

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
March 14, 1980

The Assembly met at 10 a.m.

On the Orders of the Day

WELCOME TO STUDENTS

MR. R.H. PICKERING (Bengough-Milestone): — Mr. Speaker, I would like to introduce to you and through you to the members of the assembly 20 students in the east gallery from the Radville school. They are Grade 8 students. They are accompanied by their teacher, Ed Borsa, and their bus driver, Walter Nimegeers. I hope they find their stay in the legislature informative and interesting. I will be meeting with them right after question period for pictures and a drink downstairs. I would like all members to join with me in welcoming them to the Assembly.

HON. MEMBERS: — Hear, hear!

QUESTIONS

Increases in Equalization Payments

MR. D.G. TAYLOR (Indian Head-Wolseley): — Mr. Speaker, my question is to the Premier. Yesterday, Mr. Premier, we heard a two hour description of how well the province of Saskatchewan is doing.

SOME HON. MEMBERS: — Hear, hear!

MR. TAYLOR: — If that is really so, Mr. Premier, would you explain to this House and to me why you are expecting a 30 per cent increase in equalization payments for the coming year?

HON. A.E. BLAKENEY (Premier): — Mr. Speaker, I am not fully abreast of why the equalization payments are higher. I suspect there are two reasons: the income in Alberta is rising even faster than it is here (which I think is the case) and also there are some adjustments from previous years which we were expecting. We gained in about '75 or '76 significantly more equalization than in fact we were entitled to and it has been a matter of adjustment in subsequent years. With respect to a more accurate information, I know the hon. member will pursue this when the estimates are up for review and he can obtain all the figures he needs.

Diversification in Agriculture

MR. E.A. BERNTSON (Leader of the Opposition): — Mr. Speaker, a question to the Minister of Agriculture. I have here an article from the February 2 Financial Post in which you are quoted as saying the volatility of the livestock market, coupled with intense competition from high-priced land and current high interest rates, is forcing some farmers away from livestock industry into more stable grain industry. You go on to say that the changeover to straight grain production is necessary. Can you tell me just what particular event and just when you decided that Saskatchewan could not longer afford the luxury of diversification in agriculture?

HON. G. MR. MacMURCHY (Minister of Agriculture): — Mr. Speaker, I listened to the quote from the Financial Post and I don't recall at any time speaking in such elaborate language. It's not my way of talking. I think the hon. member opposite knows that and I don't think there's any announcement by myself or by anyone in the government which would convey that kind of a message. It's pretty clear, Mr. Speaker, that the government is placing more emphasis on grain production and grain transportation than has been the case in the past. It is evidenced by the budget that was brought down yesterday; we see a clear place for diversification and an obviously strong place for the livestock industry.

MR. BERNTSON: — A supplementary, Mr. Speaker. Obviously the Minister of Agriculture is caught on opposite ends of the same stick. I have here a document from his department called Farm Notes, also dated February, the same month as his famous no-diversification statement, in which he says 1980 should be a good year for Saskatchewan's farm economy, higher beef prices in store for Saskatchewan. That coupled with the \$7.5 million in estimates tabled yesterday to FarmStart incentives programs — and I also point out to you that the single biggest contribution to FarmStart incentives programs are to cover losses, double last year's estimated losses — I wonder how you can rationalize on one hand dumping more and more money into incentives for diversification (most of it to cover losses), and on the other hand saying that we can't afford diversification?

MR. MacMURCHY: — Well, Mr. Speaker, what the budget talked about is expanding the availability of money to the livestock industry, and that increase in available funds to the livestock industry is coming as a result of the requests from producers to move into hog operations, to move into beef operations, and to move into the dairy operations. That's the reason for the increase in FarmStart and I think one needs to respond to the livestock industry through the FarmStart program. I think that the hon. members opposite rather than being critical of FarmStart should be supporting the FarmStart program.

MR. BERNTSON: — A supplementary, Mr. Speaker. Perhaps I was a little less than kind. I know there has been a sincere effort by the government in the direction of diversification and I know the Premier spent \$60,000 in the Financial Times of London last years for that purpose. My final supplementary. It's obvious to me that the whole exercise of yesterday and Farm Notes is an exercise in fudging numbers. You have indicated in your Farm Notes that the average net income per farm in Saskatchewan for 1980 will be \$18,715. If that figure is accurate, by your numbers we then have somewhere in the neighborhood of 55,000 farmers in Saskatchewan. Could you please explain this discrepancy?

MR. MacMURCHY: — I don't have the copy of Farm Notes in front of me, Mr. Speaker, but I think if the hon. member looks at the table and looks at where the tables came from — they didn't come from the Government of Saskatchewan, they came from Statistics Canada. Statistics Canada, in its outlook for 1980, was projecting that kind of a net farm income for Saskatchewan farmers. If the hon. member will look at the statistical figures and do some arithmetic, he will find that by the Statistics Canada estimates rather than 50,000 or 55,000 farmers in Saskatchewan, they estimate there will continue to be 70,000 farmers in Saskatchewan. So I say to the hon. member he should do some arithmetic to approach the agricultural industry in the same sense that Statistics Canada approaches the agricultural industry in Saskatchewan — with an optimistic outlook rather than a pessimistic outlook.

SOME HON. MEMBERS: — Hear, hear!

MR. SPEAKER: — Order, order! I want the member for Qu'Appelle to recognize that I have two members on their feet already and I don't need him from his seat, shouting questions. I will take the member for Nipawin.

Canadian Federation

MR. R.L. COLLVER (Nipawin): — Mr. Speaker, I would address my question . . . (inaudible interjection) . . . I hadn't realized the decorum had sunk so low on this side of the House.

MR. SPEAKER: — Order! if the member for Nipawin has a question I would be glad to accept it now.

MR. COLLVER: — I certainly do, Mr. Speaker. I would address my question to the Premier.

Yesterday in the budget address your Minister of Finance outlined structural weaknesses in Canada and in the Canadian economy and then the speech (on page 4) went on to address itself to a litany of problems which have been produced in this Assembly for every budget address which I have attended. I ask the Premier, what indications has he received from the federal government, either this year, last year or in any year that he has been Premier, that these structural weaknesses are going to be dealt with in any concrete fashion?

MR. BLAKENEY: — Mr. Speaker, I think we have had indication. I refer, for example, to the series of constitutional conferences which we had which indicated a willingness on the part of the federal government to make some constitutional changes which would in our judgment, bring about changes in the ability of the province of Saskatchewan to tax and to manages its resource economy. I want to concede at the outset to the hon. member that while an indication at conference is helpful it doesn't necessarily bring about a structural change. To answer his question directly, we have had that type of indication. There are a number of other indication from the federal government, let us say in response to the efforts of the four western premiers dealing with administrative overlaps (intrusions as we were calling them), a number of areas there where the federal government has accommodated us on smaller matters.

I am the first to concede that there are serious problems in making the Canadian federation work. I do assert that the previous Trudeau government and the Clark government gave indications they were aware of these and were prepared to address them. I say also that not many of them have been addressed to date and the need to press for further change and further redress of our grievances will continue.

MR. COLLVER: — Supplementary question, Mr. Speaker. Apparently the Premier does appear to believe that indications or election promises of whatever kind by Liberals and Conservative sometimes are meaningful because apparently he is suggesting these promises or indication are in fact going to come to fruition.

I would ask the Premier, are these structural weaknesses which you mention in your budget address on page 4 the only structural weaknesses which you see and your government sees in Canada or in the Canadian economy?

MR. BLAKENEY: — No, there are a good number of others which I am sure all hon. members would be aware of which are not specifically referred to in the budget speech.

