

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
March 12, 1980

The Assembly met at 2 p.m.

On the Orders of the Day

REPORTS OF COMMITTEES

Select Standing Committee on Radio Broadcasting

MR. P.P. MOSTOWAY (Saskatoon Centre) moved, seconded by Mr. L.W. Birkbeck (Moosomin):

That the second report of the select standing committee on radio broadcasting of selected proceedings be now concurred in.

Motion agreed.

Select Standing Committee on Rules and Procedures

MR. J.L. SKOBERG (Moose Jaw North) moved, seconded by Mrs. J.H. Duncan (Maple Creek):

That the first report of the select standing committee on rules and procedures be now concurred in.

Motion agreed.

INTRODUCTION OF GUESTS

MR. J.W.A. GARNER (Wilkie): – Mr. Speaker, to you and through you and to the rest of the members of the legislature today, I would like to introduce a group of reeves and councillors from the Wilkie constituency representing the R.M. of Heart's Hill and the R.M. of Senlac. Hopefully their stay today in the Chamber will enlighten them on how their legislative Chamber works.

HON. MEMBERS: – Hear, hear!

WELCOME TO STUDENTS

MR. J.L. SOLOMON (Regina North-West): – Mr. Speaker, it's my pleasure this afternoon to introduce to you and through you to the members of the Legislative Assembly, 90 students from the George Lee School from my constituency, who are sitting in the west gallery. The Grades 4, 5, and 6 students are accompanied by Mrs. Massa, Mrs. Caragata, and Mr. Birch. I would also like to take this opportunity to thank the students and their principal, Mrs. Cole, for the kind hospitality and the warm welcome they provided to me when I was at their school on February 29, during the tour of schools that I did in my riding, to present Celebrate Saskatchewan pins to the students. I wish them an enjoyable afternoon and I hope they find the proceedings in the legislative Chamber interesting this afternoon. I'll be meeting with them at 3 o'clock, and I ask all members to join me in welcoming the students from George Lee School.

HON. MEMBERS: – Hear, hear!

MR. SPEAKER: – It had been my intention to introduce a group of visiting Chinese scholars from the University of Saskatchewan. However, I do not see them present in the Speaker's gallery at this time and should they enter later I will take that opportunity to interrupt proceedings and introduce them.

QUESTIONS

Age of Consent

MR. J.W.A. GARNER (Wilkie): – Mr. Speaker, question to the Attorney General. Since the Saskatchewan Law Reform Commission has handed in its final report on the consent of minors with respect to the health care act to you, are you planning on bringing in this draft proposal before the legislative Chamber in the form of a bill?

HON. R.J. ROMANOW (Attorney General): – Mr. Speaker, there are no present intentions to bring forward legislation on this matter.

Health Care Act Proposal

MR. GARNER: – New question, Mr. Speaker, to the Minister of Health. Mr. Minister, you have no doubt read this final proposal from the law reform commission. What are you going to do about the health care aspect contained in the proposal since there is no definition section contained in it?

HON. H.H. ROLFES (Minister of Health): – Mr. Speaker, I must inform the member that I have not read the proposal.

MR. GARNER: – Supplementary, Mr. Speaker. For the minister's advisement, there's a very controversial issue in there and we're dealing with many people in Saskatchewan. Mr. Minister when are you going to read this report? It has to do with the health care of minor children in Saskatchewan and could open the door to abortion and birth control pills for minor children in Saskatchewan. You'd better start doing your job.

MR. ROLFES: – Mr. Speaker, I just want to inform the member that I do intend to read the reports, but it should be acknowledged, Mr. Speaker, this is an independent group and they do not determine the policy for the government. As the Attorney General has already indicate, we have no intention at this particular time to come forward with an act on the age of consent.

Western Premiers' Conference

MR. R.L. COLLVER (Nipawin): – I have a question for the Premier. In light of the question yesterday by the member for Regina Wascana and the forthcoming conference which you are going to attend, would the Premier be prepared to briefly outline to this Assembly any and all concrete and solid proposals that have been introduced on behalf of the citizens of western Canada in the last seven or eight years that he has been Premier and attending these conferences? Would you tell us any concrete ideas?

HON. A.E. BLAKENEY (Premier): – Mr. Speaker, there have been a good number of

proposals that have been considered. I take it that the hon. member is asking what has been acted upon by the Government of Canada arising out of western premiers' conferences or federal-provincial conferences, but I'll deal with western premiers conferences. I don't have before me the suggestions which have been made from time to time, but certainly they have included the provision of rolling stock for the railroads which has happened. They have included the upgrading of railway liens to the west coasts which has happened. They have very frequently included proposals for strengthening the facilities or adding to the facilities at the port of Prince Rupert. We have high hopes that that will happen since there is a good deal of preliminary work being done. I mention those as areas. I could mention many others but I think the question period is perhaps not the time to outline a very lengthy list of things that have happened following representations by western premiers. I won't flatter ourselves by saying that they all came about because we made those representations but the representations were made and results followed.

MR. COLLVER: – Supplementary question, Mr. Speaker. In the light of the rather minuscule remembrances of the Premier as to what has developed as a result of those conferences in the rather small items, I would ask the Premier why then, if there has been so much accomplished in the last number of years on behalf of western Canada, out of 17 NDP motions on the order paper do 14 of them criticize the federal government and those same 14 have been on the order paper year after year after year for the last number of years?

MR. BLAKENEY: – Mr. Speaker, I don't for one minute suggest all that we would like to see accomplished has been accomplished. I don't for one minute suggest that there are not many things we would like the federal government to do for Canadians who live in western Canada and I don't suggest that simply because some progress has been made we are satisfied with the current state of affairs. We are not. We, on this side of the House, will continue to press the federal government to do things for western Canada which we think ought to be done and I, as Premier, will continue to work with the premiers in the other three western provinces to press for things which we think ought to be done for western Canada. We believe it is important that within the context of confederation we in western Canada continue to press and press hard for a fair deal for western Canada.

SOME HON. MEMBERS: – Hear, hear!

MR. COLLVER: – Final supplementary. Within the confines of this legislature would the Premier be prepared to table a complete list of the accomplishments that have been awarded by the federal government to western Canada since he has become Premier of Saskatchewan?

MR. BLAKENEY: – Mr. Speaker, I think that there would be a great number of arguments about federal actions which may or may not have benefited western Canada. One could argue, for example, about whether or not the Olympic Games were of any benefit to western Canada because obviously western Canadian athlete participated or whether the Canada Games which might have been held, let us say at Lethbridge, were of some benefit to western Canada. I think there are just too many controversial judgment calls to make the list and in any case I think the members of the legislature are pretty well aware of what has happened and can make their own judgment as to whether or not the moves by successive federal governments have benefited western Canada. Certainly some of them have. Many of them have not. Nothing is served by my making a list and my categorizing what I think with respect to

actions which are well known I think to all hon. members.

Interest Rates

MR. W.C. THATCHER (Thunder Creek): – Mr. Speaker, a question to the Premier. Mr. Premier, this morning at your press conference you indicated that your government's direction in spending would not be influenced in any fashion by the current level of interest rates. In effect you are then saying you are ignoring the directives of the Bank of Canada and the Federal Reserve Board in the United States and continuing to spend in the normal fashion. Mr. Premier, you also referred to the federal government policy on interest rates as a cop out. Mr. Premier, my question to you is, are you proposing pegging the interest rate, or posting the interest rate, or something very similar to that cock-eyed notion that was proposed by your counterpart, the Leader of the New Democratic Party on the federal level, Mr. Broadbent?

MR. BLAKENEY: – Mr. Speaker, I am not proposing that the Government of Saskatchewan peg the interest rate. Obviously that is not within the power of the Government of Saskatchewan nor would I suggest it. I am unaware of any directives issued by the Bank of Canada in this regard. I am not apologizing a bit for ignoring the directives of the Federal Reserve Board of the United States. There may be those who believe that we should accept direction from the Government of the United States; I am not among them.

Nor do I say that we are going to be unaffected by interest rates. I did say and do say that the Government of Saskatchewan proposed to carry forward with its capital program because we believe that the capital program will be in the best interests of Saskatchewan people, even at high interest rates, and secondly because we believe governments have an obligation to attempt to stabilize the economy and to provide some employment, particularly in the construction trades, which, I am fearful may be very adversely affected by high interest rates which are now being advocated, or at least foisted upon us by actions of the federal government.

MR. THATCHER: – Mr. Speaker, that was a great speech but it didn't really get down to the question. The question was, do you agree with the proposals, or were you proposing what your federal leader has proposed? Mr. Premier, if you do subscribe to the economic theories as put forward by your federal counterpart, do you acknowledge that this must obviously mean sealing the border to cash flowing out of the country to seek higher return, and conversely, to funds coming in because there will be a lower return? Therefore, Mr. Premier, my question again to you is, were you proposing in your press conference this morning the economic theories of Mr. Broadbent as regards interest rates?

MR. BLAKENEY: – Mr. Speaker, I was not proposing any economic theories at the morning's news conference. I was very clearly answering a question with respect to whether or not the rising interest rates, or the threatened increase in interest rates, would seriously affect the expenditure pattern of the Government of Saskatchewan and I took the question to be directed primarily to our capital programs. My answer was no, I do not think it will seriously affect our capital programs although obviously we will have to have regard to high interest rates.

