

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
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April 22, 1980.

EVENING SESSION

RESOLUTIONS

RESOLUTION NO. 2 — TESTING OF FOOD ADDITIVES BY FEDERAL GOVERNMENT

MR. P. PREBBLE (Saskatoon-Sutherland) moved, seconded by Mr. P.P. Mostoway (Saskatoon Centre):

That this Assembly call upon the federal government to declare a temporary halt on all new food additives coming onto the Canadian market and require testing of all additives that have not been subject to comprehensive testing.

He said: Thank you, Mr. Speaker. During the last provincial election I promised my constituents that I would take whatever action possible to encourage the provincial and the federal governments to improve food quality and to reduce the amounts of chemicals being added to our food by way of additives and chemical herbicides and pesticides.

The resolution before the House tonight addresses one particular aspect of a serious concern now facing all Canadians. Since World War II the nature of the food we eat has changed very substantially and food additives have been the primary basis of this change. They are used either to modify a familiar food or to create a completely new food product which has items that are the same as simple traditional foods in form but are completely different in actual content.

About three-quarters of the food consumed in our country is now chemically altered in some way between the time it leaves the farm and the time we eat it. Whether our bodies are able to adapt to these changes as quickly as the food industry brings them about is extremely questionable, Mr. Speaker. We are no longer talking about simply boiling or baking or mixing food. We are talking about coloring and flavoring, extracting, refining and emulsifying food.

It is estimated that each person in Canada consumes an average of five pounds of chemical additives per year. The majority of the additives currently used in Canada are in my view unnecessary. For instance, the 32 coloring agents permitted in Canadian food serve no utilitarian purpose but are put there simply for cosmetic reasons. So are a great many of the 1,500 natural and artificial flavors which are now being placed in our food with virtually no restrictions at all.

The same can be said of most of the flavor enhancers which are often just a way of peppering up stale foods. Several of the emulsifiers which are used to prevent the separation of liquids would be unnecessary if the food manufacturers considered that we were capable of shaking the container occasionally.

So, Mr. Speaker, the questionable need for the chemicals now in use applies to most categories of food additives. The important exception to this is the use of additives as preservatives, a great many of which have a useful role to play in reducing spoilage. But on the whole, the people of Canada could live very happily with a substantial reduction in the number of additives in use. The fact that the majority of food additives invested

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are unnecessary demonstrates that the temporary halt on new food additives that this resolution calls for could be conducted without significant loss to the Saskatchewan and Canadian consumer.

I now want to turn, Mr. Speaker, to the matter of safety which I believe is the question of greatest concern to my constituents. The safety question has at least two dimensions. The first is that many additives now on the Canadian market are still being used, although they are suspected of being unsafe or have actually been declared unsafe by other countries.

The second is that a great many additives currently in use are not subject to testing and regulation at all. This is a shocking situation and the central problem this resolution seeks to address.

The rate of cancer in Saskatchewan and in Canada has risen dramatically in recent years. It is the view of an increasing number of scientists that approximately 80 per cent of cancer is being caused by our environment — in other words by what we eat, drink and breathe. In light of this fact contaminants in our food become a major possible source of cancer. In her book *Additive Alert*, Linda Pim, whose work I have drawn on in these remarks and whom I would like to acknowledge, comments on 46 additives on which some evidence of harmful effects now exists. Several of these are suspected of being cancer-causing agents. These include U.S. red dye no. 2, which is a food coloring used in about one-third of the factory-produced foods in Canada including jams and jellies, fruit drinks, bread, ice cream and ketchup. Another food coloring which is suspected of being a cancer-causing agent is citrus red no. 2 used as a food coloring in orange skins. Also suspect: carbon black used as a food coloring in such items as bread, pickles, processed meat and ice cream, tannic acid which is used as a flavor enhancer in cider, wine and chewing gum; and sodium and potassium nitrite and nitrate which are preservatives used in processed meat and preserved poultry.

Each one of these additives, Mr. Speaker, is suspected of being linked to cancer and is being used in our food supply in Canada today. When one considers the completely inadequate regulatory process governing food additives, one begins to understand how it comes to be that harmful additives continue to be placed in our food.

There are two immediate problems which I believe are extremely serious. The first is Canada's failure to assure the protection of the consumer by following the example of other countries when they decide to ban a particular additive. I want to comment on a few instances which demonstrate this. The West Germans, for instance, banned the use of flour-bleaching agents over 20 years ago, yet Canada continues to allow flour to be bleached and matured with chlorine and chlorine dioxide. Italy, France, the U.K. and many other European countries have banned nitrites, which as I've noted have been linked to cancer. These same countries have banned food coloring such as brilliant blue FCS and iron oxide which are suspected of causing tumor growth and are both used in ice cream, bread, pickles, flavored milk and many other foods. Canada once again refuses to follow. Of special significance was the Canadian refusal to follow the U.S. when it decided to ban the food coloring red dye no. 2 which is suspected of causing cancer and is used in about one-third of all processed food in Canada.

The second immediate problem is that the approximately 1,500 natural and artificial flavors which make up about three-quarters of all food additives in use in Canada are virtually unregulated. In fact, they're not even categorized officially as additives by the federal government in order that they can be exempted from regulation. They've been

conveniently left out of the definition. Artificial and natural flavors therefore do not have to be tested for safety prior to use in food, and thus there is a serious absence of toxicological data on their effects. Many other governments either have a list of prohibited flavors or allow only flavorings which are found in aromatic oils of edible plants. However the Canadian government does nothing with respect to regulation.

The inadequacy of the regulation process is evident on many other matters. While in 1964 safety testing for additives other than food flavors became a legal requirement in Canada, not all of the additives in use prior to 1964 have been subject to thorough testing. Moreover, the testing process is, in my view, highly questionable. The responsibility for producing the large bulk of the data on the supposed safety of a chemical is left with the food manufacturer wishing to use the chemical. It can surely not be assumed that the staff working for or under contract to a food manufacturer is free from economic pressures to get the product onto the market. In addition, the data base on many tested chemicals is kept confidential, putting the validity of data further in question.