MR. COLLVER: — Final supplementary, Mr. Speaker. Would the Premier not agree that one of the basic fundamental weaknesses of the Canadian economy is the lack of attitude produced by the hundreds of millions of dollars which are being spent by the Government of Canada on the bilingual program throughout the country?

MR. BLAKENEY: — Mr. Speaker, I would not agree with that. I think the Government of Saskatchewan takes the view that Canada is a country of two languages and that it may well be beneficial in order to preserve Canadian unity that we give Canadians a feeling that they can use either of the two official languages at major centres generally across Canada and accordingly I do not think that the bilingual program, in its concept, was bad. I think that many of the methods used to bring about the program were ill-conceived, particularly the massive expenditure on attempting to make adult senior civil servants bilingual. I think this was generally conceded to be ineffective. I would have agreed with others who would have suggested, and did suggest, that much of that money might better have been diverted to attempting to make elementary school children effectively bilingual in the course of their educational program.

Canadian Wheat Board

MR. W.C. THATCHER (Thunder Creek): — A question to the Premier. Mr. Speaker, following on the theme of maybe some of these structural weaknesses. Mr. Premier — that we're presently governed by a regional party — the Premier may have had occasions to note in his years as Premier that wheat is probably the most important commodity still produced in this province.

Mr. Premier, it must have been with some concern that you would have noted the appointment to head up the Canadian Wheat Board — probably the government agency which has the greatest effect in this province — of a dinosaur or a relic from the past. Shall we say someone who is not blessed with a great deal of administrative experience.

Mr. Premier, are you concerned about this situation? If you are concerned have you expressed this concern to the Prime Minister of Canada about someone of questionable ability and certainly suspect administrative ability to head up an agency that is so vital to the province of Saskatchewan?

MR. BLAKENEY: — Mr. Speaker, the Prime Minister of Canada did not offer his views to me on the formation of the cabinet of Saskatchewan. I have refrained from commenting to him on the composition of the cabinet of Canada. I have had some conversations with him, on occasion, about the rough structure of cabinets but I have not dealt with the personality of any particular minister.

With respect to the minister in charge of the Canadian Wheat Board there may well be some shortcoming in the minister who now holds that post, as I am sure there are shortcoming in ministers in all governments in Canada . . . (inaudible interjection) . . . Yes, that is right, that is right! Members opposite appear to be surprised at that, which can only indicate that they have given absolutely no attention to an analysis of the Conservative governments in Canada.

My point is that, having regard to what the Prime Minister had to choose from, the selection of the current minister in charge of the Canadian Wheat Board may be as good as he would have been able to do. This does not suggest that other members of the Senate would not have been highly effective ministers. I think some of them would have been, but some of them because of health or business reasons were not able, I believe, to accept appointments; accordingly having regard to the numbers, the people available to him, I am not sure that it could have been any more effective than in fact is the case.

MR. THATCHER: — A supplementary question, Mr. Speaker. I am a little bit surprised that the Premier can make light of what would have to be a very serious situation to Saskatchewan farmers. Perhaps the Premier would elaborate on his government's position on something which has not been settled at the federal level which again has very strong ramifications for Saskatchewan farmers.

To this point in time it has not been determined where the grain transportation authority will be placed, whether it will be placed under the authority of Mr. Argue as minister in charge of the wheat board or whether or not it will be placed or left with Jean-Luc Pepin as the Minister of Transport. Would the Premier care to put forward the view of his government as to precisely where Dr. Horner's grain transportation authority should be placed?

MR. BLAKENEY: — I'll ask the Minister of Agriculture, who has a special responsibility in this regard, to give the position of the government.

MR. MacMURCHY: — Mr. Speaker, in speaking with one of the commissioners of the Canadian Wheat Board on Wednesday in Winnipeg, he reported to me that his understanding was that the grain co-ordinator of the grains authority would be reporting to Mr. Pepin, the Minister of Transportation. The reason for this is that the order in council establishing the grain authority or the grain co-ordinator comes under the Canada Grains Act which is under the jurisdiction of the Minister of Transport. His opinion was that Dr. Horner would be reporting to Mr. Pepin.

MR. THATCHER: — Supplementary question, Mr. Speaker. Is the minister prepared to give assurances to this Assembly about what will happen if an attempt is made from behind the scenes, as it would appear, Mr. Argue is making, to have that agency placed under his control where obviously it would lose its independence? Will the minister assure this Assembly today that the Government of Saskatchewan will oppose vigorously with every means at its disposal, in the interests of Saskatchewan farmers, to prevent Dr. Horner's grain transportation agency — which regardless of your political stripe, you will have to acknowledge is starting to have some impact in its short life — from being removed from the Department of Transport and coming under the control of the Canadian Wheat Board?

MR. MacMURCHY: — Well, Mr. Speaker, I don't think we can oppose anything until we know for sure what is going to happen. I am not sure what the policy of the federal government will be with respect to the grain co-ordinator. The grain co-ordinator only has specific responsibility over car allocation. I say to the hon. member that it may well be that the federal government will return that responsibility to the wheat board where it was when they were in power. They may place new responsibilities under the grain co-ordinator as suggested by the Government of Saskatchewan, to pick up from where car allocations leaves off. We leave that to them.

With respect to having any clear position from the federal government beyond what was reported to me by the Canadian Wheat Board, I can't give any clear concrete answer. I have written both to Mr. Pepin and to Mr. Argue requesting an opportunity to meet to discuss a number of issues, one of which is some clarification of responsibilities with respect to the wheat board, the grain co-ordinator and cars and so on. Until I have either a response to my letter or an opportunity to meet with them, I am not in a position to make any clear policy statement.

Provincial Library System

MR. G.M. McLEOD (Meadow Lake): — Mr. Speaker, a question to the minister responsible for the Provincial Library. Mr. Minister, what is the present status of the automation program within the library?

HON. E.B. SHILLINGTON (Minister of Culture and Youth): — Mr. Speaker, an agreement has been concluded between the three partners, the Provincial Library, the Municipal Library in Saskatoon and the Municipal Library in Regina. The process is now ongoing whereby the automated computer network will be set up to be utilized by those three partners.

MR. McLEOD: — Supplementary question, Mr. Speaker. Is the minister aware of the considerable unrest within the staff of the Provincial Library at the present time? If so, has the minister done anything to assure that staff that the automation program will not be implemented at the expense of other programs within the Provincial Library?

MR. SHILLINGTON: — If I may characterize your comments by saying, without admitting I'm beating my wife — without admitting that there is a considerable unrest, let me say that discussions have taken place between the acting provincial librarian and the staff with respect to the security of their positions. I don't concede to the hon. member that there's considerable unrest among the general staff.

MR. McLEOD: — The minister says that he will not concede that there is considerable unrest. Will the minister assure the House that he will act immediately to investigate whether or not there is considerable unrest, which I content, and explain his intention to the staff at the Provincial Library, and help to alleviate the considerable pressure these people are working under at the present time?

MR. SHILLINGTON: — Well, Mr. Speaker, there must be some problem with the sound system this morning. The member hasn't heard my response to the last question. I said discussions had been ongoing between the acting provincial librarian and the staff to assure them that there was no problem with their security or tenure.

Higher Oil Revenue

MR. R.A. LARTER (Estevan): — Mr. Speaker, a question to the Premier. Mr. Premier, the people of Saskatchewan have put their trust in you to fight for their wealth of non-renewable resources in Saskatchewan. Will you fully support and join Mr. Lougheed to fight for higher oil revenues? Yes or no?

MR. BLAKENEY: — If the question is whether I will fight for higher oil revenues, the answer is yes. If the question is whether I always agree with the premier from another province with respect to the proposal which he puts forward, the answer is no. I will obviously reserve the right to make a decision on behalf of the people of Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MR. LARTER: — That's not too bad, Mr. Premier. I would like to quote the Premier from Hansard on Monday in which he says:

There will be very, very substantial contributions made by the people of Alberta and Saskatchewan to other Canadian in the form of lower prices for oil and that is certainly not denied.

