfeited and becomes the property of the Crown . . .

This is what I don't like:

. . . to be sold or otherwise disposed of by a wildlife officer in accordance with the instructions of the minister.

I would like the words 'to be sold' taken out of there and just 'otherwise disposed of by a wildlife officer in accordance with the instructions of the minister.' I don't believe, Mr. Minister the Department of Tourism and Renewable Resources should be in the business of selling confiscated game.

I am pleased with number 57 on the general penalties. I believe we can try this system for a while. It has increased the fines, but if this doesn't work, Mr. Minister, I believe we will have to amend this bill and start revoking licences for periods of six months to a year to five years depending on the offence. I think it is a step in the right direction. I think it is basically a good bill outside of my concerns on these two points, Mr. Minister.

HON. A. MATSALLA (Minister of Tourism and Renewable Resources): — Mr. Chairman, I am pleased to hear that the hon. member (and I am sure he is speaking for the opposition, all the members of the opposition) that the bill is a good bill and that we are going in the right direction. I think there are others who will agree with that, too, and I particularly make mention of the wildlife interest.

I think they all have indicated support to the bill. I think as time goes on we are going to see whether or not the bill fits in every occasion. If it doesn't, of course, there are amendments that could be brought in in the next sittings that we may have.

With respect to some of your concerns. Your first concern was section 20 which provides for power of reinstatement of licences. This isn't a new section. The old game act also has a section that deals with reinstatement and it also refers to the issuance of licences in the discretion of the minister.

This new section clarifies the old section. It wasn't too clear as it was written. I want to inform the House that we had no representations for change. Apparently the section as it was has been operating quite well, at least I am assuming it is working very well because of the fact there haven't been representations made to make changes either from the wildlife interests or from various wildlife interests.

I want, also, to point out the fact that the minister who is in charge of the act I think should have this discretion. Before any decision is made on any case, a thorough investigation is taken and all the facts are being reviewed very carefully. During the past year, I believe, there were only two reinstatements made and there was something like 1,000 convictions. I think that section isn't abused in any way by the minister (who is myself) or any minister who might be in charge of the act.

You also make reference to section 61, which refers to the disposal of wildlife seized.

The intent of the section is not to sell any meat, this was the intention in the past. We haven't been, at any time, selling any of the meat. What it really refers to is the sale of hides or pelts, more than anything else. This of course is going to be set out in the instructions of the minister, but it certainly is not the intention to sell any flesh of any game that may be confiscated. Now, this section strictly refers to wildlife which is seized. In some cases, there is seizure made of the firearms. Often the firearms are impounded for a certain period of time and returned depending on the seriousness of the case. If a case is serious, then the firearms are sold by tender. However, this section

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refers strictly to wildlife.

MR. GARNER: — Well, Mr. Minister, I think there's one part there where you said that discussing about selling pelts and that. I think if you go back to number 12 of your same bill:

the minister may, subject to regulations (and I'm just skipping down it) have those skins or pelts or parts delivered to the department and sold by the department on his behalf.

That's already covering that in there, Mr. Minister . . . (inaudible interjection) . . . I'm not going to get nasty, I'm just saying it's in there. I don't think this other has to be in here, because Mr. Minister, I think there's nothing wrong with the Crown confiscating this game and giving it to church organizations, hospitals, senior citizens homes; that's good. But, Mr. Minister, I don't believe the Department of Tourism and Renewable Resources should go into the business of selling game. Now, I'm not saying that there is going to be one officer out there who is going to abuse this. But Mr. Minister, this will give him the right to abuse it and I don't think we should have that in there.

MR. MATSALLA: — Mr. Chairman, I'm looking at section 12 now and I think if we read it carefully that this doesn't refer to seizures of wildlife. This strictly provides for arrangements for any person desiring to sell skins or pelts of fur animals or parts taken thereof. Really, what this section does is provide for the setting up of an agency for the purpose of receiving furs and selling them such as we have within our government, the Saskatchewan Fur Marketing Service; that's what that section really refers to. It doesn't refer to any seizures.