With respect to the question of the hon. member, it is quite possible to provide funds at lower than standard interest rates for selected and specific purposes without having the exchange control which he suggested. It is, I will be prepared to acknowledge, not

possible for us to have, over any lengthy period of time, interest rates substantially below those of the United States without having some measure of exchange control. To that extent I accept the point made by the hon. member. This obviously does not however, in any way hamper or restrict the programs, such as providing lower interest rates, or specific house mortgages, which could be done without the need of exchange control.

MR. THATCHER: – A final supplementary, Mr. Speaker. Since the Premier has acknowledged that the economic policies of the New Democratic Party in the last election as regards interest rates would devalue our dollar even further, and eliminate badly needed capital, would the Premier definitively acknowledge or disavow whether you support the interest rate proposals of the New Democratic Party as presented in the last election? Either you are with them or you are against them.

MR. BLAKENEY: – Mr. Speaker, I don't think that it is very productive for me to discuss the last election. The last election was a very successful election so far as our party was concerned, and a very unsuccessful election so far as the party opposite was concerned. Whatever the merits of the policies were they certainly had, at least in our province, some relatively beneficial effects. I do not think that it is worthwhile for me to discuss in detail the proposal put forward by the New Democratic Party. Let me say in general I heartily endorse the policies put forward by the New Democratic Party in the last election. I hope that in forthcoming elections similarly progressive policies will produce similarly beneficial results.

SOME HON. MEMBERS: – Hear, hear!

Relief for Small Business and Farm People

MR. H.J. SWAN (Rosetown-Elrose): – New question to the Premier. Mr. Premier, you did support Ed Broadbent all through the last election campaign. If you are supporting the man you must support his policies. Are you willing to provide some relief for Saskatchewan small business and farm people, such as Broadbent was promising across Canada in his campaign?

MR. BLAKENEY: – Mr. Speaker, I find that sort of question odd. The suggestion that because I advocate a particular policy be pursued by the federal government, I also advocate the same policy be pursued by a provincial government – I just deny the logic of that. I certainly advocate many things which should be done by the federal government which I do not think can be appropriately done by any provincial government.

I make a further comment that while I support the policy of the New Democratic Party and actively campaigned for it, as I am sure members opposite actively campaigned for the Progressive Conservative Party, that does not necessarily mean I support every single thing in that policy. That's not reasonable. We are all called upon to support the party of our choice and we do that whether or not we agree with every single policy which the party advocates. The proposition that when a person supports a political party . . . Mr. Speaker, I am afraid I am having a good deal of difficulty hearing myself, so I think I will discontinue my efforts because I am not able to elevate my voice to the appropriate decibel count.

MR. SWAN: – Supplementary, Mr. Speaker. Are you telling me, Mr. Premier, that you are not concerned about what happens to the farmers and small businessmen in this

province? You as the Premier of this province, I think, owe a debt to the province to try to keep it afloat. The interest rates which are presently being charged are going to have a very detrimental effect.

MR. SPEAKER: – Order, order! Does the member have question?

MR. SWAN: – My question is, what is the Premier going to do for these people in the province with regard to interest rates?

MR. BLAKENEY: – I know one thing, I'm going to press upon the federal government most strongly that they lay aside any proposal for imposing a 15 cent or 25 cent or 19 cent gasoline tax on the farms of this province . . .

SOME HON. MEMBERS: – Hear, hear!

MR. BLAKENEY: – . . . as advocated by members opposite when they were campaigning for the party of their choice. I propose to press . . . (inaudible interjections) . . .

MR. SPEAKER: – Order, order! I am sure the member for Rosetown-Elrose thought it was an important question and I know that the members of the Assembly want to hear the answer to this very important question. If we could have a lower level of undercurrent of voices we could probably hear the answer.

MR. BLAKENEY: – With respect to interest rates I will continue to press the federal government to adopt policies which I believe will assist in lowering interest rates. The one that I really press in this regard is to lower the level of foreign ownership so that we do not have such a disastrously bad balance of payments situation brought about by the outflow of dividends and interest. We will continue to deal with interest rates locally by providing attractive and favourable rates of interest through the FarmStart program, through the subsidization program of interest rates for businessmen in small centres, which is part of the policy of the Department of Industry and Commerce. We will obviously continue to examine other ways in which we may shepherd and shelter Saskatchewan citizens from the impact of the high interest rates which are being brought about by the policies of the previous federal government and perhaps by the present federal government.

SOME HON. MEMBERS: – Hear, hear!

World Price of Oil and Gas

MR. THATCHER (Thunder Creek): – Mr. Speaker, I was interested in your response to that question where you indicated you favoured keeping the price of gasoline down, not allowing it to go that 17 cent or 18 cents as you referred to it.

Mr. Premier, it seemed to me the member for Redberry yesterday in a private member's speech seconding a resolution (I believe he is quoted in the Leader-Post today) indicated that your government supported allowing the price of oil to float to the worst level. Would you comment on that discrepancy?

MR. BLAKENEY: – We do indeed believe that the price of oil should move step by step to the world level. We believe, therefore, that energy prices will increase and we believe they don't need any assistance in getting still higher by the application of excise taxes

by federal governments which should not be raising their revenue in that way.

SOME HON. MEMBERS: – Hear, hear!

MR. J.G. LANE (Qu'Appelle): – Supplementary to the Premier. Are you now divorcing yourself from the federal New Democratic Party position which you supported a couple of weeks ago during the campaign, that the Government of Canada establish a price . . .

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

MR. LANE: – New question, Mr. Speaker . . . that the NDP would establish a prices and profits commission which would effectively restrain oil and gas prices. Are you now supportive of the national pricing commission, or are you changing and doing a flip flop again on this particular issue?

MR. BLAKENEY: – Mr. Speaker, the policy of the Government of Saskatchewan has been consistently one of calling for the increase in oil prices gradually towards world prices. That is our policy; it has been our policy, it will continue to be our policy. Our policy, further, is to oppose the federal excise taxes. When they were applied by the previous Trudeau government we opposed them; when they were advocated by the Clark government we opposed them. That is our policy; it has not changed.

SOME HON. MEMBERS: – Hear, hear!

MR. THATCHER: – Mr. Premier, would you, instead of trying to come down continually on both sides of an issue, answer one simple question? How are you going to hold down the price of gasoline and allow the price of oil to rise to world levels?

MR. BLAKENEY: – Shortly put, we do not propose to hold down the price of gasoline, if by that phrase one means that the price of gasoline will not go up. I have said consistently the price of gasoline and the price of oil are going to rise. I have further said this price should move up gradually towards world prices. I have said the price of gasoline and the price of oil do not need to be increased at an artificially rapid rate by the application of federal excise taxes.

If that policy is difficult for hon. members to understand, I can understand why they have difficulty with that fresh-off-the-hustings when they were advocating 18 cents more on excise taxes.

SOME HON. MEMBERS: – Hear, hear!

SEDCO Interest Rates

MR. COLLVER (Nipawin): – Mr. Speaker, I just have a brief question for the Premier. He mentioned the fact about FarmStart interest rates. I wonder whether he's going to allow SEDCO rates to go up as a result of the increase in interest rates?

MR. BLAKENEY: – Mr. Speaker, the SEDCO rates are set by the SEDCO board but obviously the government has some influence. The SEDCO rates have steadily and traditionally been preferential in the sense that they are lower than competition from RoyNat or other borrowers who might be in the same category as SEDCO. We obviously

will be attempting to have the SEDCO rates reflect current interest rates. I am not saying that we are going to provide protection to all classes of Saskatchewan people against increases in interest rates. While that might be theoretically desirable, I cannot hold that out to Saskatchewan people. We will, however, continue to offer to small businessmen and larger businessmen in Saskatchewan through SEDCO what we believe are highly attractive and in some sense preferential rates, so that they may proceed with business development in this province.

SOME HON. MEMBERS: – Hear, hear!

MR. COLLVER: – How can you be critical of the federal government allowing interest rates to float free in Canada when you yourself are allowing SEDCO rates to float free?

MR. BLAKENEY: – The answer is very simple, we do not control the fiscal and monetary system of this country and the federal government does. The federal government undoubtedly has the primary obligation to manage the fiscal and monetary economy of this country. We as a province do not have any ability to set interest rates or to have influence over the Bank of Canada. I can say that if the New Democratic Party were in a position to give direction to the Bank of Canada, to give direction to the money supply issues, to give direction to the budget which would be brought down by the Minister of Finance of Canada, the economy of Canada would not be in the present sorry state it is.

SOME HON. MEMBERS: – Hear, hear!

Canada Energy Security Fund Proposal

MR. R.A. LARTER (Estevan): – A question to the Premier, Mr. Speaker. Mr. Premier, is the reasons that you are now denouncing this 18 cents – and you have all along, you've denounced this 18-cent increase, the sudden rise in gasoline – is the reason that you are coming down so hard on this 18-cent increase the fact that on March 10 you admitted we're going to be giving away substantial amounts of our resource oil money – 50 per cent – you were quoted in the first ministers' conference? Is the reason you're giving away so much of Saskatchewan's resource money that you can't stand to get this 18-cent increase?