Mr. Premier, how do you propose to eliminate the huge gift — and I say huge gift — from Saskatchewan to central Canada? Or how long will Saskatchewan be a part of this giveaway? If you continue to refuse to bargain along with Alberta you do not have the strength.

MR. BLAKENEY: — Mr. Speaker, it is a gift only in the sense that when somebody comes into the bank brandishing a gun and extracts some money that the person who departs with it has received a gift from the bank. It is in no sense something that we agree with. We do not agree, for example, that the federal government should be collecting more than \$500 million a year in export taxes from Saskatchewan oil. They do it and they do it under the legal power which they have. We will continue to make, in general terms, common cause with the province of Alberta as we have so often in the past in attempting to get higher prices for oil, and attempting to get some alleviation of the contribution which western Canadians make to other consumers of oil in eastern Canada.

I want to say again that while I cannot give an undertaking that I will always agree with the approach of the Government of Alberta (nor would they agree that they would also always agree with our approach), we have in the past managed to co-operate to good effect, I believe, in making the case for western Canada and we will continue to do so in the future.

SECOND READINGS

HON. R.J. ROMANOW (Attorney General) moved second reading of Bill No. 25 — **An Act to amend The Exemptions Act.**

He said: Mr. Speaker, I'm going to make a second reading speech with The Exemptions Act and I would ask, Mr. Speaker, with the consent of all the members of the House, that they give me a little bit of leeway because what I'd like to do is cover off in my speech all the other consequential amendments which I will simply hereafter get up and move. I may as well describe them at one time.

AN HON. MEMBER: — It never bothered you in the past.

MR. ROMANOW: — No, that's right. Well, I've reformed. I'm feeling righteous and so good about the excellent budget we had last day and therefore, Mr. Speaker, I'm turning a new leaf. So with everybody's kind consent, Mr. Speaker, I would like to say a few well-chosen words about the exemption and other acts. And I want everybody here to listen very carefully because this is going to be one of the momentous speeches of this House.

Mr. Speaker, the passage of The Personal Properties Security Act will require

consequential amendments to 12 other acts in the area of debtor-creditor law. The acts are listed. For the most part these amendments are changes in terminology required to ensure consistency with the philosophy and the policy of The Personal Property Security Act. Legal terms like chattel mortgage, conditional sale or lien note and all derivatives of these words have been replaced with the all-embracing phrases security interest or security agreement.

To facilitate the review by the House of these bills, it's my intention to proceed through each bill, with your permission, Mr. Speaker, addressing myself to those issues only where there has been a change in law.

First, The Agricultural Implements Amendment Act, 1980. Sections 42 and 43 of that act deal with such issues as the effect of registration and rights and remedies on default. These issues are dealt with more comprehensively in The Personal Property Security Act and are therefore being repealed. Subsection (2) and (4) of 42 are best left as a matter of contract between the parties and therefore are also being repealed.

The Creditors Relief Amendment Act, 1980. At the present time The Creditors Relief Act provides that when a sheriff has seized goods or a debtor allows an execution against his lands to remain unsatisfied for nine months, any other creditor may prove his claim by obtaining a certificate from the local clerk of the district court. This certificate is given the same status as a writ of execution. The legal effect of the amendment to subsection 20(1) is to make it clear that a person entitled to obtain a certificate under The Creditors Relief Act must register his certificate in the personal property registry and the appropriate land titles office. In all probability this was the original intent of the act but this intent has not been uniformly practised in the province. The amendments to the Executions Act which give registered writs of execution priority over subsequent security interests make this amendment imperative.

The Crop Payments Amendment Act, 1980. The changes to The Crop Payments Act are changes in terminology only and I don't think we need to make any other comment with respect to that bill.

The Distress Amendment Act, 1980. At the present time section 3 of The Distress Act limits a person making a seizure of goods to the costs established by the act. The effect of the amendment to section 3 will be for this limit to apply to consumer goods only. With respect to equipment and inventory section 59 of The Personal Property Security Act will apply so as to entitle a secured party making a seizure of equipment or inventory to have all reasonable costs. It will only be in the area of consumer goods that a legislative schedule of costs will be provided. The proposed section 6 of The Distress Amendment Act is comparable to section 14 of The Conditional Sales Act which is being repealed. The most appropriate place for the reproduction of this section is The Distress Act.

The proposed section 6(1) will require a secured party seeking to seize a house trailer to obtain the authority of the sheriff. At the present time the legislation requires the sheriff to seize or to grant an authority to seize all goods covered by a chattel mortgage. Usually the sheriffs do not conduct seizures under The Distress Act. In practice an authority to seize and sell is usually always granted. To extend this practice to all security agreements would be unworkable and perhaps unwarranted in terms of an intrusion into the contractual relationships of businessmen.

The remainder of this bill ensures that sections 58 and 59 apply to a seizure and sale of

the house trailer by a secured party. This means that notice will have to be given to all interested parties and the sale must be conducted in a commercially reasonable time and manner. The Executions Amendments Act 1980: under the existing law a writ of execution binds the goods of the judgment debtor upon its delivery to the sheriff and has priority over chattel mortgages which are registered after the writ of execution is delivered to the sheriff. Section 31 of The Executions Act places an obligation on the sheriff to register a writ of execution in the office of the registration clerk but priority does not depend upon the time of registration. The effect of the amendment to this act is to maintain the existing law with respect to writs of execution issued prior to the proclamation of The Personal Property Security Act. However, with respect to writs issued after the proclamation, the law is changed to require each execution creditor or his solicitor to register his writ within the personal property registry. Priority will then depend upon time of registration and not upon the time the writ of execution is given to the sheriff. The lending public will be able to ascertain with certainty the existence of a prior writ of execution. An execution creditor, Mr. Speaker, is not given priority over a secured party who has taken possession of the goods before the registration of the writ who has an interest as a seller.

Now, The Exemptions Amendment Act 1980: basically the changes in this act are required to parallel the Personal Property Security Act that I read a second time the other day. The change to section 5, however, insures that a lender can seize property which would otherwise be exempt if he has provided funds to enable the debtor to acquire the collateral. At the present time it is unclear whether a tender can seize property, the price of which forms the consideration for which the security interest was given. The effect of the amendment will be that a seller of goods and a lender who enables the person to acquire goods will be treated in the same way by the law. This amendment should encourage financing of articles which could not have been financed under the present law.

The Factors Amendment Act, 1980: The Factors Act is an act which has its origin in Great Britain. It primarily established law with respect to person who buy, sell, or consign goods of another. Under The Personal Property Security Act a person who is in possession of goods under a consignment could be interpreted by the courts to be a mercantile agent with the legal power to pass title to another person notwithstanding the fact that The Personal Property Security Act has been complied with. This would work a hardship on persons willing goods under consignment. Consequently section 6(1) provides that a portion of The Factors Act does not apply to a consignment within the meaning of The Personal Property Security Act. The result is that a person selling goods under a consignment will be able to convey title only as contemplated by The Personal Property Security Act.