MR. GARNER: — Well, Mr. Minister, you can assure me that under this then, this will not be including any game — ducks, wildfowl, big game, et cetera — under this 61?

MR. MATSALLA: — I'm assuming what your question is, is that you want assurance this act doesn't cover the sale of flesh of wildlife. That is correct; I give you that assurance.

Sections 1 to 17 agreed.

Section 18 as amended agreed.

Section 19 agreed.

Section 20

MR. GARNER: — Mr. Minister, I would just like a little more clarification, because as I stated earlier I don't like one man having this power. I will compliment you now, that as long as you were minister I think there would be nothing wrong about it, but some other people around here, if they were ministers, I would be very concerned about them having that much power.

Mr. Minister, when you make a decision on this do you meet with the judge or the magistrate who had originally passed this conviction out before you make your decision on reinstating the licence?

MR. MATSALLA: — Mr. Chairman, no I don't consult with the judge. Nevertheless, we get a complete report of what took place in court and even a transcript; we review that

very carefully and weigh the situation before a decision is made.

Section 20 agreed.

Sections 21 to 29 agreed.

Section 30 as amended agreed.

Sections 31 to 56 agreed.

Section 57

MR. GARNER: — Mr. Minister, this is where I had complimented you and I think maybe we'll just have to try this system for a year to see if it will have what I call the shooters — not the hunters — clean up their act under the fine system. But Mr. Minister, I think we'll have to watch this very closely and, if this monetary fine does not work, I think we'll have to go to the system then of revoking the licences for the period of — whether it be six months or — and have it just double all the time, if these shooters don't clean their acts up, Mr. Minister.

Section 57 agreed.

Sections 58 and 59 agreed.

Section 60 as amended agreed.

Section 61

MR. GARNER: — Mr. Minister, what I would like you to do under this bill — maybe a note to your officers in the field that the way this bill reads, this is not for meat to be sold. If this could be a note go out to your officers in the field just to clarify this point so that it doesn't happen, Mr. Minister.

MR. MATSALLA: — Mr. Chairman, this has been the practice of the officers of our department. Whenever there has been any flesh seized, it is not being sold. We certainly, as far as I am concerned, and I'm sure, the government is concerned, are going to continue that practice.

Sections 61 to 66 agreed.

The committee agreed to report the bill.

BILL NO. 101 — AN ACT TO AMEND THE DEPARTMENT OF TOURISM AND RENEWABLE RESOURCES ACT

Section 1

MR. GARNER: — Mr. Chairman, Mr. Minister, on page 2, 10.3, the assets of the fund may be used for:

- (a) the acquisition, by purchase, lease or otherwise, of any area of land considered by the minister to be suitable for wildlife purposes;

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Mr. Minister, I think we went through this in estimates and I would just like to know whether you have staff or whether you have hired different staff.

On looking at this land and looking at it very closely before other land is being purchased, because we did find, I think, and Mr. Minister will agree with me that we found where there had been a chunk of land purchased that maybe just didn't quite fit into this wildlife habitat fund. I'm very concerned that this doesn't happen again, Mr. Minister. Have you employed or are you in the process of employing someone in this respect?

MR. MATSALLA: — Mr. Chairman, in order for the department to establish whether or not certain lands are suitable for wildlife purposes, we do have ecologists who assess the land for wildlife purposes. In so far as agriculture purposes are concerned, we do consult with the Department of Agriculture as well. After we get all of this information together, we evaluate the whole thing and make our decision accordingly.

Sections 1 to 5 agreed.

The committee agreed to report the bill.

The committee reported progress.

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Romanow (Attorney General) that Bill No. 87 — **An Act respecting the Independence of Members of the Legislative Assembly of Saskatchewan** be now read a second time.

MR. J.G. LANE (Qu'Appelle): — Mr. Speaker, Mr. Minister, the matter of conflict of interest has been the subject of a great deal of discussion by the government in particular but also by the Conservative opposition.

It's gone under some lengthy studies by the Attorney General and the Law Reform Commission. We got a report back in March of 1977 from the Law Reform Commission of Saskatchewan which refers to a bill that was in fact introduced by the government back in 1973-74.