MR. BLAKENEY: – Certainly we as a government do not look kindly on the present situation whereby the federal government is obtaining in excise tax more from Saskatchewan oil than the provincial government is in royalties and all other taxes combined. I do not want to for one minute suggest that we're happy with that position. We are particularly unhappy that this \$500 million or more per year that the federal government is collecting from Saskatchewan oil is not going into a pool to guarantee oil self-sufficiency for Canada. Our primary objection to the excise tax proposed by the Trudeau government and then by the Clark government was that this 18 cents extra (in the case of Clark) was not going to go into energy self-sufficiency for Canada, but was going to go into the general revenues of Canada to pay for mortgage interest deduction programs or the like. We believe and we believe very strongly that our revenue from oil which is going to be generated by increased prices (which prices are inevitable) should be amassed so that it can be spent to provide Canadians with oil self-sufficiency in the future. That is our primary objection to the Clark approach. That is the approach we believe should be taken by the new Trudeau government.

SOME HON. MEMBERS: – Hear, hear!

MINISTERIAL STATEMENTS

Federal Pioneer Spill

HON. MR. G.R. BOWERMAN (Minister of the Environment): – Mr. Speaker, yesterday an order under section 31 of The Water Resources Management Act was delivered to the Federal Pioneer company. The order prohibits the discharging, deposition, draining or release of PCBs from the company's property at 1500 First Avenue in Regina. I have issued this order in response to the National Research Council report which indicated that there was an immediate need to contain the surface contamination at the site.

The order will provide Federal Pioneer Ltd. with a clear indication that I expect the company to contain the PCBs on their site. I am particularly concerned that no PCBs are released to the adjacent property and the city storm-sewer system. This will necessitate strict control of surface and shallow sub-surface water at the site since these are the main mechanisms for the transporting of PCBs from the site.

Staff from my department will provide Federal Pioneer with advice on how to control run-off this spring, as well as monitoring the site. Further action on the spill will be required later this spring and summer for containing surface and near-surface irrigation of PCBs. I will be giving strong consideration to the recommendations made by the advisory committee on the Regina PCB spill – on specific actions required and the timing of the implementation. The advisory committee is made up of representatives from the Federal Pioneer Ltd., the city of Regina, Environment Canada and my department.

As well as this, Mr. Speaker, the consultant Reid Crowther & Partners Ltd. of Regina has been retained by my department to specify procedures for the removal of the areas of contaminated soil, the criteria for selecting a suitable site for a storage facility and procedures for controlling run-off from the site. The final report from the consultant is expected next week, and I will be releasing that report to the public when it is made to me.

The issuing of this order is part of a six-point program I announced in February to ensure that the spill is cleaned up as quickly as possible. My department has already implemented procedures to ensure that no new wells are constructed closer to Federal Pioneer than the existing wells until the downward migration of PCBs is controlled or until it is certain that the migration patterns of the PCBs will not be affected by the installations. The other four points of the program are:

1. When potential safe storage sites have been identified the department will require that an environmental assessment review process be initiated on these sites;
2. When a safe storage site is selected action will be initiated to have the storage facilities constructed;
3. When the storage facilities are constructed and adequate monitoring is in place at the storage site, I will issue an order requiring Federal Pioneer to remove the contaminated soil under conditions specified by a consultant and approved by my department;
4. When the materials have been removed, I will instruct Federal Pioneer to undertake the monitoring procedures necessary to ensure that the remedial measures have been

effective.

Thank you, Mr. Speaker.

MR. G.S. MUIRHEAD (Arm River): – Mr. Speaker, we want this report tabled immediately, please. Mr. Speaker, it surely makes me feel good to see some action in this House. Two days ago he didn't have any solution – nothing, nothing to say. At question period yesterday, as soon as I suggested what Dr. Butler mentioned was a good solution about this cement pit, all of a sudden he said maybe we have to look at new alternatives. And today we got a complete report.

I would like to thank the Minister of the Environment for following my suggestions about the six-point program because it's all mine, every bit of it, word for word. The minister sits there and laughs. I really should be very good to the minister today because he said we'll go together to the municipal convention. Today I rode with him. I thank you. I didn't know this was coming up hon. minister but I'll be as gentle on you as I can. Mr. Speaker, there is no way that the government opposite deserves any credit for coming up with this today. It should have been years ago. But don't let the public be confused about what's happening, because nothing has happened yet. They haven't done anything yet and we're going to keep a close eye on this department to see this happens immediately. You were not here yesterday, Mr. Minister, when we talked about . . . (inaudible interjection) . . . not when I was giving my debate here to you.

MR. SPEAKER: – Order!

MR. BOWERMAN: – Mr. Speaker, on a point of order. The member said that I was not in the House yesterday in the question period. I would ask the member to correct that. I was here during the question period yesterday and I answered his questions.

MR. SPEAKER: – I don't recognize that as a point of order since there has been no rule . . . (inaudible interjection) . . . There is another order that says a member should maintain decorum in the Chamber. I would remind the members about that one too, while I'm at it.

MR. LANE: – . . . I agree with you . . .

MR. SPEAKER: – I know. I get the loudest agreement from you but the least response. I might say that is not a point of order. It is a point of correction of the record and the record is now correct. I'll ask the member for Arm River to continue.

MR. MUIRHEAD: – Mr. Speaker, when this report is finalized, I will be studying it and will have quite a bit to say about it, of course. I'm going to be pushing in this House and in the province of Saskatchewan, that you prove to me that my solution about the cement pit is wrong. You'll have to prove it to me. In the meantime, Mr. Speaker, I say to the Minister of Environment and his department, that we are going to keep shoving you and shoving you and shoving you, because that's the only way there's any response.

SOME HON. MEMBERS: – Hear, hear!

MR. MUIRHEAD: – Just keep on. Mr. Minister, we've finally got some move on you after four years. Just keep on and we're going to keep on top of you. That's all I've got to say at this time.

MR. SPEAKER: – Before I recognize the Premier I must advise the members to please

review the rules that govern the stating of ministerial statements and the responses to ministerial statements. They should be brief and factual and responses should be brief, specific and factual as well. For the good order of the House, I just take this opportunity to remind members.

MR. BLAKENEY: – Mr. Speaker, I am out of order at this moment. I will raise it on orders of the day I think more properly.

ANNOUNCEMENT

Daffodils from British Columbia

MR. SPEAKER: – I want, before our flowers wilt any further, to give a brief explanation to the House about the reason for them being on the desks.

All members will notice the daffodils on their desks. This touch of spring has been presented to the Saskatchewan legislature by the Greater Victoria Chamber of Commerce and the British Columbia Department of Tourism. Victoria is inviting us, one and all, to travel west this year to stay on their big, little island on the coast of British Columbia. I am sure I speak for all members in expressing our thanks to the Chamber of Commerce of Victoria and the B.C. Department of Tourism. I am sure that the Minister of Tourism and Renewable Resources will be able to respond in due course and together with the Mayor of Regina present crocuses in season and invite all the people of British Columbia to come to Saskatchewan in 1980.

MR. BLAKENEY: – Mr. Speaker, I join with you in thanking the Victoria Chamber of Commerce. I thought they were here as a special tribute to me and to my seatmate, Mr. Romanow. I thought they may have been intended to come here on March 1 to honour St. David's Day and the national flower of Wales, the daffodil, but they delayed it until March 12 in honour of my colleague of Ukrainian descent who would insist that this be done on the basis of a Julian calendar. Indeed on the basis of the Julian calendar, it is today March 1.

MR. TAYLOR: – Mr. Speaker, I too would like to join the Premier in expressing our appreciation from this side of the House for these flowers from Victoria. I had the good fortune of visiting the city of Victoria a month or so ago and enjoyed it very much. I hope to get back there sometime and join with you and hope that the people of Victoria come out to visit us this year. I would like to thank them once again for these floral tributes.

MR. SPEAKER: – I am led to believe that flowers are much like politicians. You cut about an inch off, put them in warm water and they will bloom.

SECOND READINGS

HON. MR. J.A. HAMMERSMITH (Minister of Northern Saskatchewan) moved second reading of Bill No. 29 – **An Act to amend the Department of Northern Saskatchewan Act.**

He said: Mr. Speaker, I am pleased to introduce second reading of Bill No. 19 – An Act to amend The Department of Northern Saskatchewan Act. The proposed changes to the Department of Northern Saskatchewan Act are routine and of a housekeeping nature. The authorities proposed are not unique in any way and in reality are now in existence and available to the minister and the department through several pieces of

legislation reassigned over the past years from other departments. The basic reason for introducing these amendments is to consolidate under the DNS act the same or a parallel legislative authority in existence within several of the other departments of government. My comments for the purpose of this bill, Mr. Speaker, will therefore be brief.

Existing section 5 of The Department of Northern Saskatchewan Act addresses in general terms authority for the department to provide assistance to persons or classes of person who are engaged in programs that are focussed to provide benefits to northern residents – that is, those people living in the area administered by the Department of Northern Saskatchewan.

As it presently exists, the provision appears broad and all encompassing, yet, in reality, it lacks express authority formally to carry out such action of assistance. The proposed amendment, therefore, pinpoints the legal authority clearly and in explicit terms.

Section 3 of the bill provides for a new section 5.01 to the action specifically allowing for the making of grants that are identified on an annual basis in the departmental budget and in the estimates considered by this House.

Mr. Speaker, members of the Assembly have the opportunity to examine closely the intentions of the department with regard to specific programs when the departmental estimates are considered later in this session. At this point, I will therefore not go into detail, but will only point out that the grants may be made for purposes in relation to programs respecting some or all of the following:

1. Social programs including such areas as family services, public assistance, day care, recreation services, community services, alcohol rehabilitation, and the like.
2. Health programs which include community health, environmental health, health education, emergency health services, and others.
3. Municipal assistance programs including capital and other grants to local governments, recreational facilities programs, northern road ambulance programming, fire protection, community planning and the like, and other special projects as the need arises.