Another shortcoming of the food and drug regulations is that they place no controls on the quantities of flavorings or flavor enhancers used in Canadian food. Labeling guidelines are also full of loopholes. Thus we find there is no requirement for the specific coloring used in a food to be tested. There is no requirement for that specific coloring to appear on the label. There is no requirement to have any listings, for the chemicals being placed in food packages in such a way they will deliberately migrate into the food itself, being placed in the label either.

Mr. Speaker, in my view these examples show the Canadian government is taking an irresponsible approach to protecting the safety of our food. Ethically it is no less than an injustice against the Canadian people. How could any person morally justify risking the contamination of the food supply we depend on? When it comes to food safety, surely we should always choose to operate on the side of caution. Yet the federal government has done precisely the reverse.

Mr. Speaker, in light of the facts, the resolution I am placing before the House is indeed a moderate one. I put it forward in the hope the large majority of members will see it as a motion they can support.

My personal preference would be to see removed from the market all additives that serve no useful function with respect to food quality. This would mean the removal of the large majority of food colorings, food flavorings, flavor enhancers, and a host of other unnecessary additives. I would also like to see the removal from the market of all additives banned in other countries on the basis of laboratory research results that have not been banned in Canada.

This would put a stop to the use of flour bleaching agents, nitrites, and chemicals such as U.S. red dye no. 2.

The motion before you today does not go this far. What it does do is advocate an important first step to a more responsible approach to the regulation of additives in our country. As I have demonstrated, we now have a proliferation of over 1,800 additives on the market. The large majority of these serve no useful function. And as I pointed out, three-quarters of them are deliberately exempted from the definition of additive by the federal government so they will not be subject to regulation in Canada. Given the limited testing resources available to the federal government, it makes a great deal of

sense to have a temporary halt on the addition of even more new additives to the market. In this way the research resources of the federal government can be concentrated on testing the large number of additives which have not been tested or whose safety is in dispute. Moreover a further proliferation of additives to the market, along with the potential hazards this may pose, is avoided by this temporary halt.

The second part of this motion before the House this evening calls for the comprehensive testing of all food additives that have not been subject to extensive testing in the past. I would like to specifically state what this would involve. First, it would mean all additives that came onto the market, prior to the legal requirements for testing set in 1964 and for which there is no extensive recent test data, would be subject to a comprehensive review.

Secondly, it would mean the 1,500 food flavorings now on the market would all become subject for the first time to testing for safety and would in future be regulated by the federal government.

Third, and of central importance, comprehensive testing would include tests on what the combined effects of at least the most commonly used additives are on our body. One of the most frightening things about the use of additives in our food is that we have almost no information at all on the synergistic effect of all these chemicals interacting inside our bodies. From this point of view no additive has been subject to testing, since all studies to date have only considered the safety of an additive in isolation. In other words, it's as though it was digested by itself.

I would hope, Mr. Speaker, the testing would not be done by food manufacturers. Rather, it should be done by the federal government or by research bodies which report to the federal government. The cost of all testing should be borne by the food manufacturing industry.

I would like to draw my remarks to a close by noting that while the licensing of additives is a federal responsibility, there are important actions our Saskatchewan government should be taking to protect the health of our citizens. This motion calls upon this legislature to publicly pressure the federal government to change its policies and this is one of the initiatives each province can take. Beyond this the Minister of Health should make the inadequate regulation of additives a high priority for discussion at the next federal-provincial meeting of health ministers.

I would also urge the Minister of Health to establish a promotional program advising people of the possible dangers of certain additives and pointing out what brand names consumers can purchase that are free from these additives. This educational initiative should become part of the Feeling Good program.

Mr. Speaker, I feel that the need to come to grips with the unregulated use of additives in Canada, the need to come to grips and further investigate the claims pointing to the fact that many additives now in use in our food are cancer causing or are causing other illnesses in the population is an urgent matter. The rapidly rising increase in the extent of cancer in Saskatchewan and in Canada is an urgent matter. Given the fact we know that the large majority of cancer is very likely being caused as a result of the food we eat, the air we breathe, and our environment generally, there is a good reason to be suspect of all additives being used in our food, especially given the inadequate testing and regulation being undertaken now by the federal government.

I was most disappointed to hear members opposite and specifically the member for Qu'Appelle, indicate that they didn't consider the matter of food additives to be an urgent matter. I think that is most unfortunate, Mr. Speaker, and I can assure the members opposite I will be letting my constituents in Saskatoon-Sutherland know the opposition (or at least the member for Qu'Appelle) doesn't think that the regulation of food additives is a matter of urgent concern and thinks that the federal government has no place in the kitchens of this province. That's what the member for Qu'Appelle said. I think that's most unfortunate.

Mr. Speaker, I think I have indicated and clearly demonstrated before the House this evening that the current state of affairs with respect to the regulation of additives in this country is shocking. There is an urgent need for the provincial government to act, but above all, there is an urgent need for the provincial government to press the federal government to undertake its responsibilities with respect to the regulation of food additives in this country. Therefore, Mr. Speaker, I move this resolution.

SOME HON. MEMBERS: — Hear, hear!

MR. P.P. MOSTOWAY (Saskatoon Centre): — Thank you very much Mr. Speaker. I am very pleased to second this motion, moved so ably by my colleague, the hon. member for Saskatoon-Sutherland. I think one of the opposition members in referring to the hon. member for Saskatoon-Sutherland, myself and somebody else referred to us as Peter, Paul and Mary. I go along with that. I am very sure she is on our side and I agree with that.

SOME HON. MEMBERS: — Hear, hear!

MR. MOSTOWAY: — Mr. Speaker, in fact I'll go so far as to say I know she is.

At any rate, Mr. Speaker, this resolution is an important one as we see mounting evidence that diet and certain diseases are very closely related . . . (inaudible interjection) . . . Pardon me kind sir.