Five years later, after the initial discussion by the government, we finally get some form of legislation filed before this Assembly.

I think the public should be well advised that in fact this isn't really what is called conflict of interest legislation. Conflict of interest legislation we have now in the Legislative Assembly Act of Saskatchewan. Most of the areas of conflict are covered under our present act. Basically what the present act says is that members of this Assembly shall not contract with the government, and then it makes certain stated exceptions — the exceptions being such things as the property improvement grant payments to solicitors under the legal aid system and the routine matters that apply to all members of the public and allow the members of the Assembly to accept government programs that are applicable to the general public.

So really what we're concerned about is the matter of disclosure. The studies by the

Law Reform Commission, tabled in this Assembly, state the reason for the so-called conflict or disclosure legislation. Page 3 states:

The tremendous growth in the activities of government in Canada, particularly in areas generally thought of as 'business' and the vast sums of money made available to and through various government programs, have brought a much greater concern in the area of conflict of interest than heretofore existed. Public confidence in the institutions of government appears to have eroded considerably and must be renewed and restored. It is important, therefore, that rules and regulations governing the activities of elected and appointed public officials be more specifically stated and that it be seen and made known that such rules and regulations are being followed and that violations will not be tolerated.

Let's keep in mind, Mr. Speaker, this white paper, Law Reform Commission of 1977 made reference to the activities of elected and appointed public officials and very, very specifically states appointed public officials.

I, for one, have been calling for disclosure legislation since 1974 in this Assembly.

MR. BOWERMAN: — Oh.

MR. LANE: — The member says, oh. If the member had been awake, in fact, I have since 1974.

I know a disclosure may be a big word for the member based on the way he keeps the public informed about his Department of the Environment.

AN HON. MEMBER: — Right on.

MR. LANE: — It may be a contradiction in terms as to how he sees the operation of government. But, in fact, I have supported it.

Regrettably and unfortunately though, I can't support this bill. I don't think this bill goes far enough; this bill has loopholes you could drive a truck through.

MR. BIRKBECK: — Or get Mostoway's mouth through.

MR. LANE: — Above all, this bill does not come to grips with the matter of appointed public officials.

We'll take a look at a draft proposal of the white paper and the previous bill that was introduced in the Assembly if I can follow section. Listen to what the original proposal of the government was. I don't know why the member for Saskatoon Centre (Mr. Mostoway) is so edgy over the particular legislation. It's probably because he knows it's not adequate for restoration of public confidence. Let's see what previously the government had introduced in the Assembly. Then you can perhaps get up and justify why you backed off.

The Lieutenant-Governor in Council may by order declare that this act or any provisions of this act, shall on and from a date to be specified by the Lieutenant-Governor in Council, apply to public officers or to any class of public officers designated in the order.

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That was the original proposal. Let's see what the public officer meant on your original proposal:

An official who is in charge of any branch of the executive government of the province of Saskatchewan, other than a corporation, board, commission or other body referred to in subclause 2, and then in that, who is directly responsible to a member of the Executive Council; a member of, or a member of the governing authority of a corporation that is an agent of the Crown or of a board, or commission or other body constituted under an act of the legislature, etc.

AN HON. MEMBER: — Boo.

MR. LANE: — Now you can boo and make all sorts of derogatory comments about the proposed bill that you had before the Assembly back in 1973-74 for discussion purposes. I think you may be taking this a little lightly. It was in fact tabled before the Assembly by your government, and that major proposal is not being proceeded with by the government opposite. I suggest to you that the refusal of the government to include senior public officials as originally proposed is a serious deficiency in this particular piece of legislation.

There are other aspects that are a matter of concern and I'm going to suggest the drafting and the phraseology, Mr. Speaker. Let's take a look at section nine . . . (inaudible interjection) . . . You can't come out and play with the big guys so you might as well sit back there quietly and write your letters, the hon. member for Saskatoon Centre (Mr. Mostoway).

Listen to this.