In addition, under The Factors Act a person in possession of goods sold to another is able to resell those same goods to a second buyer who buys the goods in good faith and without notice of the first sale. This law, Mr. Speaker, is necessary to protect buyers who have no alternative but to assume that a person who is in possession of goods is the owner. However, it is felt that this protection is too far reaching. It extends to sales both in or out of the ordinary course of the business of the seller. Although the person who leaves his goods with a seller must expect to lose his interest by a sale in the ordinary course of business this expectation cannot extend to sales out the back door, as it were., after hours or away from the salesman's business. A person buying goods under such circumstances must be prepared to accept the legal consequences. Accordingly, section 9(1) allows a person who has bought goods and left them with the seller to register his interest and thereby protect himself against the sale out of the

ordinary course of business of the seller. Section (2) provide an exception to this situation where there is a third sale. The amendment to section 10 ensures that a person who is in possession of goods under a security agreement is not a person contemplated by section 10. This means that if a person buys goods on time, that person is not able to convey title to another person except as contemplated by The Personal Property Security Act. Without this amendment, such person could convey title to another in situations not contemplated or desired under the main thrust legislation The Personal Property Security Act.

The Garage Keepers Amendment Act, 1980. This bill brings about no change in the law but is consequential on the word changes as a result of the overall bill.

The Landlord and Tenant Amendment Act, 1980. The change to section 25 ensures that a landlord can only distrain for rent on goods that are subject to security interests where the secured party has not provided the goods or the financing to enable a farmer to acquire them. To put it another way, hopefully a little more understandable to the average person, a landlord may seize goods that are the subject of a security interest but not if those goods are subject to a security interest called a purchase money security interest. This latter type, purchase money security interest, is the kind that is taken by a seller under a conditional sale or lending institution which loans money to enable a tenant or debtor to acquire a particular asset. This approach would balance the rights of landlords and the secured parties.

The Limitation of Civil Rights Amendment Act, 1980. Since the enactment of The Limitation of Civil Rights Act there has been, from time to time, some controversy as to the application of section 18. It is now quite clear that section 18 applies to sellers only. This amendment which is made necessary to ensure consistency with the terms used by The Personal Property Security Act also clarifies that section 18 only applies to sellers of goods. There is no change in the law in the remainder of the bill.

The Sale of Goods Amendment Act, 1980. The amendment to section 25 is necessary here to ensure that The Personal Property Security Act effects no change in the law with respect to the position of the buyers of grain. Buyers of grain will still take priority over secured parties in the circumstances contemplated by section 25. The amendments to section 26(1) have the same effect as the amendment to section 9 of The Factors Act which I talked about a minute or so ago, to allow a person who has bought goods and left them in the possession of a seller to register and to protect his interest as against subsequent buyers out of the ordinary course of the business of the seller. Similarly the addition of subsection (4) has the same effect as the amendment to section 10 of The Factors Act, that is to ensure that sub (2) of section 26 does not apply to a sale pursuant to a security agreement.

The Threshers' Lien Amendment Act, 19880. This bill brings about no change in the law. In addition there are five bills which will be repealed, Mr. Speaker, in the subsequent introductions I am about to make. They are The Assignment of Book Debts Act, 1980; The Bills of Sale Act, 1980; The Conditional Sales Act, 1980; The Corporation Securities Registration Act, 1980; and The Registered Documents Destruction Act, 1980. The requirement to register contained in each of these bills is carried on in a different way in a new law, namely, The Personal Property Security Act which I read for a second time yesterday, and as a consequence these bills will no longer be required.

Let me summarize, Mr. Speaker. If I may department from my text for one moment, what is

clear I think to all members of the House is that we are embarking on a major modernization and redirection of the law with respect to commercial transactions, their registration, the interests and how interests are defined, in an attempt to simplify, to modernize and to update commercial transactions. I don't think this law has been revised in the last 50 years in any major way in Saskatchewan. This is a change of significant reform in commercial law which will, as the member for Qu'Appelle pointed out the other day in second reading of The Personal Property Security Act, put us in the forefront of the provinces of the country — Ontario, Manitoba and Saskatchewan. I think it is a reform which will have a positive impact on the commercial world and the legal world and above all the consumers, many of whom are touched by this legislation on a day-to-day basis for getting money to buy a car from a bank or credit union. The security for that car is taking the form now, as it's described, or a chattel mortgage, as it will be in the future if the bill becomes law, or a security agreement. That is an example of the most obvious kind of a commercial transaction on which this law will have a direct impact.

Mr. Speaker, that is understandable and clear to all members. To summarize the effects of my speech this morning on these various consequential amendments, I think I can simply say that these amendments achieve five objectives.

1. These bills ensure that the terminology currently used in the laws, dealing with relationships between debtors and creditors is consistent with the new terms and new definitions used in The Personal Property Security Act.
2. Consequential priority issues between secured and unsecured creditors are resolved in some of the amendments to the executions, factors, sales of good amendments acts.
3. Public record of interests which have a priority status over subsequent interests is assured in the amendments to The Creditor's Relief Act and The Executions Act.
4. Miscellaneous but very important issues in the law are clarified for the remaining amendments to the other bills.
5. A new policy with respect to seizures of secured goods will be established by virtue of the amendments to The Distress Act. I talked about this with respect to landlord and tenant relations.

The overall main objective, I close, of this package of amendments is to redirect the law in commercial transactions to ensure smooth transitions into the new scheme of laws which will be established, hopefully by The Personal Property Security Act.

I invite the hon. member for Qu'Appelle and for that matter members of the commercial public who deal in this business, to make submissions directly to the deputy minister in my department in the hope that we can iron out the drafting, or make other suggestions to straighten out questions which may be asked, in order for the easy facilitation of these bills at a later stage when we get to committee of the whole.

As I said yesterday these amendments have been fully pursued with the professional public. They have been kicking around now for about a year and one-half and I think by and large the lawyers and the commercial world are getting ready to the idea that they are coming. In my judgment they will be of benefit to specific members of the public at large.

Thanks to your co-operation, Mr. Speaker, I think I have done second readings for about 15 bills but I shall now formally move second reading of Bill No. 25, on the order paper item no. 7, **An Act to amend The Exemptions Act.**

MR. J.G. LANE (Qu'Appelle): — As we discussed the other day they are consequential to the major bill, Bill No. 42. What I would like to suggest is that the opposition is in fact agreeing in principle with Bill 42 and the consequential amendments. The only suggestion that I would like to make to the Attorney General is that we are embarking now on a codification of the commercial law. So after we get the codification we still have to go to The Distress Act and we have to go to The Executions Act and we have to go to these different acts, all of which are consequential to this particular bill. The suggestion to your officials is that Bill 42 be amended to list at the back as a schedule, as part of the bill, all the bills that are dispensed with. And then, secondly, I think we could have a distress section and an execution section, all in Bill 42, dealing with personal property aspects so that we have one code. I think it wouldn't be that thick given the amendments. Again we have no objection in principle and I'm going to suggest, if it were at all possible, that we will agree to each of them, either totally or in order, in principle. We could do that this morning.

The Attorney General, I might advise, and I appreciate the co-operation, has agreed that I may meet with his officials and we will raise any concerns or objections with his officials on Bill 42. So the opposition will agree in principle to today completing about 30 per cent of all the legislation. We'll have gone through today, 17 out of the 50 . . . (inaudible interjection) . . . Yes, I think so. You let us have the estimates which we'll call forward and we can be out of here in a month. So, Mr. Speaker, again in consequence of Bill 42 we will be supporting in principle all of these bills listed by the Attorney General.

Motion agreed to and bill read a second time.

HON. R.J. ROMANOW (Attorney General) moved second reading of Bill No. 26 — **An Act to amend The Crop Payments Act.**

Motion for second reading agreed.

HON. R.J. ROMANOW (Attorney General) moved second reading of Bill No. 27 — **An Act to amend The Garage Keepers Act.**

Motion for second reading agreed.

HON. R.J. ROMANOW (Attorney General) moved second reading of Bill No. 28 — **An Act to amend The Factors Act.**

Motion for second reading agreed.

HON. R.J. ROMANOW (Attorney General) moved second reading of Bill No. 29 — **An Act to repeal The Bill of Sale Act.**

Motion for second reading agreed.