MR. SWAN: — She said you were a fine fellow.

MR. MOSTOWAY: — No, I'm sure she was looking down on me. That's why I was well behaved.

Mr. Speaker, the incidence of high blood pressure and obesity for example have been on the increase among North American people ever since the end of World War II. Most nutritionists will tell you that the most common food additives for the last three decades and still today are sugar and salt which are major contributors to high blood pressure and obesity. Now, these lifestyle diseases are often an unpleasant side effect of the additives we have in our food but they are much more serious effects. Mr. Speaker, we now see chemicals like, pardon me, tetrasodium pyrophosphate and sodium carboxymethylcellulose in food. If hon. members want me to repeat it, that's exactly what I said. These are chemicals that even when reduced to their periodical time symbols still run half way around the jar or can of food in which they are listed as ingredients. When people come and take a look at them, they literally run around in circles trying to figure out what the heck they mean and what they say.

For hundreds of thousands of Canadians who have allergies, high cholesterol levels,

digestive problems or restrictive diets, it has become an increasingly serious difficulty to find pure unadulterated food. And, for the rest of us, Mr. Speaker, the problem is not any less serious. We have ample evidence now that fatty and refined foods, the kinds of foods that often have much of their bulk removed and then some additives put back in to regain flavor or consistency are the foods that have made cancer of the colon the second most common cancer. It is important . . . (inaudible interjection) . . . Thank you kind sir. It is important to note, Mr. Speaker, that it is highly refined foods, the so-called fast foods of, if you will, the fun foods or the fake foods that are becoming a bigger part of our society's diet. It is these fake foods that contain high levels of chemical additives . . . (inaudible interjection) . . . Pardon me kinds sir. I think sunflower seeds are good for the digestive system. I shall certainly take you up on your offer after.

American statistics show the consumption of fast foods like potato chips has gone up 460 per cent in the last two decades. In those same 20 years per capital consumption of fresh vegetables has dropped by 7 per cent.

AN HON. MEMBER: — He's against potato farmers.

MR. MOSTOWAY: — Yes, I believe you are against potato farmers; that's why you are bringing it to the attention of the House, but I tell you what — well, I'll just not pursue that any further.

Mr. Speaker, in 1971 snack food sales in North America totalled nearly \$4 billion, and there was a growth rate of 6 per cent annually. Today, sales are estimated to be double the 1971 level and that is important because as I said earlier, it is the fast foods which commonly contain the most chemical additives. As we see the wide proliferation of chemical food dyes, coloring agents, emulsifiers, extenders, flavor enhancers, foaming agents and chemical preservatives, we should be concerned, and many Canadians are.

As the member for Saskatoon-Sutherland pointed out, the testing of these chemicals, many of them highly complex chemicals, is left in large measure to the food processors themselves. Clearly they have a vested interest in the findings. Something which has always concerned me, Mr. Speaker, is the narrow approach taken by food manufacturers whenever the industry is confronted with sound, scientific evidence that an element in one of their products is hazardous to people's health. The manufacturer is quick to point out that the element is only a small part of the average person's overall diet, assuming people eat a balanced diet otherwise. But the difficulty with that argument is that so many of our foods nowadays are so chemically treated that even a well-balanced diet allows the average Canadian to ingest an extensive array of chemical additives. It is one thing, Mr. Speaker, to have our palates dulled by Kool-aid and Twinkies, to realize some of our children are more familiar with Dream Whip than with fresh vegetables and ask for Captain Crunch or Sugar Pops instead of whole grain cereals. In part we can certainly blame the advertising media. It is bad enough from a nutritional standpoint, but it is quite another thing to allow powerful and in some cases hazardous chemicals to be placed in our food without proper testing. As the colleague from Saskatoon-Sutherland said, the possibility of that happening is present in our system today.

Mr. Speaker, before I conclude my remarks, I would like to make one more point — and to try to alarm anyone, but instead to dramatize the importance of this issue. Food additives have been a phenomenon of the past 20 to 30 years, and it is that same period of time during which we have seen a marked rise in the incidence of all types of cancer.

At the close of the World War II, cancer in children was considered a medical rarity. Today more North American school children die of cancer than of any other disease. Among the adult population, the shift is just as evident. The United States office of vital statistics points out that in 1900, 4 per cent of all deaths in the U.S. were caused by cancer. Today, that figure has climbed to well over 15 per cent and it is still climbing. There are, of course, many factors which will account for the shift towards cancer-caused deaths, including the elimination of certain contagious diseases, better hygiene and so on. However, the fact remains the incidence of cancer has been increasing significantly at the same time the amount of chemical additives in our food has been on the rise. Surely that is an indicator, and an alarming one, that something is wrong.

I personally believe we would be very foolish to think the two are totally unrelated. I would rather be on the safe side where the health of people is concerned, as I'm sure all members in this august Chamber would. For that reason, it gives me great pleasure to second this good motion put forward by my good friend, the hon. member for Saskatoon-Sutherland.

SOME HON. MEMBERS: — Hear, hear!

MRS. J.H. DUNCAN (Maple Creek): — Thank you, Mr. Speaker. I was rather surprised, Mr. Speaker, that the member for Saskatoon Centre would second the motion of the member for Saskatoon-Sutherland in such a frivolous manner but it was rather amusing while it lasted.

Mr. Speaker, the food industry has gone through monumental changes in the last 20 to 30 years in North America. With the advent of thousands of additives to preserve and protect foods, a saying has emerged: eating can be dangerous to your health. Today, through the use of chemicals, scientists can duplicate any flavor, any texture, and any color they want to. In effect, scientists today can synthesize any food found in nature. Perhaps what is most alarming is that hundreds of the additives used today remain untested. When one realizes that each of us consumes about five pounds of chemical additives in a year and that some 2,000 artificial flavors and enhancers used are not considered as additives, one must question the use of these particular chemicals.