Subsection 2 of this section of the bill provides that any grant exceeding \$10,000 shall be made only upon the approval of the Lieutenant-Governor in Council, again, subject to the conditions that the moneys for the specific purposes are actually appropriated by this legislature.

New section 8 is added to The Department of Northern Saskatchewan Act to provide authority for the making of regulations by the Lieutenant-Governor in Council. This is self-explanatory.

Mr. Speaker, this is the full extent of the proposed amendments to the DNS act and I move second reading of the bill to amend The Department of Northern Saskatchewan Act.

MR. L.W. BIRKBECK (Moosomin): – Thank you, Mr. Speaker. I would like to start out by saying that the minister's introduction of this bill, and the content and the very intent of

the bill, is completely and diametrically opposed to the views of the opposition.

Certainly the minister is aware of a position paper that the Progressive Conservative Party of Saskatchewan has presented to the population of this province and, particularly, as it affects northern residents. The minister would also be aware we are not in support of the dictatorial powers that are contained within the department responsible for northern Saskatchewan. We are not in support of that, not just as it relates to northern Saskatchewan, Mr. Speaker, but as it relates to all interests affecting the people of Saskatchewan. We feel very strongly that local autonomy – individuals making decisions collectively as it affects them directly – is the route to go, and that government, generally speaking, has lost sight of what its goal is, what its objectives should be, Mr. Speaker, that of being a regulatory body, a directive body, one which makes recommendations and suggestions and accepts recommendations and ideas from people, brings it back to the legislature and builds the appropriate legislation. Mr. Speaker, that is exactly the opposite position that this minister has taken – exact opposite position. He is saying that he wants to increase the amount of money over which he will have control. It spells out very clearly that the minister himself will decide which groups, which individuals, receive the funding. Mr. Speaker, that surely is a position that we, on this side of the House, must oppose.

I reflect again on the position which our party has taken regarding northern Saskatchewan. We have a vision of what northern Saskatchewan could be, given a diametrically opposed position to the government, a position which would enhance the potential of northern Saskatchewan in all given areas – in the development of non-renewable resources, in the development of renewable resources, hopefully from the profits of those non-renewable resources, in the development of the secondary industry, in the development of a local government body, so that individuals of northern Saskatchewan could in fact be the masters of their own destiny. I would much rather, and I am sure I speak on behalf of the Progressive Conservative opposition, place trust in the individuals of northern Saskatchewan than in the Minister for Northern Saskatchewan. You, Mr. Minister, in carrying out the policies of your government have suppressed development in the North. You sit there with a smirk on your face as if I am wrong. If you think I am wrong, then you should talk to the residents of northern Saskatchewan to see what they have to say with regard to your hindrance to progress in northern Saskatchewan. Now that is a position which you are in, unfortunately for you and for your government.

Mr. Speaker, if you take a look at some of the problems which we have to face in northern Saskatchewan we have to consider the bureaucracy where there is no form of local government autonomy like our Saskatchewan Association of Rural Municipalities and our urban municipalities. We have nothing left but a bureaucracy, a bureaucrat for every 55 resident in the North, and a good number of them not northern Saskatchewan residents but southern Saskatchewan people employed in the North.

Mr. Speaker, to this point I have not heard any reply from the minister as to our proposals for northern Saskatchewan – a new position, completely new directive, which we are offering northern Saskatchewan residents. In the course of the next year or two we will be working to develop those proposals in harmony and in consultation with northern Saskatchewan residents. Any moves on your part, before the next election, to follow the direction which we are going to proceed and outline for this government, will be conceived as support by this government, as we have had many times in the past, of proposals from this side of the House. They object to them at the present time but six months down the road, a year down the road, they adopt those very

principles and ideals and the whole set of blueprints which we have outlined. We have done that again with regard to northern Saskatchewan. I say, Mr. Speaker, that it is my intent to carry out those policies, in consultation with northern Saskatchewan. It is also my prediction that we will see this minister and this government adopt those policies within the next two years because of pressure brought to bear on the minister and the government by northern Saskatchewan residents.

Mr. Speaker, since the bill does nothing more than place more control over northern Saskatchewan residents in the hands of the minister, we, on this side of the House cannot support the bill.

MR. HAMMERSMITH: – Just a few comments before closing debate. The member for Moosomin makes reference to an eight page document someone produced on his behalf last week which, as he says, was circulated around the province of Saskatchewan and received absolutely no interest from anyone. There's good reason for that. The new vision of the North appears to indicate that the northern vision of the Progressive Conservative Party ends somewhere along the northern boundary of the Moosomin constituency. The position paper, if that's what it is, and the member called it that and his new vision, makes not one specific suggestion as to what the Progressive Conservative Party proposes for the North. When the new Leader of the Conservative Party was elected, he said . . . (inaudible interjection) . . . the member from the press gallery or the spectators' gallery, or the member at large. He said, and I recall him on television saying, as a result of my background in research and my tremendous abilities as a researcher, we are going to produce well-researched and well-documented specific alternative policies for the people of Saskatchewan. Mr. Speaker, if the paper presented by the member for Moosomin as the new vision of the North is an example of the kind of research and the kind of specific policies the Progressive Conservative Party is going to grace this Chamber with I think we're in for another repeat of the 20-year and 30-year old rhetorical statements of that party.

The member in his position paper outlines a number of areas he calls policies. He says we will put power and decision-making authority into the hands of the people of the North. Those are words the people of the North have heard many times and they've had many recent opportunities to pass judgment on those words, the most recent being on February 18 when the northern electorate in both the MacKenzie and the Battlefords-Meadow Lake constituencies soundly rejected the policies of the Conservative party. I invite the member to review the results of October 18, 1978, when judgment was passed on the rhetoric and the words and the alleged vision of the Conservative Party. This party and this government, rather than words, have produced some very real results and the people of the North, by giving both the current member for Athabasca and the current member for Cumberland over 60 per cent of the votes in the October election, have passed judgment on real performance.

I want to list a couple of those things that the member for Moosomin says his party is directly opposed to. They are totally opposed, Mr. Speaker, to the fact that the average annual earned wage in northern Saskatchewan between 1971 and 1978 has more than doubled. They opposed that. They're opposed, Mr. Speaker, to a situation where in 1971 only about 60 per cent of the people in northern Saskatchewan had their own local governments. In 1979 and 1980, 100 per cent of the people in northern Saskatchewan have local government. In 1971 only two schools, the school at Uranium City and the school at Creighton were under the jurisdiction of locally elected school boards. In 1980, 100 per cent of the schools in northern Saskatchewan are under the jurisdiction of local elected school boards. That's what they're opposed to, Mr. Speaker. In 1971 the total grants to local governments in northern Saskatchewan came to \$32,000. That was the money about which the local governments made their decisions. In the current year that amount is in excess of \$2 million. That's what they're opposed to.

Mr. Speaker, in 1971 local school boards had jurisdiction over something in the neighbourhood of \$40,000 in educational spending. This year, Mr. Speaker, that figure is \$14 million and we say that that's real decision-making power in the hands of local people.

In contrast to the words and the rhetoric of the member for Moosomin and the members opposite, this government has produced specific programs, specific results, and the people of the North have responded, and they have responded by sending members to this legislature. They have responded in the last federal election by voting overwhelmingly against the Conservative members. Yes, I would like to talk about some of those people that the member calls bureaucrats. I would think those northerners, who have earned in wages alone from the Amok project \$3.7 million, would resent being referred to as bureaucrats by the member for Moosomin who, I know, knows very little and we forgive him for knowing very little about northern Saskatchewan. The people of the North know very little about him – they would like to know less, my colleague, the member for Shellbrook says. The northern businessmen who acquired \$8.7 million in contracts from Amok I think would resent the suggestions of the member for Moosomin.

You know, Mr. Speaker, he made one more suggestion in the vision of the North that he refers to. He's going to build a railroad into northern Saskatchewan. That's the Tory equivalent of Pierre Trudeau's suggestion to double-track the CNR, and I hope he's not using as his model the railroad into northern British Columbia, an area that lends itself much more readily to rail transportation and has been a financial disaster. That's the Tory vision of the North – a financial disaster. I invite the member for Moosomin to travel the many, many miles of new highways and new roads either completed or currently under way in the North. I invite him to travel into the North by air on the 14 new airstrips that have been completed since 1972, and contrary to the mistaken vision of the member for Moosomin, the North is open and transportation services are there. I have not detected in my travels in the North any great line-up of people waiting for the train, or waiting to hear of the vision of the North propounded by the member for Moosomin.

I could go on, Mr. Speaker, outlining achievements in manpower training, reduction of dependency, housing medical services, improvements in hospitalization. In 1971, Mr. Speaker, the average number of infant deaths per 1,000 live births was 60. That has been reduced to 43 and the member for Moosomin is opposed to that. He says that is a terrible bureaucracy, keeping those little babies alive. I am opposed to that, the member for Moosomin says. The people of the North will be very interested in hearing of your opposition to this.