HON. R.J. ROMANOW (Attorney General) moved second reading of Bill No. 30 — **An Act to repeal The Corporation Securities Registration Act.**

Motion for second reading agreed.

HON. R.J. ROMANOW (Attorney General) moved second reading of Bill No. 31 — **An Act to repeal The Conditional Sales Act.**

Motion for second reading agreed.

HON. R.J. ROMANOW (Attorney General) moved second reading of Bill No. 32 — **An Act to amend The Agricultural Implement Act.**

Motion for second reading agreed.

HON. R.J. ROMANOW (Attorney General) moved second reading of Bill No. 33 — **An Act to amend The Threshers' Lien Act.**

Motion for second reading agreed.

HON. R.J. ROMANOW (Attorney General) moved second reading of Bill No. 34 — **An Act to amend The Landlord and Tenant Act.**

Motion for second reading agreed.

HON. R.J. ROMANOW (Attorney General) moved second reading of Bill No. 35 — **An Act to amend The Creditors' Relief Act.**

Motion for second reading agreed.

HON. R.J. ROMANOW (Attorney General) moved second reading of Bill No. 36 — **An Act to repeal The Registered Documents Destruction Act.**

Motion for second reading agreed.

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

Motion for second reading agreed.

HON. R.J. ROMANOW (Attorney General) moved second reading of Bill No. 38 — **An Act to repeal The Assignment of Book Debts Act.**

Motion for second reading agreed.

HON. R.J. ROMANOW (Attorney General) moved second reading of Bill No. 39 — **An Act to amend The Limitation of Civil Rights Act.**

Motion for second reading agreed.

HON. R.J. ROMANOW (Attorney General) moved second reading of Bill No. 40 — **An Act to**

amend The Sale of Goods Act.

Motion for second reading agreed.

HON. R.J. ROMANOW (Attorney General) moved second reading of Bill No. 41 — **An Act to amend The Executions Act.**

Motion for second reading agreed.

HON. G. MR. MacMURCHY (Minister of Agriculture) moved second reading of Bill No. 15 — **An Act to amend the Saskatchewan 4-H Foundation Act.**

He said: Mr. Speaker, I am pleased to speak for a few moments on the proposed amendment to The Saskatchewan 4-H Foundation Act. In 1958, an organization known as the Saskatchewan 4-H council was established to act as advisers to the University of Saskatchewan on matters relating to promotion, an organization of 4-H activities in the province . . . (inaudible interjection) . . .

Mr. Speaker, I'm having difficulty speaking on this bill because of the comments of the opposition. As I recall, the opposition was very critical a year ago of the Minister of Agriculture on the provincial government's policy on a 4-H. I think it's important that we provide an opportunity for the opposition to consider the policy of the government and why we have an introduction of this amendment.

On the recommendation of the 4-H, Mr. Speaker, legislation was passed in 1960 to establish the Saskatchewan 4-H Foundation which provides a legal mechanism for the receipt and disbursement of donations and to hold assets such as land and buildings for conducting 4-H activities. It is the Saskatchewan 4-H Foundation which owns and operates Camp Rayner on Diefenbaker Lake. Camp Rayner is the central location where provincial 4-H activities are held, such as summer and winter camping programs. These programs are designed to provide 4-H members with an opportunity to develop leadership skills.

The proposed amendment was recommended to the government by the Saskatchewan 4-H Council. The Saskatchewan 4-H Council has three positions designated as representatives to the 4-H foundation's board of trustees. These positions are the president, the vice-president and the treasurer. The intent of the amendment is to delete the designation of treasurer of the council as a member of the 4-H foundation's board of trustees and makes provision for the 4-H council to be further represented in the foundation by another elected member of the council's board of directors. In this way, the trustee will be democratically elected by the council and will have full-voting privileges on the board of trustees as do all other trustees.

According to the by-law established by the 4-H council at the time of its incorporation in 1979, an appointed representative to the Saskatchewan 4-H Council does not have authority to speak on behalf of the council in the same way that an elected representative does. Therefore under the council's new by-laws and existing legislation the treasurer as an appointed or hired representative does not have any voting privileges as a member of the 4-H conditions board of trustees. The proposed amendment will enable the 4-H council to continue to have three voting members on the 4-H foundation's board of trustees.

A further by-law permits the council to appoint or hire a treasurer who has expertise in

accounting for a term with no expiry date attached to it. Previously, the treasurer was elected and did not necessarily have any expertise in accounting. Because of the council's corporate status under The Societies Act and due to the increased amount of funds being handled by the council, it became necessary to provide to a more efficient accountability of receipts and expenditures.

The representations on the board of trustees of the Saskatchewan 4-H Foundation are the dean of the college of agriculture, the deputy minister of agriculture and the president of the Saskatchewan Wheat Pool. The Saskatchewan 4-H council is a self-supporting organization which obtains operating capital from membership fees received from individual 4-H clubs, plus an administration grant provided by the Saskatchewan government. As noted previously some of the council's functions are to provide administrative and programming services to the 4-H program in Saskatchewan and promotion of the program. The council is also actively involved in initiating and directing fund raising activities for the 4-H foundation.

In the past year the 4-H council has enjoyed a higher profile and autonomy in the operation of 4-H programs in the province. This is a result of the change in program administration from the University of Saskatchewan to the province. Early in 1978 the University of Saskatchewan advised the Department of Agriculture of its intention to withdraw from funding and administration of 4-H in 1979. After a lengthy involvement dating back to 1917 when the program was known as Farm Boys and Girls Clubs, they indicated to us that their mandate was for adult education and not for youth education. Following the university's decision, discussions took place between officials from the university and from the Department of Agriculture whereby it was agreed that the province would accept responsibility for financing the program starting in 1979.

The Government of Saskatchewan is a firm believer in the 4-H concept. We did not hesitate to offer financial support to a larger degree and to accept the responsibility for program administration. Our involvement, too, goes back to the days of the Farm Boys and Girls Club, both financially and through staff support for organizing clubs and activities.

Mr. Speaker, grants provided over the years are a reflection of the government's support for 4-H activities in rural communities:

1. Grants have been paid to individual clubs since the early 1950s. This year we anticipate paying out \$14,000.
2. An administrative grant has been paid to the Saskatchewan 4-H Council since 1959. For 1979-80 we have provided \$1,500 to the council.
3. \$50,000 has been given to the Saskatchewan 4-H Foundation for the capital construction of the Camp Rayner facility. In 1980 the province will be providing another \$25,000 grant. This will bring our total grant to the 4-H foundation to \$75,000 over three successive years.
4. Recently the government approved a \$5,000 operating grant for Camp Rayner to assist in underwriting a portion of their 1980 operating deficit.
5. Grants to six regional 4-H councils have been paid out in recent years rising from \$8,000 per region, initially, to \$18,000 per region in 1980. Total financial support during the fiscal year of '79-'80 will be \$141,000.

Added to all of this direct financial assistance is the extensive staff time and support provided by our agricultural field staff.

The council approached the province in the summer of 1978 with a request to operate the program on its own. We agreed with the request in principle but we felt that before releasing money we should have an opportunity to evaluate the council's administrative capabilities.

During the past year the council has been operating its program totally on its own with the exception that all expenditures are subject to established government procedures.

We now believe that the Saskatchewan 4-H Council has proven its capability to administer its own affairs and we are proposing in our 1980-81 budget that an outright administrative grant be given to them to run their own show. My department maintains a position on the council's board of directors and will be able to monitor the use of these funds.

I look forward to turning over the reins of 4-H program administration to the Saskatchewan 4-H Council. I am confident of their capabilities to handle the program in a most efficient manner.

Recognizing the value of 4-H youth activities in rural Saskatchewan, I am committing my agricultural field staff to continue their support for 4-H club activities at the local community level.