Notwithstanding section 6, a member may participate in a government contract where he is merely a director, manager, or other officer of a business that is a party to the contract.

Now that question 'merely' is fraught with danger. It's a matter probably at some point of court interpretation because what's merely a director? If you've got a company some people naturally have more influence in the operation; although they may have only one vote, they may be a director only of equal status with other directors, but they may have considerably more influence.

When one says merely a director, I think it's a weakening of the intent and the provisions. Listen to this.

Or he can be a party to the contract where he is merely a director, where the remuneration, whether salary bonus commission or otherwise, and the value of property and services of any received or receivable by him, on account of his services to the business does not exceed \$10,000 in the aggregate in any one year.

What that means or what it can mean, is that someone, a director or a member of this Assembly, can be involved in a company that may have a \$10 million contract with the government — a \$10 million contract and he takes no payment. He takes no payment until he resigns as a member and all the benefits, the premiums, whatever, can be paid

— they can be accumulative shares — and his dividends can be payable at a much later date.

We are better off, in my view, with the existing legislation that basically starts with the premise that contracts are prohibited. Surely the public is better protected by that provision. Having the stated exceptions put before the public is a better position for public disclosure and the restoration of public confidence than to say that you can participate in contracts with certain limitations. I don't think we should be participating in contracts with the government. If we are trying to restore public confidence then surely we should be prohibited. Surely we should have to come to this Assembly on each occasion where fairness and equity determine that MLAs shouldn't be prejudiced — you know, different from the general public. We should have it brought before the Assembly. And what's wrong with that if we are talking about public confidence and that's the major point made in the white paper of 1977.

There are other exceptions that I could detail allowing the spouse:

Section 6 shall not be construed so as to prohibit the spouse or any dependent child of a member from participating in a government contract other than for and behalf of the member.

We're dealing with public perception. The public is entitled to be assured that, we, as members are not in a position of conflict and that's what the intent is. It's the public's perception and the public's concern that we're dealing with, not our own benefit . . . (inaudible interjection) . . . The member says, take it as read. I think that it's a little more serious piece of legislation or attempt in principle than the member may laughingly and disparagingly make it. We take a look, for example, and again notice the phraseology, 'directly or indirectly concerned or interested in the contract.' What does 'indirectly' mean? Now, it's very, very imprecise for legislation designed to ease a public concern and a public perception. Very imprecise, as is the word merely a director, as I indicated before.

The easy way, I suppose, would merely have required each year for members of this Assembly to declare, either annually or whenever, the interest in their companies themselves, that have had any contract or any dealings with the government and require that to be declared each year. It's simple.

The same rule should be applied to senior public officials as defined in the draft bill tabled in 1973-74. They too, should be made to declare their interests and their participation, either personally, their spouse, their immediate family or their companies, in any contracts or dealings with the government in the preceding year. They should be made to declare that and let the public take a look each year as to what the actual situation is; who is dealing and who isn't.

There are other technical areas such as evidence and what is deemed to constitute a conflict or how to prove conflict and the evidential rules which were left out. You also left out the provision from the draft bill that it's voidable at the option of the Crown. We take a look, for example, at page 13 of the draft bill — declaration of minister's interest which was in fact considered under the previous bill, a declaration that I think should have been obvious. If we take it down to the level of actual or perceived conflict, it's the cabinet, the backbenchers, it's the senior officials and it's the opposition. In fact, the declaration of minister's interest is a provision that also should have been included in this bill and I'm frankly very, very surprised that it was not.

May 2, 1979

Mr. Speaker, it is with a great deal of concern that I find myself, having urged upon this Assembly proper conflict of interest legislation, forced to vote against this bill because I just do not feel that it is adequate and it in no way, in my view, meets the goal that was set out and the concern that was set out in the white paper in the law reform commission and that is to deal with the concern of the public.

As government becomes more complex and the opportunity of abuse becomes greater, that the public should have the assurance that they are in fact . . . that there is no conflict of interest with their elected officials. For that reason, Mr. Speaker, I cannot support the bill.

The Assembly recessed from 5 to 7 o'clock.