We can list the achievements in economic development, education, local government development, renewable resource development, and in non-renewable resource development the building of community infrastructure. I invite the member for Moosomin to venture a little north of the Qu'Appelle Valley, join me in that part of this province that is northern Saskatchewan. I invite you, any time, any place in northern Saskatchewan, and we will ask the people of any community to pass judgment on your vision of the North.

Mr. Speaker, I urge all members of this Assembly to support this bill.

Motion agreed to and bill read a second time on the following recorded division:

Yeas - 32

Blakeney	Pepper	Allen
Bowerman	Romanow	Snyder
Kramer	Robbins	Baker
Skoberg	McArthur	Gross
Shillington	Mostoway	Banda
Hammersmith	Dyck	MacAuley
Byers	Vickar	Rolfes
Tchorzewski	Koskie	Matsalla
Prebble	Long	Johnson
Nelson	Thompson	Engel
Lingenfelter	White	

NAYS - 16

Berntson	Thatcher	Birkbeck
Larter	Lane	Taylor
Rousseau	Ham	Swan
Pickering	Garner	Muirhead
Katzman	Duncan	Andrew
McLeod		

POINT OF ORDER

The Summoning of Members to Vote

MR. R.L. COLLVER (Nipawin): – Mr. Speaker, on a point of order. I would just ask that in future if the bells are ringing, when the ships are discussing, if they could hold the bell until I could get here to vote I would sincerely appreciate it.

MR. SPEAKER: – I am not sure I got the entire wording of the member's point of order. Maybe he could repeat it.

MR. COLLVER: – The point of order is that when bells were going, to call for this vote, my office is quite a ways away from the Chamber. I would appreciate, if at all possible, when the whips are deciding (through the Sergeant at Arms) to hold the vote now and stop the bells, if they could possibly wait until I return to cast my vote as well.

MR. SPEAKER: – I am afraid that I, from the Chair, could not undertake any kind of agreement that might be special to one member over another member. I think all members have the same advantage. When the bells ring they have an opportunity to get back here. I'm afraid I can't be put in a position of making sure every member has heard the bell and has plenty of time to get back here.

If there is a problem due to where the member's office is, well, I would have to consider

that. But I think all members will have offices in this building and there should be no problem.

MR. ROMANOW: – Just on the point of order, if I can. I think the hon. member does make a good point, inasmuch as this request, Mr. Speaker, must not take into account. The informal understanding is the whips agree and when the whips agree the doors are to be closed, then the Sergeant at Arms allows for the doors to be closed and the vote takes place. What we have not yet adjusted to is the fact that we have in effect (and I don't mean this in any political sense) a third party in the Chamber. We have not taken into account the fact that he is sitting there as an independent. I think the member does make some point and from our point of view we'll try to work out some mechanism so that everybody has a reasonable chance to get in and cast their ballot.

MR. COLLVER: – I do appreciate the Attorney General's comments, Mr. Speaker.

MR. LANE: – We agree with that, Mr. Speaker. The whips acknowledge to each other and the Sergeant at Arms as to when the vote is ready to be taken. Assuming the hon. member is in the building, we would be prepared to accommodate him.

MR. SPEAKER: – I appreciate the position that the member for Riversdale has taken and the member for Qu'Appelle has taken and I understand the position that the member for Nipawin is in. I certainly hope they will appreciate my position, that I can't make any kind of an arrangement like that. If the members want to facilitate that among themselves, that's another matter. I might say there is not a third party in the Chamber. From the point of view that I view it there are two parties and there is an independent member.

SECOND READINGS

HON. MR. J.A. HAMMERSMITH (Minister of Northern Saskatchewan): moved second reading of Bill No. 45 – An Act to amend the Northern Saskatchewan Economic Development Act.

He said: Mr. Speaker, it gives me great pleasure to rise to introduce second reading of Bill No. 45, which is An Act to amend The Northern Saskatchewan Economic Development Act.

Saskatchewan's North has, by the very nature of its relative isolation and sparse population been traditionally left low on the priority for expansion and development. Only in recent years has it been recognized that the area and the people therein are very important in terms of the economic potential of the province of Saskatchewan.

As all members of this Assembly are aware, economic activity has increased dramatically in northern Saskatchewan in recent years. This is of course due in the main to recent uranium discoveries and to increased activity in the forestry operations. As a result of this activity, there is an increased awareness and recognition by northern people of the development which will occur.

Mr. Speaker, northerners want to be involved in this development. For too many years prior to 1977 northerners felt both neglected and exploited.

The Department of Northern Saskatchewan is committed to provide financial assistance for the establishment of a firm economic base in the North. In order to make this happen, northern people must participate in the economic benefits accruing from

expansion by both public and private sectors in the development of renewable and non-renewable resources. The loan fund of the northern Saskatchewan economic development advance account is the chief instrument for this purpose. The loan fund is designed to provide developmental funds controlled in large part by northern people at the local level which are not normally available through conventional lending institutions, basically because they conventional lending institutions just are not there.

Since the fund's inception in 1973, over 1,000 loans have been approved for a total value in excess of \$9 million. These loans have been used to assist northerners to get started in a wide variety of commercial activities. As well, they have allowed many northerners to continue on a self-sustaining basis in their traditional pursuits of trapping and fishing. Current market trends indicate that these two areas will continue to play an important role in the northern economy.

On the average, two person years of employment are created by each loan. Since 1973 the, approximately 2,000 person-years of employment have resulted from such loans. During the last year, there has been an accelerated demand for loans by individuals and by firms wishing to establish and maintain business enterprises in the district. Primarily these demands are as a result of major mining exploration ventures and construction projects. Specifically, these small business enterprises are concentrated in the area of heavy equipment construction, contracting, trucking, building construction and related support services. Let me take the development of Cluff Lake as an example. Under the terms of the surface lease agreement, Amok is committed to including northerners as much as is practically possible in its operation.

The Department of Northern Saskatchewan has provided economic development loans to several companies in order that they can take advantage of these opportunities. One of these companies, Northland Development Corporation, is a consortium owned and managed by individuals from several communities of the west side including Green Lake, Beauval, Ile-a-la-Crosse, Buffalo Narrows, La Loche and Uranium City. To date the company has been awarded nine contracts since construction work started at Cluff Lake in August 1978. These contracts have been for the erection of the construction camp, operation of an aggregate preparation plant, the crushing and screening of rock, operation of all mobile equipment at the construction site, the lease and operation of trucks and several other related activities.

Mr. Speaker, I think I can point out the potential for northern participation in resource development by quoting a paragraph from Amok's own newsletter and I quote:

Northland's success illustrated by its high level of activity at the Cluff Lake project is evidence that northern business can become involved in the project as long as they indicate their interest, follow up the opportunities offered and provide satisfactory service or products.

I think I could add that the support of the Department of Northern Saskatchewan through its economic development loan fund was also a prime reason for Northland's success. The fund provided a loan of \$100,000 to this company in its initial stages of operation. Since then Northland has been awarded contracts with Amok totalling more than \$5 million.

But Northland is not the only company we have helped get started in businesses associated with Amok. Ile-a-la-Crosse Co-op Industries and Norcrush are two other businesses which, with the aid of the economic development loan fund, are

participating in this project. The fund has also assisted northern companies get work with the Key Lake project. Frame Construction Company in Uranium City has contracted with Key Lake mining and with Eldorado as has H & A construction of Uranium City. I would provide many more specific examples of how these loans have been of considerable significance in assisting northerners to participate in resource development but I believe the ones I have listed sufficiently demonstrate the importance of this land.

There are a couple of other enterprises which deserve mentioning, however. Moneys made available from the act support four farms operated by the Department of Northern Saskatchewan in the northern administration district. The farms train northerners in agricultural techniques and are helping to provide and alternate source of food. Thirty-two person-years of employment have been created this year from these farms. The Department of Northern Saskatchewan also operates six sawmills in the North, providing both jobs and building products. The success of this province is measurable by the success of the individuals who make up our population. A very important aspect of the legislation I am introducing is therefore contained in sections 4 and 5 of the bill. Section 5 proposes a \$10 million increase in the statutory level of the allowable advances to the northern Saskatchewan economic development advance account. I must point out that this bill only legalizes the authority for such advances. It is not a commitment to expend any or all of this amount. It is not a level identified for any particular year.

One of our untapped resources in the North is the human resource. In recognition that a stimulation of this sector is desirable, section 4 of the bill expands the authority to acquire property for the purpose of developing small scale industry. The department has existing authority to provide management training to individuals who work in an industrial setting and accordingly, when a given small scale industry becomes self-supporting and independently viable and becomes operational with trained local northern work forces, the authority in this bill further provides for the disposal of the property so acquired to local individuals, firms or co-operatives. These individuals will operate the enterprise as a private industry. This is a further expansion of the on-going measures towards firming the economic base in northern Saskatchewan. This is the main thrust of this bill.

The balance of the amendments to this bill, Mr. Speaker, are housekeeping in nature. Section 6 deals with the recovery of costs to be credited to the northern Saskatchewan economic development advance account. The same provisions are in existence under the act respecting the other two advance accounts. Although the revenues from cost-sharing arrangements with the federal government from other provincial government departments, from Crown corporations and other sources, with respect to the repayment of loans and interest thereon are credited to the advance account under the authority of treasury board regulations, this section legislates the specific authority for this purpose. In reality it provides little impact on any concerns other than formalizing an existing authority.