Mr. Speaker, I am pleased to move second reading of this bill to amend The Saskatchewan 4-H Foundation Act.

MR. E.A. BERNTSON (Leader of the Opposition): — Mr. Speaker, in responding to the minister on second reading of this bill, I would like to make a couple of points.

First, he had indicated that we had been critical of the former minister of agriculture for imposing his heavy hand on the 4-H movement and I think he was right, we were critical of him. But the former minister of agriculture did listen to us and he made the changes and I am hopeful that this Minister of Agriculture will listen to us as well. We support the 4-H movement — have and always will — and we are standing on this side of the House protecting their interests. But I am sure the Minister of Agriculture will listen just as attentively as the former minister.

I was wondering initially why this bill even came to this point. It should have, I think, gone to non-controversial bills but I can see that the minister has done to great pains to put together a really positive speech and blessed us with it and I thank him for that.

SOME HON. MEMBERS: — Hear, hear!

Motion agreed to and bill read a second time.

WELCOME TO STUDENTS

MR. SPEAKER: — I wonder if I could indulge the House for a moment. We have an

important group of students with us and I'd like to call on the member for Melfort.

HON. N. VICKAR (Melfort): — Thank you very much, Mr. Speaker. I do agree with you they are a very important group.

We have a group of students, 48 strong, from the southern portion of my constituency, namely Spalding, Saskatchewan. They are students from Grade 3 right through to Grade 12 . . . some of them, I don't see too many. There are some there . . . They are accompanied this morning, Mr. Speaker, by their principal, Mr. Stalmaschuk; some of the teachers, Mrs. Baker, Mrs. Missler, Miss Kang; some of the parents, Mrs. Leicht and their bus driver, Doug Etienne. Mr. Speaker, I would like to welcome them to the House this morning. Unfortunately, they weren't here during the question period when they could have witnessed a little more activity, but I do hope that the portion that you are going to attend in the House this morning will be educational to you. I hope to meet you at 11:30 a.m. out at the rotunda where we will be taking some pictures. I do wish you a safe journey home when your day is completed.

SECOND READINGS

HON. J.R. MESSER (Minister of Mineral Resources) moved second reading of Bill No. 22 — **An Act to repeal The Mining, Smelting and Refining District Act.**

He said: Mr. Speaker, it's a pleasure for me to move second reading of Bill No. 22, the repealing of The Mining Smelting and Refining District Act. This is a long standing piece of legislation which is certainly outdated given the circumstances of today's concerns about the environment and consideration re: such mining operations as is the case with the Hudson Bay Mining and Smelting Company. The act was passed in 1929 exclusively to look after concerns in respect of HBMS Ltd.'s liabilities for damage arising as a result of their operations at Flin Flon and thereby to provide an added incentive at that time to establish a copper smelter at that location. The act appears to have resulted from the recognition of damage in areas where such operations had been previously established, areas such as Trail, British Columbia and Sudbury, Ontario. It was a recorded and noted fact that the emissions from the stack and other related activities of those operations were definitely polluting and deterring the surrounding environment. At that time it was acceptable to live with those kinds of detrimental effects on the environment but in order to give assurance to the company that there would be no litigations or actions taken against them, the act was passed to give them protection from such actions.

The area designated in the act extends approximately 50 miles north of Flin Flon, 35 miles west and 36 miles south, covering approximately 3,000 square miles, so that we have an area now that is protected by the act and will allow for unacceptable pollution to take place. The 50 years that have passed since the act was passed show that there is a general recognition of the consequences of all forms of industrial pollution and the environment. Saskatchewan legislation has been enacted to provide for the prevention and control of pollution from industrial operations including those associated with mining and smelting. It is desirable that all industries be covered by such pollution control legislation and that no particular industry or company be exempted from its responsibility for damage caused to the environment or to public or private property.

Existing Saskatchewan pollution control legislation which applies to Flin Flon operations includes the pollution prevention regulations for the mineral industry of 1970 under The Mineral Resources Act. These regulations are administered by the Department of Mineral Resources and a minister's approval to discharge industrial wastes in accordance with these regulations was issued to Hudson Bay Mining and Smelting Company Limited for their Flin Flon operation in 1972.

Another piece of legislation is The Air Pollution Control Act which is administered by the Department of Environment. Another piece of legislation which applies to HBMS Ltd. would be The Water Resources Management Act administered by the Department of Environment. The company has been notified of the government's intention to repeal this act. It is understandable that the company is concerned about the consequences of such a repeal and they have indicated they wish the act to be retained. I again convey to this House that that is not acceptable to the Government of Saskatchewan; it is certainly not acceptable to the people of Saskatchewan, and in this day and age we have to do everything within our power to assure that all measures are taken in order to deter pollution from such mining and smelting operations. So, Mr. Speaker, it is with pleasure that I move the repeal of this act so that more recent and more current legislation and regulation can be applied to HBMS's (Hudson Bay Mining and Smelting) operation so that we will not have the continuing detrimental effect of pollution on the area that that area is now subject to. Having said those few short words, Mr. Deputy Speaker, I moved second reading of a bill to remove The Mining, Smelting and Refining District Act.

MR. E.A. BERNTSON (Leader of the Opposition): — Just briefly, Mr. Speaker, in general our caucus is in agreement with what the minister has said. Our critic for that particular area has a few concerns she would like to voice but I am sure she is just as prepared to voice them during the committee of the whole so we'll let the vote go at this time.

Motion agreed to and bill read a second time.

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. J.A. Hammersmith (Minister of Northern Saskatchewan) that Bill No. 45 — **An Act to amend The Northern Saskatchewan Economic Development Act** be now read a second time.

MR. L.W. BIRKBECK (Moosomin): — Thank you, Mr. Speaker. I unfortunately note the minister responsible for northern Saskatchewan is not in his seat at the present time. I stated the last time that I spoke on this bill, the other day, I would be pointing out some of the real discrepancies in direction that should be taken in northern Saskatchewan and now the ineffective Minister of Environment will be able to relay the information to him. I said possibly the former minister of northern Saskatchewan, while it is not necessary but you asked for me to repeat it, since I see the Minister of Northern Saskatchewan has now just arrived in the House. But what I was saying to the Minister of Environment was that in light of his absence you might have been able to relay the information to him. Mr. Speaker, I am pleased now that the Minister of Northern Saskatchewan is in his seat as I speak on An Act to amend The Northern Saskatchewan Economic Development Act.

On Wednesday of this week, Mr. Speaker, the Minister of Northern Saskatchewan rose from the Assembly and stated and I quote:

As all members of this Assembly are aware economic activity has increased dramatically in northern Saskatchewan in recent years.

You know, Mr. Speaker, in making that statement the minister has proven once and for all his capabilities are being a master author of fiction. It amazes me how the Minister of Northern Saskatchewan could make such a remark in this Assembly when a recent report by the federal Department of Regional Economic Expansion stated and I quote:

Many of the province's northern, rural, and native residents are excluded from the benefits of the economic boom because of isolation and restricted access to opportunities.

Now Mr. Speaker, if I might just enlighten the minister responsible with a quote from the Ottawa bureau of The Herald, headlined 'Saskatchewan's Boom Economy is Wearing Blinkers.' Maybe I should repeat that for the minister responsible for northern Saskatchewan — 'Saskatchewan's Boom Economy is Wearing Blinkers.'

There's an economic boom going on in Saskatchewan but the province is making only limited progress towards a more diversified economic structure, says the federal Department of Regional Economic Expansion. Investment in Saskatchewan is concentrated on the natural resource sector, says DREE in a report outlining major economic development opportunities and issues in Canada's regions.