As pointed out by the member for Saskatoon-Sutherland, the regulations restricting the use of chemical additives or artificial additives have only been in effect for the past 16 years. I can safely say that of the 3,000 or more chemicals used in the food industry today, only a small number has been tested by government researchers. The onus actually is on the manufacturers to provide the government with proof of safety of anything they want to add to particular foods. So as the member for Saskatoon-Sutherland pointed out, though government regulations have become stricter, many potentially dangerous chemicals are still being permitted in our food industry today.

Mr. Speaker, there is a growing concern within the medical field with the advisability of chemically enhancing food products. Some of these medical people come right from here in Canada. I would just like to quote a few of them. Dr. Ross Hume Hal, biochemistry professor at McMaster University in Hamilton, Ontario, maintains that the tests are just not adequate to deal with the effects of long-term, low-level exposure.

Perhaps more pointedly, Dr. A. Rail, professor of food chemistry at the University of Toronto, believes that there are three main concerns about additives. Firstly, no one knows for certain what are realistic and safe human exposure levels or secondly, the

effects of low-level intake over long period of time or thirdly, how different food additives might interact with each other. Dr. Rail is concerned that some people, children and teen-agers in particular, tend to overindulge in snack foods, soft drinks, and convenience foods which by their nature contain a number of food additives. Then, there are certain high risk groups: small children, pregnant and nursing mothers, and those with medical problems related to the liver or kidneys who should avoid certain food additives since normal elimination of such foreign compounds may be impaired at this time.

I think another important factor, Mr. Speaker, on the subject of food additives, which wasn't brought up by the member for Saskatoon-Sutherland, is the link between chemically enhanced foods and hyperactive children. Dr. Ben Feingold, a world renowned immunologist and allergist, was one of the first doctors in the medical field to link hyperkinetic learning disability to food additives. Hyperkinetic learning disability affects over a million children in Canada today and it is an unnecessary affliction, an affliction which not only affects the child himself, but also puts stress upon the family and those around him.

A hyperkinetic child is disruptive in a classroom. Teachers today aren't really taught how to recognize hyperkinetic children; this in turn puts a lot of stress on the child. A hyperkinetic child has marked hyperactivity and is fidgety. He is compulsively aggressive. He's excitable, impulsive. He has very little tolerance for failure and his frustration point is very low. A hyperkinetic student has a short attention span. When a teacher dealing with a hyperkinetic child does not recognize the symptoms, I think quite often the frustrations of the teacher himself or herself are reflected on the report card where as so many remarks are: Johnny can do better; Johnny doesn't pay attention; Johnny fails to complete his assignment; Johnny is easily distracted. I often feel that if remarks like this tend to show up on a report card from Grade 1 to Grade 7 perhaps the culprit isn't Johnny himself but perhaps it's what Johnny is eating. Dr. Feingold has graphically shown that the incidence of HLD (hyperkinetic learning disability) rises correspondingly with the addition of chemical or artificial additives in food. The incidence of HLD has risen dramatically in the last 20 or 30 years. One could almost say this particular disability is a direct result of modern day life. Dr. Feingold has stated that most children don't want to be bad; they don't want to be on drugs, they don't want to be in learning disability classes. They are not subintelligent. In my opinion they are chemically abused. These children are normal. It is their environment that is abnormal.

Mr. Speaker, more and more support is being garnered not only in the medical field, but on the outside to Dr. Feingold's assertions. HLD is not the only disability being linked today with the addition of chemical additives. There are strong indications that maladies such as schizophrenia, hypertension, many cancers and the like can be related to the addition of additives to our foods.

Mr. Speaker, the immediate benefits of all the synthetic syntheses to mankind is incalculable. But along with the benefits there is a certain cost. I often wonder, Mr. Speaker, if perhaps we have opened a Pandora's box and unleashed an unknown onto mankind. We cannot deny the fact that today our food is cheaper and perhaps safer from bacteria and probably more varied and more plentiful because of the direct use of additives. It is doubtful today whether anyone can maintain an additive-free diet. But I believe, Mr. Speaker, that as new facts come to light, the onus is on us as legislators to come to grips with what I believe is a very serious problem. It's a problem we tend to minimize as in the remarks of the member for Saskatoon Centre.

But I really believe we cannot just pass the blame onto the federal government, even though it is the federal government's area of responsibility. I believe that we, as people, must use our resources to put pressure on the federal government to bring about a comprehensive testing facility or testing program not only for new additives coming onto the market, but to test current additives which are allowed by the drug facility in Ottawa. I can say to the member for Saskatoon-Sutherland that it gives me and the members on this side of the House great pleasure to support your motion.

SOME HON. MEMBERS: — Hear, hear!

HON. H.H. ROLFES (Minister of Health): — Mr. Speaker, I want to make a few comments on the resolution put forward this evening by the member for Saskatoon-Sutherland and it gives me a great deal of pleasure to participate in this debate. My only wish would have been that the member for Qu'Appelle had been here this evening to also participate to see how he could reconcile his particular comments this afternoon with the member for Maple Creek.

Mr. Speaker, the resolution which is before us is a very serious resolution, particularly I think in this day and age as so ably put this evening by the member for Maple Creek many instances, it's not the children or the people who are abnormal, but it's the environment in which we live that is abnormal. Those of us who have been in the teaching profession and those of us who are parents know full well what effect the environment can have on children. I think it's becoming more and more evident, Mr. Speaker, that as we want to make our foods more delicious or more inviting and we add more and more additives to our foods, we must be very cognizant and I think, as the member for Saskatoon-Sutherland indicated, it is much better for us to be on the cautious side rather than taking chances with food which we consume.

As the Minister of Health, Mr. Speaker, as I indicated this afternoon, I have no difficulties with the general intent of the motion although I must admit that in the whole scheme of things I do not believe additives have the same importance as, for example, the emphasis we should place on people who smoke. We talk about cancer, but I do believe there is ample evidence that smoking causes cancer. Yet there are hundreds and thousands of people who continue to smoke and, Mr. Speaker, despite the government's adding taxes upon taxes, smoking people will continue to smoke. Yet there is ample evidence that hundreds of millions of dollars of the taxpayers' money goes for the treatment of cancer which is directly related to smoking.