The bill also provides a broadening or openness toward the departmental activities related to northern flying. The original provisions of the act implied flying, including the functions related to prevention, control and suppression of fires as a construction service. Section 3 of the bill addresses departmental activities related to flying by defining air transportation service. It separates the air travel and related activities from a former collective designation under construction service.

The definitions for the purposes of the act are moved into the interpretation section of the act. Accordingly, section 14 of the act is no longer required and is repealed by section 7 of the bill.

Technically, section 8 of the bill provides the formal authority for the establishment of the air transportation section within the construction division of the department to carry out the air transportation services of the department.

Mr. Speaker, sections 9, 10 and 11 are further housekeeping in nature in designating the identical provisions respecting air transportation services as are given in the original act to construction service. Section 9 provides that the air transportation section may operate only out of the northern construction advance account. Section 10 provides for treasury board to address its regulations in respect of air transportation machinery and equipment.

Section 19 provides for the recovery of air transportation costs when departmental services are provided and funds are expended through the northern construction advance account.

One further housekeeping amendment addresses the intent of the advances for the purpose of northern housing. Section 12 of the bill provides clarification of the authority for developing and maintaining housing projects on land acquired for the purpose of land assembly.

Mr. Speaker, this is the full and true intent of the amendments to the act. It is with a great deal of pleasure that I move second reading of Bill No. 45. I urge the support of the Assembly.

MR. BIRKBECK: — Mr. Speaker, I set out on Bill No. 19 to present what I thought were fair comments on behalf of the opposition. I made no personal attacks on the minister responsible for northern Saskatchewan except the position his government has placed him in, of having to administer a policy which is just not bordering dictatorship but in fact is dictatorship.

Now, Mr. Speaker, it is awfully tempting for a member of this opposition to crawl into the gutter with the Minister of Northern Saskatchewan, but I want to assure this House and you, Mr. Speaker, that if I tried from now until tomorrow at this time I couldn't sink as low as the minister responsible for northern Saskatchewan — not if I tried. Mr. Speaker, not if I tried! The rest of those ministers could possibly consider those remarks, because in their replies to responsible suggestions from the opposition representing view of people that they have talked to with all sincerity, they have not been taken seriously by this government. The most recent flowing example has been that of the environment. People who have expressed concerns honestly to the opposition members to be put forth in this Assembly, to this government, for their consideration, have not been considered, but in fact, Mr. Speaker, have been belittled and laughed at.

MR. SPEAKER: — Order, order. I have heard the member discussing Bill No. 19, and he's referring to some other happening in the House. I haven't yet heard him refer to item 28 which we're dealing with, and I would encourage the member to make haste toward discussing Bill No. 45 which is before the House now.

MR. BIRKBECK: — Mr. Speaker, I accept your ruling. If someone wants to hold the door

open for me then I'll come through full steam, but I thought I might just warm up a little and start in with some remarks on the former bill that I was talking about and the replies I got from the Minister of Northern Saskatchewan.

Now we are on Bill 45. I have it before me on my desk – Bill 45, Mr. Speaker, An Act to amend the Northern Saskatchewan Economic Development Act. We're on the right bill; I was never on the wrong bill. What I was doing was attempting to put forth my position and the position of the opposition party as it relates to the responses we get from the government on bills of any nature. Now again, you know it's obvious, for anyone here – there are people in the gallery from time to time – and the Minister for Northern Saskatchewan sits there, and he has that ridiculous smirk on his face and he's chuckling away because a member of the opposition is presenting his views . . . That's the kind of contempt he has for the people of northern Saskatchewan.

SOME HON. MEMBERS: – Hear, hear!

MR. BIRKBECK: – If you think the people of northern Saskatchewan have contempt for you, I'll tell you that the people have contempt for you in southern Saskatchewan. You talk, Mr. Minister, about my representing a constituency that is in southeastern Saskatchewan and my speaking on northern problems. Mr. Speaker and members of this Assembly, is there anything wrong with a member from southern Saskatchewan attempting to solve some of the problems in another part of the province?

Now for the narrow-mindedness of the minister and maybe his inability to move around a little – you know he asks me to come to northern Saskatchewan. Well, I'll tell you I have been to northern Saskatchewan and a trip is planned for northern Saskatchewan. I tell you, Mr. Minister, any time that you want to follow me on my campaign trail through your part of the province, if you want to put it that way . . . I would rather think that as a citizen of the province of Saskatchewan that I was accepted wherever I went. Obviously the Minister of Northern Saskatchewan feels that because he lives in northern Saskatchewan he doesn't belong anywhere else. Mr. Speaker, judging from the remarks that I hear the minister responsible for northern Saskatchewan make in northern Saskatchewan it's clear he doesn't belong in southern Saskatchewan.

Now, Mr. Speaker, if I can direct my remarks . . . well that hurts him a little, so he's got to pick up a paper; he's got to do that to try and hide from the words that are being spoken by the opposition. He can't sit there like I sat here and look you directly in the eye and listen to you. That's the kind of guts – the minister responsible for this department has no guts. It's a little confused on that side of the House again; I'll just let them continue. It bothers them a little when they're not right all the time.

Now, Mr. Speaker, in the minister's remarks on the bill he talked of increased activity in uranium and forestry – increased activity. We welcome increased activity in the development of the resources, but when we take a look at the flow of potential from the development of the resources to the individuals in northern Saskatchewan, we have to feel that it isn't very adequate. If it is attempting to solve in any way the social problems it doesn't make much sense that there is over \$2 million annually budgeted through social services to the Department of Northern Saskatchewan. That's a question there is no answer to. The minister has never had a reply to that. Now he claims, in his remarks on the bill, that northerners should participate; they are a resource untapped. It took all of these years for the minister responsible to wake up and realize that the human resource is the prime factor. That is why we proceed with development of resources and of secondary industry, when we look at problems of the economy, all of those things,

Mr. Minister, are for people.

Mr. Blakeney, the Premier, has some other ideas. He feels the development of resources in Saskatchewan is for eastern Canada since he proposes to send half of them down there. That is exactly what is contained in my working policies that I proposed for northern Saskatchewan residents how do we take the economic potential from resources (both non-renewable and renewable) and direct it directly to northern Saskatchewan residents? When that is going to take place is when the whole province will benefit.

He scoffs at the idea of a possible railroad to the North when his party has been so consistent in support of the concept of a railroad for the movement of goods in this country and in this province. Now he is saying he is not in support of it for the movement of goods in and out of northern Saskatchewan. He would rather have the Minister of Highways working all winter long and finally getting a road across Lake Athabasca of Uranium City. He works all winter long to get this road built across there and then at the end of March it's no good any more. Some of you buys can walk on water but we haven't learned how yet. That's what I'm trying to tell this government, they don't have all the answers. We would rather place our faith in the northern Saskatchewan residents and let them make the decisions. Let's follow them and let's carry them out on their behalf.

You talk about development of resources and how you are going to handle those resources. If you handle resources like you've handled the economy) which is a dismal record particularly in the North), if you handle the resources like you're doing in the North – taxing the people of this province to buy back non-renewable resources which are already ours and then taking half those profits and shipping them off to eastern Canada, if that's the resource policy you're going to apply to northern Saskatchewan, I'd like to hear you make a speech on it to northern Saskatchewan residents and please invite me so I can be there. I'd love to see the results your would get.

Mr. Speaker, it is obvious that there are so many areas that the minister simply does not understand as they relate to the development of northern Saskatchewan, and it is obvious that it is so trying for me to keep from getting down in the gutter that he wallows in from day to day that I, accordingly, would have to adjourn debate and come back another day to conclude our remarks and put forward the position of the Progressive Conservative Party in a responsible way with real alternatives for this government to accept.

Debate adjourned.

INTRODUCTION OF GUESTS

MR. SPEAKER: – I wonder if I could interrupt the proceedings of the House very briefly. I would like to make an introduction of a very important group of guests who are with us today in Speaker's gallery. They are a group of 15 scholars from the People's Republic of China. They are presently at the University of Saskatchewan in Saskatoon and they're mainly associated with the field of medicine and engineering. They are here today with their chaperones, Dr. Alex Guy, Dr. Peter Glynn and Dr. John McKendry and I know all members will join with me in welcoming these scholars from China to our Assembly and hope that their visit to Regina is productive and interesting.

HON. MEMBERS: – Hear, hear!

HON. D.F. McARTHUR (Minister of Education): – Mr. Speaker, I would like your permission to join with you and with the members of this House in also welcoming the Chinese scholars from the People's Republic of China. We, in Saskatchewan, are all very pleased that this group of scholars has chosen Saskatchewan as the place that they would like to visit and study within, under the agreement that was reached between the People's Republic of China and the Government of Canada in 1979. I know I speak for all people in Saskatchewan when I say that we value very much our friendship and the warm relations we've had with Chinese people for many years and look forward to many more exchanges of this sort as a basis of further co-operation between the Chinese people and the Canadian people.

HON. MEMBERS: – Hear, hear!

MR. D.G. TAYLOR (Indian Head-Wolseley): – Mr. Speaker, I would like to join with you and the Minister of Education in welcoming the scholars from the Republic of China. We're very happy to see you here today. I hope you have enjoyed your tour. I understand you're touring the province and have been studying at our university. We're very happy to have you here and I hope your studies have been very worthwhile. I hope you're enjoying what you're seeing here in this Chamber today. On behalf of the opposition I certainly welcome you here.

HON. MEMBERS: – Hear, hear!