The large amounts of capital investment needed for resource development and the skilled manpower requirements may inhibit expansion in the small provincial manufacturing industry, says the report. Many of the province's northern rural and native residents are excluded from the benefits of the boom because of isolation and restricted access to opportunities, says the report. Efficient industrial environments are needed in traditionally agricultural centres and cities if benefits from natural resource expansion are to be realized, says the report.

There must be increased co-operation and co-ordination between the federal and provincial governments for the province to reach its economic potential, concludes the report.

Now obviously, Mr. Speaker, not everyone agrees with the Minister of Northern Saskatchewan that all is well in the North and that everyone's happy up there and everything's right as rain. Basically, Mr. Speaker, that surely has to be my position, to point out some of the problems we have and point out some of the alternatives. It would be my hope that the minister responsible for northern Saskatchewan would take a more positive view towards my remarks and consider them. I'm not asking him to accept all the things that I may suggest. Certainly, maybe I'll be wrong from time to time, Mr. Speaker. But in responding to the parliamentary tradition of government and opposition roles, surely it's incumbent upon the opposition to present arguments to the government in terms of their direction for the benefits of people regardless of what area it may be. And surely, Mr. Speaker, it is the responsibility of the minister to take into consideration some of those views. We know that they do but often too far down the

road so that they can claim the credit for it, but it's all done at the expense of the people. If it's a good idea, then get on with it and get it in place.

From a political point of view, Mr. Speaker, I surely would think that if I were a government member, a minister, and an opposition member presented a good argument. I would want to put it in place if I thought that it was a workable solution, because that, surely, Mr. Speaker, waters down an argument that the opposition has. But, as they did in the environmental department, they objected and objected and objected and our environment critic had to keep hammering away and hammering away and hammering away. Mr. Speaker, quite frankly, we should be thankful to the government for taking that rather stubborn approach to opposition because it just gave our environment critic and our party a lot of credibility in the environmental area, and it's a department that's going to continue to be a credible area for the Progressive Conservative Party of Saskatchewan as the official opposition. We're going to continue to keep the minister on his toes in regard to the environment.

Mr. Speaker, we are going to keep all of the ministers in this government on their toes. We're going to be doing our homework, and we are — we're doing our research. We're trying to come up with alternatives as if we were government. I think that's a responsible position for the opposition to take. That's the position, Mr. Speaker, that I'm taking today with regard to northern Saskatchewan. I'm not standing here to totally criticize the minister responsible. Surely he has to act on some of the direction that is given to him from northern Saskatchewan residents. My argument is that he should act on more of those arguments and more of those recommendations that are presented to him.

Mr. Speaker, I want to continue to point out some of the concerns that we have and some of the concerns that have been most pointedly expressed in that economic development prospects in Saskatchewan report — which was a report, I might add, that was put together by the Clark government in the few short months that it was in. It took the time and the interest in northern Saskatchewan to do a study into the problems there and to make some recommendations. That is the party this minister claims is irresponsible and cannot at any time, in any way, represent northern Saskatchewan interests. Surely they have . . . (inaudible interjection) . . . yes, the Attorney General's now into it and I'm always pleased when he has something to say because it amuses me, firstly because his credibility is getting so low that he is almost down with the Minister of the Environment now and they both need to have a little touch up once in awhile. But it always means to me, Mr. Speaker, when the Attorney General comes into it, that it's kind of hurting a little over there and the rest of those backbenchers respond to his jostling and say, well we better get in there, Roy's talking, there must be a little problem over there.

Mr. Speaker, there is no rural gas distribution in northern Saskatchewan, no program in effect in that area whatsoever. It might be a good idea to send some of these open-mouthed people up there. Maybe the Minister of Highways would be a good one to send up there, there would be lots of gas if he went up there. Mr. Speaker, that is one area we feel needs to be looked into. The forest industry is a problem and we feel there is not an aggressive expansion program in the forest industry. With regard to the forest industry, I would just refer the minister, and I am sure that he can get a copy of this report, to page 8 where it says — and the Attorney General might be well advised to take this down as well . . .

MR. ROMANOW: — What's the name of the report? The name of the report?

MR. BIRKBECK: — Well, if the Attorney General had been listening, he would have heard the name of the report. I have already entered that in the records of Hansard, Mr. Speaker. As well, Mr. Speaker, I may have to call him to order soon. Now, extensive forests of fir and aspen exist in the central and northern areas covering approximately 50 percent of the province. Timber stands currently utilized commercially occupy a strip of land roughly 320 kilometres wide, stretching diagonally across the middle of the province. Further north are forests that vary in quality from potentially valuable commercial timber to the space woods near the Northwest Territories border and through the Canadian Shield. In total only 50 per cent of the allowable soft-wood-cut fir and 17 per cent of the allowable hard-wood-cut aspen are being utilized annually. Only 50 per cent. That's expansion in the minister's mind? These woods constitute the habitat for many fur-bearing animals — and I won't go through the list of numbers of fur bearing animals. So obviously, Mr. Speaker, just in looking at the report and in looking at a detailed study of the North that has been compiled — and again by a Conservative government, by those terrible Tories, those Progressive Conservatives that attempt to put forward good ideas and make suggestions to a government, in particular in Saskatchewan, that all on deaf ears. There is certainly an area that needs to be looked at in the forestry industry. We are surely, Mr. Speaker, facing energy problems here in this country and in particular here in Saskatchewan where we should have a greater concern. This is where we live, this is our province, this is the province we represent here in the legislature.

The hydro industry — what about electricity? Has the North got something to offer the balance of this province and has it got something to offer Canada, in fact, through the development of electricity in the North? Certainly it has. Is this minister taking a look at that potential, at that possibility in the North? Has he acted on that? Mr. Speaker, it doesn't seem that he has . . . (inaudible interjection) . . . Let me again quote from the report and if you're marking it down, if you're really concerned, you'll take note of the report and get the page numbers down and go through it and consider it. You don't have to agree with it. Just consider it. Is it so awful that you and I might consider working together for the benefit of northern Saskatchewan residents? Is that really so bad? I mean that sincerely. Mr. Speaker, on page nine it says undeveloped hydro-electric potential in the province is located mainly in the North. Potential exists for at least one 300 megawatt generating station to harness some of the capacity on the Churchill and another three stations on the North Saskatchewan River with a total capacity of one 100 megawatts. Public hearings have been held on the developments on the two rivers and it now seems probable that hydro development in the 1980s could possibly commence in the North but that will depend on the Minister of Northern Saskatchewan and the government's co-operation . . . (inaudible interjection) . . .

Mr. Speaker, the Minister of Northern Saskatchewan knows very well what our position is and that position is for development of hydro-electric plans in the North which will be beneficial to the northerners. It will be beneficial to the whole province. He gestures that it is not his responsibility, that it is the responsibility of the minister responsible for Saskatchewan Power. Well, surely there must be some co-operation among ministers on the development of the province as it relates to energy.

Mr. Speaker, I would like to move on to another area — Indian-native problems. There's some concern with the social problems which exist there, the unemployment problems which exist there. Clearly, Mr. Speaker, these people in the North are not benefiting from the potential which exists from this economic expansion the minister speaks of.

Just take a look at page 11, at what it has to say there. Again, keep it in mind that it is a

Conservative government you are talking about.

Traditional hunting, fishing and trapping pursuits for native peoples in the North and the public income support programs existing on reserves throughout the province have not permitted industrial labor skills to develop. Unemployment rates for native people are between 4 and 15 times greater than the provincial average, depending upon location.

Mr. Speaker, how can the minister responsible for northern Saskatchewan stand in the House and tell us that the people of the North are benefiting from all of this expansion and development which is taking place when we have that kind of unemployment rate in northern Saskatchewan? Surely, Mr. Speaker, that does not make much sense to anyone.