I don't deny the fact that there is evidence that as we add chemicals to our foods and as we use more and more herbicides and insecticides, we certainly are adding to the danger of diseases which may be caused. There is the potential (and I may well be proven wrong, Mr. Speaker, 20 or 30 years from now) that some of the additives the member for Saskatoon-Sutherland has expressed concern about this evening in 25 or 30 years may well lead in the cause of cancer, certainly way beyond what smoking does today. We don't know that. We know, for example, that smoking does cause cancer. We know, for example, that if children have a well-balanced diet they function better in school. We know it will be much better for them to be normal children if they have a balanced diet, rather than these fast food products which are being shoved at our children by the advertising firms. Certainly, I think governments have a responsibility to take a stand, who are prepared to be somewhat criticized for going out on a limb on some of these issues, who I think ought to be given credit for being able to take a stand

on these issues without being concerned whether or not some people think they are out in left field.

However, Mr. Speaker, I know that in our day and age we are probably going to be more successful in convincing people to cut our smoking, to have a balanced diet, to drink moderately or not drink at all, than we are going to be in convincing people to only buy foods which have no additives in them at all. I think the member for Saskatoon-Sutherland was fair in his comments, in saying, yes, some additives have a positive effect . . . (inaudible interjection) . . . If the member for Regina South wants to speak, let him get on his feet and speak.

Mr. Speaker, I want to make it very clear to the member for Estevan that I will support the motion, but that doesn't mean I necessarily agree with the priority of emphasis which the member for Saskatoon-Sutherland places on this particular issue. I do believe, Mr. Speaker, as Minister of Health, that there are other items which I feel, for example, we must deal with and there are limited funds available.

I think the member for Saskatoon Centre again made a point when he talked about obesity. Here, it comes back not to additives, but to a balanced diet — to convince people they shouldn't overeat; we shouldn't be influenced by the advertising firms which are trying to tell us the more you eat, the more you drink, the happier you will be and life will be complete. I'm glad the member for Saskatoon Centre, for example, didn't take the advice of the advertising firms; he has reduced by about 40 pounds. I am sure, Mr. Speaker, he is a healthier person for it and probably will add another 20 or 30 years to his life.

Mr. Speaker, I think the resolution before us deserves the support of all the members of the House, and I want to thank the member for Maple Creek for her positive response this evening to the resolution before us. As I indicated this afternoon, I can assure the member for Saskatoon-Sutherland that I will discuss this particular issue with the federal Minister of Health and with my counterparts in the other provinces to see what can be done not only in convincing people we should not add more chemicals to our food, but that we should have more stringent testing on those we are presently using. I also want, Mr. Speaker, to make it very clear to the House that it should not be forgotten many of the additives we have in our food are essential. They are absolutely necessary. They do add in the preservation of food, and keep the cost of our food down.

I think, Mr. Speaker, it's a worthwhile motion which should be supported by members on both sides of the House. I want to thank the member for Saskatoon-Sutherland for having the courage to bring it forward in this House, so we can put more effort into it, not only the Department of Health but other provincial ministers who I hope will support me in my efforts in trying to bring about more stringent controls on the kinds of additives added to our food.

With that, Mr. Speaker, I want to assure the member that he will have my support on this particular motion.

SOME HON. MEMBERS: — Hear, hear!

MR. PREBBLE: — Thank you, Mr. Speaker. I want to thank most sincerely the member for Maple Creek, the Minister of Health and my colleague, the member for Saskatoon Centre, for their support on this resolution. I think we've seen, as the remarks of all members who have spoken on this matter have borne out, that the nature of food being

consumed in our society has changed very dramatically over the last 25 years or 30 years; that additives have been the basis for that change; and that many of the additives in use today are under serious question by scientists in our society. The fact that additives pose a serious risk I think is borne out by the fact that well over 30 additives have now been banned in Canada after coming into use. As I mentioned previously there are another 40 under question at the present time.

Clearly, as remarks of other members have borne out, Canada is out of step with other countries when it comes to the regulation of food additives in our society; and when it comes to being prepared to step out in front and place a ban on additives suspected of being unsafe and have been removed by other countries.

I think we should always err on the side of caution when it comes to human health and human safety. I would personally like to see the elimination of many unnecessary additives now being used in our food. I think this motion is an important beginning by calling for a halt on the free proliferation of food additives onto the market and calling for the full testing of all additives that have not been subject to comprehensive testing, which is the large majority of them, Mr. Speaker.

I thank all members who have spoken for their support and urge all members of the House to support this motion.

SOME HON. MEMBERS: — Hear, hear!

Motion agreed.

RESOLUTION NO. 8 — FEDERAL-PROVINCIAL RELATIONS

MR. B.J. PONIATOWSKI (Saskatoon Eastview) moved, seconded by Mr. C.O. White (Regina Wascana):

That the Assembly urges the federal government to continue the progress towards new constitutional provisions that would, among other things, confirm and strengthen provincial powers over resources by means of federal-provincial conferences rather than by private, bilateral agreements such as that regarding offshore resources; and urges the Saskatchewan government to continue its efforts to achieve negotiated changes that will make Canada a stronger and united country.

He said: I am introducing this resolution, Mr. Speaker, because of the importance that I and many other members of this Assembly attach to the success of the constitutional discussions. Constitutional talks are important to the unity of this country. They are important to the future of our province. I would like to review briefly why this is the case and in so doing I hope to make clear why we must continue to make progress on constitutional matters.