SECOND READINGS

HON. W.A. ROBBINS (Minister of Revenue, Supply and Services) moved second reading of Bill No. 15 – **An Act to amend The Department of Consumer Affairs Act.**

He said: Mr. Speaker, the members of the House have previously been provided with copies of the proposed amendments to The Department of Consumer Affairs Act. These proposed amendments would, firstly add a section 5(1) which would require the department to advise persons of their rights, their remedies and obligations under legislation administered by the department. Under the present act, any such advice is purely incidental.

Secondly, it would include public consumer education in the department's responsibilities. The department has, of necessity, been very active in promoting consumer education throughout the province in assisting the formal educational institutions to provide consumer education of a nature of value to consumers generally. The Government of Saskatchewan formally acknowledges five basic consumer rights and one of those rights is the right to consumer education. We wish to insert this in the consumer affairs bill for that reason.

Add a new section 5(2) and the present act does not confer any authority for the department to provide grants to worthy associations or organizations although it is possible to provide a grant on the approval of treasury board for specific requests. Previously we've had to go to treasury board with a specific request for an organization like the Consumer Association of Canada (Saskatchewan Branch) in order to make a contribution to that organization.

The Consumers Association of Canada, which is the largest voluntary representative of consumer interests in Saskatchewan, has received annual financial support out of the

department's operating budget. I stress again to the members of the Assembly on each occasion where that has occurred heretofore, we had to go before treasury board and make a specific request. This proposed amendment will eliminate a very unnecessary administrative mechanism with respect to this act.

Thirdly, we wish to add a new section 11.1. The amendment would protect the government and employees of the department from legal action taken against them when they are acting in good faith in the normal exercise of their required duty. Similar provisions are contained in The Department of the Environment Act and The Tourism and Renewable Resources Act in the first instance The Department of Environment Act under section 15, and the second instance under The Tourism and Renewable Resources Act under section 28.

In summary, Mr. Speaker, the proposed amendments are basically housekeeping amendments but they are designed to facilitate more effective administration of the particular act. Mr. Speaker, these are necessary amendments to The Department of Consumer Affairs Act and therefore I take pleasure in moving the second reading of a bill respecting amendments to the Department of Consumer Affairs Act.

MRS. J.H. DUNCAN (Maple Creek): – Mr. Speaker, the hon. minister said these amendments are of a housekeeping nature and members on this side of the House do not believe that for one minute. The members on this side of the House have strived and strived, through previous sessions and this session, to have the government become responsible for their actions and yet in these amendments we have section 11.1: 'No action lies against any member of the Executive Council or any officer or employee of the department except for negligence, for any loss or damage suffered by any person as a result of any act or omission on the purported discharge of any duty . . . Well, that gives the Executive Council and the civil service some wide-ranging authority. Who is going to be responsible if I lose some of my income because of false information given to me by either the minister or one of his civil servants? Who is responsible? Am I to be responsible and carry that loss myself? Ultimately, the minister must assume ministerial responsibility and I am sure that this is the only place I know of where heads roll up instead off in many cases. We had an incident last year where the Minister of the Environment, as a result of calls of the opposition to ask for the resignation of one of his ministers, said that the error made by his deputy was an error in judgment.

Well, we the public have reams and reams of regulations and rules and laws that we must abide by or have very strict penalties or lines for any infractions of the rules and upon us by this legislature. We; must abide by those rules or pay the consequences and I think the government and their workers must also pay the penalty for any mistakes they make.

Another part of the so-called housekeeping nature of this bill that we totally disagree with is subsection 2 of section 5 where the minister can obtain the approval of the Lieutenant-Governor in Council before making any grant under subsection 1 that is in excess of \$10,000. This means that the minister has the authority on his own signature to make up to a thousand, a million, a hundred thousand grants of \$9,999. More and more money is being spent by this government by orders of the Lieutenant-Governor in Council and we feel that it's just not correct. There should be some public scrutiny. We can't get the answers. We can't get lists of who received grants throughout the year in the various departments. We can't even get a round figure of what the various departments do grant to various citizens or groups. Therefore, we shall oppose this bill.

MR. ROBBINS: – Mr. Speaker, a couple of brief comments with respect to the concerns of the hon. member for Maple Creek. I wish to stress that the amendment she first referred to is merely to protect the government and the employees from legal action taken against them when they are acting in good faith in the normal exercise of their duties. There can be claims against people which are really not very valid, this is common in government regulations and rules. It's simply to give the employees some protection; otherwise, they would have no protection at all and obviously would be very, very cautious in terms of the exercising of their duties.

The second comment you made was with respect to the grants. There's no possibility of large numbers of grants being made by the Department of Consumer Affairs. We have made one grant each year to the Consumer's Association of Canada (Saskatchewan section) of \$3,500. It's not likely to go very much higher than that; it may be changed a bit in terms of inflationary trends. I'm simply pointing out that this gives the department the right to make that grant rather than go through the procedure of treasury board on a very minor and small matter. It is not beyond treasury board's control due to the fact that all budgets must go through the treasury board function and obviously, the budget of the consumer affairs department is scrutinized by treasury board before it becomes part of the general budget of the government.

I don't deny that opposition members should be alert to these problems. Obviously, that's their function. But I assure you there's no intention of going hog-wild in terms making grants. It's simply to facilitate the actual situation which we have with regard to the Consumer's Association of Canada (Saskatchewan section). Therefore, I think your fears are not well founded.

Motion agreed to and bill read a second time on the following recorded division:

Yeas – 32

Blakeney	Pepper	Allen
Bowerman	Romanow	Snyder
Robbins	Baker	Skoberg
McArthur	Gross	Shillington
Mostoway	Banda	Hammersmith
Dyck	MacAuley	Byers
Vickar	Rolfes	Koskie
Solomon	Matsalla	Lusney
Prebble	Long	Johnson
Nelson	Thompson	Engel
Lingenfelter	White	

NAYS – 16

Berntson	Thatcher	Birkbeck
Larter	Lane	Taylor
Rousseau	Ham	Swan
Pickering	Garner	Katzman
Duncan	Andrew	McLeod
Collver		

HON. W.A. ROBBINS (Minister of Revenue, Supply and Services) moved second reading of Bill No. 43 – **An Act to amend The Consumer Products Warranties Act.**

He said: Mr. Speaker, this bill is intended to revise and replace certain sections of The Consumer Products Warranties Act to incorporate changes recommended by retail sellers, manufacturers, and consumers. This act, which was passed in 1977, is the first of its kind in Canada. Accordingly, a good deal of the response to the present act has been received regarding its effect on long established, selling, buying, and warranty rights and responsibilities. The proposed amendments primarily address the major concerns expressed by all interested parties including retail sellers, manufacturers, importers, and consumers.

The major objections to the existing statute made by the retailers and manufacturers have been considered and are included in the proposed bill. There were certain unproclaimed sections of the present act, and these were too specific and would create unnecessary administrative and legal problems and costs for businesses if they had been proclaimed. The proposed amendments to this bill are worded in a general manner so that businesses can comply with the minimum amount of costs and administration.

The principle of The Consumer Products Warranties Act is to provide a basic minimum warranty for all consumer product transactions in the province. Any risk or loss for defective products is shifted from the consumer to the seller of manufacturer responsible for the defect. The act has proven helpful to consumers and has been well accepted by the business community, particularly in terms of clarifying contractual relationships with respect to warranties. The proposed amendments will further clarify the responsibilities of retailers and manufacturers.

The proposed amendments are again, basically of a housekeeping nature – to facilitate more effective administration of this particular act, to enable the remaining sections of the act to be proclaimed and to respond to concerns about the act raised by retailers and manufacturers. No part of these amendments limit the civil rights of Saskatchewan citizens, no licences or permits are required, and no additional administration is entailed.

Mr. Speaker, I would be pleased to go into the specific clauses in greater detail if that is desired during committee of the whole. I view these as important amendments to a significant piece of consumer legislation. I recommend the bill for the approval of all members of the House, and with these few words, I move second reading of a bill respecting amendments to The Consumer Products Warranties Act.

MRS. J.H. DUNCAN (Maple Creek): – Mr. Deputy Speaker, I am receiving petitions on this, and we are looking into the ramifications of the amendments. Therefore, I beg leave to adjourn debate.

Debate adjourned.

HON. R.J. ROMANOW (Attorney General) moved second reading of Bill No. 42 – **An Act respecting Security Interests in Personal Property.**

He said: It gives me great pleasure to introduce Bill No. 42. Mr. Deputy Speaker, 200 or so years ago, in the common law world, the cash commercial transaction was normal, and buying and operating a business on credit was uncommon. Today the majority of commercial transactions, whether we like or not, are supported by credit. Businesses finance the purchase of equipment, and the financing of inventory is commonplace. The farmer is able to produce crops and raise livestock by the extension of credit. The importance of credit to consumers need hardly be emphasized. Yet, the law has not kept pace with the growth and this new development. Old concepts based on cash transactions have been stretched to accommodate the needs of secured financiers with the result being a confusing set of laws based on a mixture of statute and case law which frequently defy rationalization.

The Personal Property Security Act has, as its aim, rules under which commercial transactions can be concluded with reasonable simplicity, certainty and fairness. It consolidates and harmonizes the existing law and hopefully fills some of the existing deficiencies. The act which is before this House will set aside distinctions of form and hopefully will resolve such issues as the creation of a security interest, rights on default and priority conflicts based on substance and the expectations of the business and borrowing public.