Mr. Speaker, just in concluding my remarks, the short-lived federal Progressive Conservative government recognized the problems in the North that the NDP obviously has not. Northern Saskatchewan is an area of sharp contrast to the southern part of the province in terms of population levels and distribution, standards of living, sources of levels of income and public administration. Relative underdevelopment and low levels of living standards both social and physical, high cost of those goods and services which are available, remoteness, a sense of wilderness and scattered native settlements are some of the basic characteristics of the region.

Mr. Speaker, what does this all boil down to? What is the reality? The reality, Mr. Speaker, seems clear to me, that there are many problems in northern Saskatchewan but there are many potentials in northern Saskatchewan. Here is a report which, I must admit, I was not able to be aware of and get a hold of myself for my own perusal until approximately three weeks ago. Mr. Speaker, I am very pleased to find the arguments made in this report and alternatives that are furthered in this report, the problems which are recognized in this report, to be very consistent with the working paper that I talked about when I first spoke on this bill. You want more specifics and I have told you. I have assured you and I have assured this House that we from this side of the House, the opposition, will be providing with clear alternatives, not necessarily to this government's particular program since there are many areas where they don't have any, so we will be providing those alternatives. We will be providing those kinds of programs that we feel may work in northern Saskatchewan.

I just want to conclude by saying, Mr. Speaker, that I would very much appreciate if the minister responsible would take our views into consideration and take a responsible position as a minister. I'm telling you today, Mr. Minister, that I am prepared to accept your invitations to tour the North, or to come to your office to discuss problems of the North, so that you and I can share our ideas and have a better understanding of each other's position and so that the northern residents will benefit rather than you and I leaving them there in the wilderness while we fiddle the time and their potential away over political arguments. That, Mr. Speaker, is something that I am now prepared to do with this minister responsible for northern Saskatchewan. If he wants to stay on a low profile, that's where he will be. If he wants to see where I am, all he will have to do is look up.

Mr. Speaker, that concludes my remarks on the bill. Like too many government bills it just throws all of the power into the minister's hands. That is something we have objected to from day one. Certainly we will be opposing the bill and objecting to it today. Our position has not changed on that. We hope, with the minister's consideration of some of my comments and a change in attitude, that we can get

around to getting some work done and doing some things that the people of Saskatchewan, and particularly the people of northern Saskatchewan, will possibly be able to benefit from in the years ahead.

HON. MR. J.A. HAMMERSMITH (Minister of Northern Saskatchewan): — Just a few brief comments, Mr. Speaker. It was obvious from the outset, both in his remarks today and in his remarks previously on this bill, that the member for Moosomin was premature in taking his position concerning the Department of Northern Saskatchewan. He should have waited until April 1 because I don't think there could be any better day than April Fool's Day for his type of position.

I want to refer to a couple of comments by the member for Moosomin. On December 12, in arguing against adjournment of the House, he said, and I quote:

I was deliberating on a bill, Mr. Speaker, introduced by the member for Prince Albert-Duck Lake, the minister responsible for northern Saskatchewan. It's a bill which I was hoping might bring some benefits to northern Saskatchewan. That's what I was doing, Mr. Speaker; that's what the members of the opposition are doing. They are studying the legislation as it comes before them, and I just got this 20 minutes ago on my desk.

Now that was December 12, and on that day he was stating that his position on the bill and on the Department of Northern Saskatchewan was clearly enough formulated to articulate the policy of the Progressive Conservative Party with regard to northern Saskatchewan. Today he apologizes because he has a report which he only received three weeks ago that he admits not having read yet. Mr. Speaker, after all of those months — he has had the bill in his hands all those months — he said on March 12, and I quote:

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 view of the opposition.

Let me give as an example a loan to the Cumberland House LCA (local community authority), interim financing for a housing project. This loan provided six full-time jobs and provided excellent raining in construction; a loan in May of 1976 for \$50,000, the balance is now \$9,000. The loan was up-to-date as of February 29, 1980. The Conservative Party is opposed to that. A loan to a native farmer is Cumberland House in July 1977 — he continues to farm and is upgrading his skill in cattle production and land use. He provides three full-time jobs besides his own in the operation. A loan in 1977 of \$13,500, balance is now \$5,000 and was up-to-date as of February 29. The opposition is opposed to that, Mr. Speaker. Another native person in Cumberland House received a loan to start a garage. This account has now been in operation for six years and it has provided the community with the necessary service. He has expanded the operation had has produced four full-time jobs in the operation over a period of six years — all to native people. The opposition opposes that. Another native person with a loan for a tourist camp maintain the tourist camp which gives full-time employment for himself and his family but the opposition opposes that. Another loan was to a native

co-op. This store is providing an essential service for the village as it is the only service in the community and is vital to the area. The store provides employment for two to three people in the community and the opposition is opposed.

We could go on with trucking and excavating. Here's a prefab plant in operation providing support service, a totally native-owned co-operative, providing a support to the expanding mining industry. The loan is providing employment to 15 people as well as providing experience for northerners in the prefab industry. This operation should provide continuous employment in this area for a minimum of 10 years and more likely 15. The opposition opposes that. Another native person, who went into business with the help of funding provided by the economic development fund, with the retail experience gained in the initial business he began, expanded his operation and now has, in addition to his pool room, a store which is providing excellent service and employment for northerners in the community of La Loche. The loan was totally paid off on February 5, 1978. The opposition is opposed to that, Mr. Speaker.

There are other kinds of things I think the House should take note of and I want to put on the record that the member for Moosomin opposes. The people of Saskatchewan will be interested in knowing that. He opposes grants to assist local groups who run day care centres, local recreation boards, alcohol rehab centres, senior citizens services to the elderly boards, community health programs, capital and other grants to local governments and the list goes on and on, Mr. Speaker.

You know in the past there have been in this House a number of opposition critics levelling the same kind of rhetoric with regard to the Department of Northern Saskatchewan as the member for Moosomin. It's unfortunate that the newest critic appears to be no more knowledgeable about the North and the unique situation that exists there than his predecessors. There's been a long line of instant experts, some from Moosomin and some writing reports in Ottawa, among the opposition, on the problems of the North but to date none of them have had any real experience and no real understanding. It's the people of the North who have been the real critics. It is they who have seen first-hand the development since 1970. In every election they send a strong message to the government and that message is not the same one which the member for Moosomin would have you believe. I want to say to the member for Moosomin that if at any time he is prepared to come forward with one suggestion of substance and do more than pay lip service, if he is prepared to be sincere about the North, I would be more than willing to listen. He has now made an eight page attempt which he released to the media, he has made two or three speeches in this House and has yet to make one suggestion of substance, Mr. Speaker.

SOME HON. MEMBERS: — Hear, hear!

MR. HAMMERSMITH: — I want to say that when he states in this House that the positions he takes should be accepted, and when he says we are being less than responsible when we reject his position, he is insulting all of the people of northern Saskatchewan who have voted against that position in 1971 and in 1975 and in 1979 and will vote against it again.

SOME HON. MEMBERS: — Hear, hear!

MR. HAMMERSMITH: — Mr. Speaker, it is my pleasure now to move second reading of An Act to amend The Northern Saskatchewan Economic Development Act and urge all

members of this House to support the bill.

SOME HON. MEMBERS: — Hear, hear!

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

YEAS – 40

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

NAYS – 12

Berntson	Taylor	Pickering
Thatcher	Rousseau	Muirhead
Birkbeck	Ham	Katzman
Lane	Swan	McLeod

MR. ROMANOW: — Mr. Speaker, I gather there is a little bit of a weather problem outside and I think we should perhaps, to give the MLAs with a long drive a bit of a chance, move the House do now adjourn.

The Assembly adjourned at 12:02 p.m.