I must, to begin with, express my concern with the apparent inability of both federal and provincial governments to agree on constitutional change. Constitutional discussions are certainly not a new phenomenon in this country. They have been going on for some 50 years now. In fact the first constitutional conference was held in 1927 and a good number have been held since that time. The last 12 years alone have seen three separate attempts at constitutional reform. Never once have we succeeded in our

efforts. The results are plan for everyone to see. First the constitution — the BNA Act of which the most important provisions have still to be amended by the British parliament because governments in this country have been unable to agree on an amending formula which could enable us to amend the BNA Act in our own country and to patriate our constitution. Second, it has resulted in an escalation of tensions, regional tensions in Canada as our constitutional problems are left unresolved. Each failure at constitutional reform has carried with it the seeds of an even greater constitutional confrontation down the road. Each failure has only made the next round of talks all that more paramount and a lot more difficult.

Challenges not met today, Mr. Speaker, mean only that we have to confront even greater and more complex challenges tomorrow. This is a legacy of our constitutional efforts to date, a constitution which remains unpatriated, and serious problems which remain unresolved. It is the legacy which we must all strive to overcome.

I am concerned too, Mr. Speaker, that the people of Saskatchewan be given the opportunity to benefit (and I want to very strongly stress the word 'benefit') fully from the development of the wealth and our natural resources in this province. Efforts of the government to ensure that the people of Saskatchewan are provided with an optimum and fair return from the exploitation of our natural resources have been twice diminished now by rulings of the Supreme Court of Canada. This first occurred in the CIGOL case and secondly in the Central Canada Potash case. In both cases Saskatchewan saw its legislation held ultra vires, not because it conflicted with the laws and policies of the Government of Canada but because the supreme court ruled that the province did not have the jurisdiction to enact this particular legislation in the first place. The effect was to deny the Government of Saskatchewan, and thus the people of our province, important levers by which to manage and control the development of the natural resources within our province. This is not a situation which we can long tolerate. We must see to it that our BNA Act is amended to give provinces jurisdiction to manage the natural resources within their boundaries including jurisdiction to impose taxes on these resources regardless of whether they are sold primarily inside or outside of the provinces.

Communications is another area on which I wish to touch briefly. Most aspects of communications including radio and television broadcasting and cable television are now entirely regulated by the federal government. Federal control over this field is in many ways necessary and desirable. Some elements, however, of our communications system, although being national in scope can best be dealt with by way of the provincial government. These would be in the areas of local importance and also in areas where we have cultural considerations to take into account.

I am thinking in particular of the licensing and regulation of cable television networks, the development of educational TV and community television services, and the like. These should be developed to meet local needs and according to cultural values of the local population. We see in this province a legitimate role for the provinces in the regulation of such communications services and that role can best be assured by constitutional amendment.

Finally, Mr. Speaker, I am concerned with the present situation in Quebec, as indeed many, or most members of this Assembly are, and with the threat it poses to national unity. For 20 years now the Separatist movement in Quebec has grown in strength and also in numbers. In November 1976 the PQ government assumed power and a referendum is to be held shortly which, in fact, could give that very same government a

mandate to pursue its independence option. This is not a matter about which we can be complacent. Our future as a country is at stake.

For many years now federalists in Quebec and elsewhere have argued that Quebec's aspiration can be met within confederation. They have urged Quebecers and all Canadians to turn their attention to the renewal of our federal system, as our Premier has done so eloquently and our Attorney General on many occasions, and as I'm sure they'll do at the Lethbridge conference this week.

Mr. Speaker, I agree with this approach and I am sure members of this Assembly agree with this line of thinking. In fact, in this Assembly I would think that we are all federalists — perhaps with the exception of two members who are not currently present — committed to the unity of this country.

It is time, Mr. Speaker, to start backing our words with action. It is time we move to renew our federal system. It is time we adjust our constitution and our political and economic institutions to the new realities which are Canada. These new realities, I think, are of two kinds. First, it's the reality of Quebec which has undergone tremendous social and economic changes over the last good number of years. It is the reality of today's Quebec where there is a searching for a secure environment in which to develop as a modern French speaking community. This is a reality which has to be better accommodated within our constitutional and political structures.

Second, and of particular and crucial importance in my comments, is the reality of what I might call the new West. The West too has undergone tremendous changes since these provinces were first carved out of the Northwest territories. This is no longer the West which relied upon Ottawa to oversee its economic development. This is no longer the West which relied upon Ottawa to oversee its economic development. This is no longer a West tied and dependent upon central Canada. Western Canada has come of age. Its interests too must be better accommodated in our constitutional and political structures.

It is for these reasons, Mr. Speaker, that constitutional change is imperative — imperative for Canada, for the West, and for Saskatchewan. It is for these reasons that I ask this Assembly, in the resolution we are considering, and I urge the federal government together with the Government of Saskatchewan to continue to progress toward new constitutional arrangements.

Considering the seriousness of constitutional reform, I feel we can do no less. These new constitutional provisions would, among other things, confirm and strengthen provincial powers over resources. This is totally essential and fundamental, as I think most members would agree and recognize. If the people of Saskatchewan are ever to obtain sufficient jurisdiction to manage their resources and their benefits, they should from resource development.

Here, I might mention that in the most recent round of constitutional discussions, governments made a great deal of progress on this particular point. A substantial measure of agreement was reached in the following areas and I want to highlight three. The first point is the provinces should have jurisdiction over the exploration, exploitation, management and conservation of their natural resources. I am referring here not merely to goals, Mr. Speaker, but to points that had a great measure of agreement.

The second point is that provinces should have access to the field of indirect taxation in

respect to natural resources. Thirdly, that provinces could pass laws affecting the export of natural resources. Such provincial laws moreover would take precedence over similar federal laws regulating interprovincial and international commerce unless very special circumstances existed which would justify federal accommodation and intervention.

These are major areas of agreement. They show a great idea of progress has already been made towards the type of new constitutional amendments required by Saskatchewan and I think one could safely say, by a good number of other provinces. It is important, I think, this progress be continued. To urge governments to do so, Mr. Speaker, is the very intent of this resolution before us.