The bill recognizes that all security devices, regardless of form, essentially have one single purpose. That purpose is to give creditors a special, definite specific and exclusive right or rights in particular property in order to secure payment of a debt, or satisfaction of an obligation, with the least amount of detriment to the debtor and third parties dealing with him.

The Personal Property Security Act of Saskatchewan, Mr. Speaker, is before this House and is based on what I would describe as long and rather impressive years of research in Saskatchewan, other parts of Canada and the United States. This bill is based on extensive study by our law reform commission, follows closely the commission's report tabled in 1977 and then follows fairly closely a subsequent study carried out by the Canadian Bar Association and a special committee which they established to study this problem. A comparable piece of legislation exists in all but one, I think, of the United States.

With the enactment of this statute, Saskatchewan will join Ontario and Manitoba who have personal property security acts of essential thrust and concept in force and in operation.

Mr. Speaker, it is now my intention to examine some specific issues dealt with by the act. The first part of the act obviously needs no comment, the general sections 3 to 8. But I would like to make an observation with respect to the applicability of the act in sections 3(a) and 3(b).

Section 3(a) – It is proposed that the act apply to every security agreement that in substance creates a security interest by securing payment or performance of an obligation. The practical consequence of this is that all security agreements will be subject to the same laws regardless of the name given to the security agreement. All such agreements would be registered in a central location and this would include agreements traditionally called corporate securities, which are presently registered in the companies branch of the Provincial Secretary's office and thereby results frequently in the confusion as to where to search for the information.

Section 3(b) – In addition the act applies to all non-consensual transaction like leases and consignments where there is a possibility of deception by reasons of a separation of ownership and possession. This application of the act fills an obvious void in the existing law where there is no means of registering or checking the interests of these parties.

Now a word or two about property brought into the province and the sections which relates there, sections 5 to 8. This act attempts to resolve very complex issues as to which law applies in order to resolve disputes where property which is subject to a security interest taken in another province or country is brought into Saskatchewan. With respect to section 5(2)(a) on this subject, one particularly thorny issue dealt with by section 5(2), is whether a buyer of goods which are subject to an unregistered foreign security interest takes his goods free of the security interest. At the present time the answer to this question is different depending on whether the security interest is a conditional sale or a chattel mortgage. If it is a conditional sale, the seller has 30 days within which to register is interest from the time the goods are brought into the province. If a buyer buys within that 30 days, the first seller may repossess the goods from the second buyer. If the security agreement is a chattel mortgage, the chattel mortgagee or the person loaning the money may repossess the goods sold at any time up to 30 days after he receives notice that the goods are in this province. In addition to bringing a hardship on consumer buyers and dealers, these laws grant far better rights to foreign secured parties than to persons loaning money in Saskatchewan. The Personal Property Security Act gives priority to buyers unless the security interest in the goods is registered before the sale takes place.

Now a word about part two, section 9 to 18. This part provides for the creation of a security agreement and sets forth those terms which are implied in any security agreement. I think more detailed deliberation of these sections, if such is required, can be dealt with in committee of the whole when, and if, the bill gets there.

With respect to part three, let me make a couple of observations, first as it relates to sections 19 to 41. At the present time priority between conflicting security interest in the same collateral is determined by rules dependent upon resolution of the rules and equity and common law. Registration of security interests plays only a small role in determining priority. With respect to section 35, and the basic rule under the act, the bill would establish a basic rule which would resolve most conflicts. Priority would be determined by the order of registration, or the taking of possession by the secured party.

Now a word on special position for buyers, but first the present law. At the present time whether or not a buyer of goods defeats a prior security interest depends on the security agreement between the seller and his lender. This is unsatisfactory. A person who holds himself out to be in the business of selling goods must be able to convey good title to a buyer. Section 39(1) of the act allows a buyer to defeat any security interest given by or reserved against the seller of goods as long as the sale is in the ordinary course of business of the seller.

Now on section 34(a). With respect to this section and with certain exceptions the act gives a special priority status to persons who enable the debtor to acquire new collateral. As long as the security party registered his security interest or takes possession of the secured property, he will defeat all other security interests taken in the same property. I think this is the solution which is expected by the community at

large and the commercial community.

Part 4 deals with registration — sections 41 to 54. Part four, Mr. Deputy Speaker, establishes the personal property registry. Registration under the act will be greatly simplified. In order to register, the secured party simply files a one-page document indicating the name and the address of his debtor and describing the nature of his interest. In addition, a system is proposed which would assist debtors to remove inaccurate information from the registry simply and efficiently. In section 53, a cause of action is established against the registrar in any case where a person suffers loss or damage as a result of his reliance upon a search where results are incorrect because of the error or omission in the operation of the registry.

Part 5 — Rights and Remedies of Default — Section 55 to 63. I draw to the House's attention a few of the sections in this part. Section 58 — The secured party is entitled to repossess, under this section, collateral in default unless he has agreed otherwise. Section 59 — The second party or receiver would be required to give a notice before sale to persons holding a subordinate interest the debtor, the owner and persons who have asked for such notice. This notice need not be given in certain special cases. Section 60 — The secured party would be required here to account to the debtor for any surplus and conversely the debtor is liable for any deficiency. Section 62 — The debtor may reinstate the security agreement twice in any year. Section 63 — The Court of Queen's Bench is given relatively wide supervisory powers over the overall operation of part 5. Sections 64-74 basically deal with miscellaneous and transitional powers and I think those are fairly self-explanatory.

Mr. Speaker, this is a very complex bill and in summation I would like to reiterate and stress some of the main features of the bill in another way. First, the act is a comprehensive code of the entire area of personal property security law — a new code. As such, it would apply to all kinds of consensual personal property security transactions, regardless of their form. It would describe and regulate the basic attributes, according to the code, of security interests. Second, the act provides protection as far as is reasonably possible to the buyers of goods. Third, the act through its recognition of one security division and through a modernization and streamlining of the registry systems facilitates inventory financing and presents a benefit to the public at large. Fourth, the act establishes a registration procedure which is based on minimum interference with the contractual relationships of parties. Fifth, the act would adopt a uniform, rational priority system, which is based on a balancing of interests and the expectations of community at large. Sixth, the act would provide detailed rules regulating the rights of parties in the event of default by the debtor.

Finally, Mr. Speaker, to summarize this bill, I would like to reiterate that the single most important feature of it would be to describe it as a bill which rationalizes the law for secured transactions. I feel that it will simplify a very complex area of the law and through this simplification, save dollars for everybody involved. To assist the legal and business community in changing over to these new laws, the Department of the Attorney General is working in close consultation with the Law Society of Saskatchewan and in particular the director of continuing legal education and the chairman of the law reform commission. Both of these organizations have conducted fairly extensive seminars within their legal profession and elsewhere and have distributed materials over the last year or so since the proposal for this bill first surfaced in the House. The process of consultation is an ongoing one and will continue through consideration of the bill and hopefully passage of the act and if it is passed, thereafter.

We welcome the suggestions by the opposition and other members of the financial and consuming public as to their views on legislation and where necessary, incorporate changes to meet those concerns. With that in mind, Mr. Speaker, I move the second reading of this act, Bill No. 42, An Act Respecting Security Interests in Personal Property Act.

MR. J.G. LANE (Qu'Appelle): – I am swayed by the rousing rhetoric of the Attorney General on the bill. I appreciate the latter comments of the Attorney General that discussions will continue. The Attorney General has expressed several times during his remarks the complexity of the bill, obviously things have come a long way from the original law merchant which the Attorney General referred to. I would like to make a correction. Historically they did have provision, Mr. Attorney General, for credit. It was known as debtors' prison, and so they have had an effective way.

From a very legalistic point of view, it is a bill that is now away from the common law tradition and the common law development and we have now looked to the uniform commercial code of the United States as the basis for our commercial law. I think a change although a very complex one that we are embarking upon, is one that is long overdue. I've raised some concerns to the Attorney General. I appreciate the fact that I will be allowed to discuss with the officials involved some of the concerns that have been passed on to me, one main concern being of course, as I have indicated to the Attorney General, the fact that the province of Alberta does not yet have this legislation. I am informed by practitioners that they estimate well over 50 per cent of the registration of security documents in the province of Saskatchewan that are going out of province are with the province of Alberta. There is some concern that until the province of Alberta has similar legislation we may be creating more problems or more complexities. I, as I have indicated to the Attorney General, will pass on such concerns as I know practitioners have to his officials.

I would like to suggest to the Attorney General, if I may, that all of the bills that he is bringing forward today are consequential. I would suggest to the Attorney General that we would be prepared, as we have no objection in principle to this bill, to agree to approval in principle and second reading of all the subsequent bills except Bill No. 37 – item 21 – An Act to amend The Distress Act, on which we will have some matters to raise. We would be prepared to vote all the balance off, if it was at all possible and convenient to do it at once. I would like to adjourn debate on Bill No. 42 and we will have the discussions. We will raise any concerns arising from representations that have been made to us with your officials in the interest of expediting debate of the bill.

Debate adjourned.

MR. ROMANOW: – Mr. Deputy Speaker, we adjourn at 5:00 o'clock on Wednesday. We have a speech with respect to consequential amendments and I think it would be better to hold it until the next day, Friday. It's a little bit long and I would like to take a look at it. I'm sure you don't want another sterling speech on the consequences.

The Assembly adjourned at 4:29 p.m.