Before I conclude, I would like to say a word about the process. I would like to stress very much, the process and the way we go about the whole matter of constitutional discussions and constitutional change. The point I wish to make is this constitutional change is the responsibility of all governments. Here I refer to the federal government and all provincial governments. Constitutional negotiations should consequently involve all 11 governments. This point should be obvious to all and would not need to be raised by myself at this time, were it not for our former prime minister, Mr. Clark and his Conservative colleagues. The former government carried on bilateral discussions with the province of Newfoundland on the important matter of the transfer of constitutional powers on the area of offshore resources. In recent years constitutional matters have always been discussed in the form of a federal-provincial conference in some other related mechanism where all governments who had an interest were represented and involved. Saskatchewan firmly adheres to the principle that constitutional change is the responsibility of all governments. It does not want federal provincial conferences to be circumvented.

I am therefore asking this Assembly to reaffirm in this resolution its commitment to federal-provincial conferences as a major appropriate form for the discussion of constitutional matters among governments. In conclusion, Mr. Speaker, I call upon all members of this Assembly to give their support to this resolution for the following reasons:

- (1) To show our resolve, our strong resolve as westerners and in particular those of us in Saskatchewan, to seek progress in constitutional matters;
- (2) To encourage further progress, in particular upon constitutional provisions which would strengthen provincial jurisdiction over natural resources;
- (3) To defend and continue the practice of having constitutional matters discussed by all 11 governments in the form of federal-provincial conferences.

Mr. Speaker, I am hopeful all members of this Assembly will recognize and support the interests of the people of Saskatchewan and support this resolution.

In closing, Mr. Speaker, I move Resolution No. 8.

SOME HON. MEMBERS: — Hear, hear!

MR. C.O. WHITE (Regina Wascana): — Mr. Speaker, the member for Saskatoon Eastview and I have, I suspect, varying opinions on the merits and demerits of setting differences within confederation by means of federal-provincial conferences.

However, his resolution has substantial merit and I, as his seconder, am pleased to support it.

Federal-provincial relationships which exist today are certainly not all based on reason and justice, nor are some of them supported by past developments. In seconding the resolution, it's my intent to confine my remarks to one of the latter types of anomalies. To be specific, my remarks will concern the export tax applied to oil produced in western Canada, the revenues from which are used to subsidize oil prices in central Canada and the Maritimes.

From the historical point of view at least, Mr. Speaker, the export tax on oil must be classified as a discriminatory type of taxation. Certain very significant historical developments do not support the singling out of one form of energy for an export tax, one which takes in not only oil exported from western Canada to the U.S. but also natural gas going to the U.S. from Alberta and B.C.; coal shipped from B.C. and Alberta to Japan and hydro-electric exported to the U.S. from Ontario, Quebec and the Maritimes.

It is my contention that an export tax should be either comprehensive or non-existent. To make my case, Mr. Speaker, I'll outline the dispute over natural resources which took place between the governments of the prairie provinces and the federal government during the years the West was being settled. I'll speak in some detail concerning the events surrounding the transfer of natural resources from the federal government to the province of Manitoba. The transfer of resources to Manitoba, being the first transfer arranged, was discussed in more detail at the time than any later transfers to Alberta and Saskatchewan.

It produced perhaps the greatest debate over natural resources ever to take place in Canada. The transfer of resources to Manitoba also established a pattern for transfer to the two other provinces. In addition, details which I'll present concerning Manitoba are equally true of transfers to Saskatchewan and Alberta.

What I propose won't take long, Mr. Speaker. In outlining the dispute one can skip rather rapidly over the years preceding 1926. Though certain positions were adopted and certain principles were agreed upon by various parties during earlier years, not much of real consequence for transfer occurred prior to that year. Negotiations between the various governments can be summarized quite accurately and quite aptly by quoting what a western member in the House of Commons had to say of them and I'll quote:

One remarkable fact one discovers in following up the history of natural resources is that the government is always opposed to transferring them and the opposition is always in favor. It doesn't make a particle of difference whether the government is Conservative or Liberal or whether the opposition is Conservative or Liberal. Whichever party is in opposition is always in favor of transferring the resources, and whichever party is on the benches of the government is always opposing it. I suppose if you reversed conditions in the House today you'd find the same thing. It's something we're always up against.

Things haven't changed very much, Mr. Speaker/ The member's description of affairs is quite accurate of Pierre Trudeau and Joe Clark with respect to oil prices, interest rates,

the transportation system, or pretty well anything else you wish to name.

It's also illustrated in a somewhat different manner by the position taken throughout much of the '20s by Mr. R.B. Bennet, the Conservative prime minister of the '30s. The Mackenzie King government was . . .

MR. LARTER: — Sir John A. MacDonald . . . Drag him into it too.

MR. WHITE: — As long as the King government was not actually working on transfer. Bennet's question was, why the delay? The minute the government started to work on transfer, the question was, why the haste? A regular flip-flop, something like the members opposite on the Meewasin Valley Authority not too long ago.

Now I want to demonstrate certain historical evidence doesn't support the singling out of oil among energy resources for an export tax — quite the contrary. The evidence I will present supports the contention that all energy resources should be treated in the same manner. To do this two questions have to be raised and answered. First, what power over natural resources, and what degree of ownership of natural resources, in so far as ownership can be defined, did federal authorities view themselves as transferring to the provinces? Secondly, exactly what specific resources did the provinces view themselves as obtaining ownership and control of? In answering the second question I'll refer to all provinces, not simply Alberta, Saskatchewan and Manitoba.

To answer the first question, one must look first and foremost at what Mackenzie King, prime minister of the day, had to say. He knew, perhaps better than any other person, and better than people thought he did, exactly what transfer would involve. To make his position clear, I'll quote three excerpts from debates of the House of Commons for 1929. When a commission was appointed to draft terms under which natural resources would be transferred to Manitoba, its terms of reference included the statement, 'The province of Manitoba to be placed in a position of equality with other provinces of confederation with respect to the administration and control of its natural resources as from its entry into confederation in 1870'. Getting close to John there, Prime Minister King was thoughtful enough to give that commission records of his discussions with Premier Bracken of Manitoba to ensure that it would make recommendations acceptable to both parties. Hence, when work began King was almost 100 per cent certain what the recommendations of the commission would be.

At one point during the course of the debate on transfer, King defined transfer thus: 'It was parting with resources that we interpreted as belonging to the province, and putting the provincial authorities to all intents and purposes in full possession.' Just what King meant by the phrase 'as belonging to the province, and putting the provincial authorities to all intents and purposes in full possession', was expanded upon later. In the closing minutes of the debate, which takes in approximately 130 pages of Hansard, he stated:

This government took the position that the right thing to do was to say that we believe the western provinces should be put as nearly as possible in exactly the position they would have been in had they had the resources from

the moment they were created as provinces. That is the position we have taken in this new agreement. It admits of no debate or doubt. And having taken that position, we intend to stand by it. We intend to see that the western provinces obtain their natural resources on a basis which will put them as far as may now be possible in the position they would have been in had they had the administration of their natural resources from the time they were created provinces, and that means the right of their governments and legislatures, not our parliament, to decide what is to be done.

King's statement made very clear his government's intent. All Canadian provinces were to be in full possession, have equal ownership and control of natural resources situated within their boundaries. Each would likewise have equal opportunity to benefit from development of its natural resources.

The development of those natural resources would be supervised and administered by the legislatures of the various provinces, not by the federal government. Nowhere was there the slightest suggestion that a natural resource under the control of one province might then or at some future date be treated differently than the same or any other natural resource under the control of another province. Now was there the slightest suggestion that distinctions would be drawn between the natural resources held by a single province. The only detail on which perfect equality might not be obtainable, as King hinted, related not to ownership and to control but to financial compensations of prairie provinces for natural resources already alienated by the federal government, for example, land given to the CPR (Canadian Pacific Railway), land for the University of Manitoba, and so forth.

The second question which I said must be answered, was this: what specific natural resources did the provinces see themselves as coming into full possession and equal ownership and control of within their boundaries? When one answers this question, one also lays out specific natural resources the federal government and other provinces view the provinces as having full possession and equal control and ownership of. To answer the question as I said, reference will be made to all provinces and to events outside the House of Commons.

For a good many years, Mr. Speaker, transfer of natural resources to the prairie provinces could not be accomplished because of differences of opinion between the prairie governments on the one hand and the federal and other provincial governments on the other hand as to the terms under which transfer should take place. The prairie provinces basically argued that they should receive all unalienated natural resources and they should also continue to receive the financial subsidies they had been paid because they had not been given their natural resources. Natural resources, by the way, were a major source of revenue for other provinces. Continuation of such subsidies, the prairie provinces maintained, would compensate or partially compensate them for natural resources alienated by federal authorities.

The other provinces and the federal government, after some hesitation, adopted the position that the prairie provinces could have the natural resources still held by the federal government, however, when such resources were transferred to them, subsidies associated with natural resources would cease to be paid. Not until the fall of 1927 did all the provinces and the federal government come to accept the legitimacy of the prairie provinces' position. That they did so at that time was because they had all come to want something from the federal government. It was a case, you might say, of you scratch my back; I'll scratch yours.

At a federal-provincial conference held in November 1927, the following deal was worked out or given the stamp of approval. The prairie provinces would receive all unalienated natural resources and continuation of subsidies they had been receiving for not having possessed their resources. The claims of Alberta and Saskatchewan for compensation for natural resources already alienated would be examined by a board of arbitration. B.C. would be given back the unalienated portion of land she had transferred to the federal government in connection with the construction of the CPR. Returned to her were parts of the railway belt and land in the Peace River area which later proved to be natural gas bearing. B.C., like the prairie provinces, would continue to receive the cash subsidy she had received for transferring a portion of her land to the federal government.

All parties at the conference agreed that the maritime provinces were entitled to better terms within confederation. That meant among other things, that the Maritimes would receive certain reductions in freight rates and increases in subsidies, made on a temporary basis, would be made permanent.

That left Ontario and Quebec. They had been seeking greater provincial control of hydro resources — hydro developments on navigable streams, most notably the St. Lawrence River. Sites like Beauharnois were then receiving a fair amount of discussion. With the object of gaining their ends, they wanted their claims for increased provincial controls placed before the supreme court. At the conference, the federal government agreed to their request, so all provinces got something. It was not simply a case of the prairie provinces receiving something which could be treated differently later on.

Now I turn to the matter, Mr. Speaker, of what specific natural resources (and I think this is important) the prairie provinces viewed themselves as coming into full possession and equal control and ownership of. By implication, what specific resources did the federal government and other provincial governments view themselves as recognizing full possession and equal control and ownership on the part of the prairie provinces? What resources were they to own?

Manitoba among other things was concerned about hydro-electric power so that was recognized at the time. The question of harvesting the Seven Sisters site was then under discussion. Not long after the conference the Bracken Government of Manitoba instructed the federal government as to the party to be licensed to develop the Seven Sisters site. The federal government took the advice and followed it.

Saskatchewan was aware of various resources. Saskatchewan was thinking of developing both coal resources and hydro sites for electricity. Within a month of completion of the conference the Gardiner government appointed the Saskatchewan Power Resources Commission which would study various lignite fields, the Saskatchewan River and conduct a cursory examination of hydro resources further north. The power commission inquiry led to the creation of the Saskatchewan Power Commission.

Alberta was likewise thinking of developing power resources and establishing a publicly owned provincial power commission. And she definitely viewed herself as gaining control of her hydro resources, coal, oil and natural gas. Not long after the conference, a hydro-electric site was removed from a national park in Alberta preparatory to being placed under provincial control. That was the Spray Lake site, I think, in Banff National Park. That Alberta definitely saw herself as coming into full

possession of coal, oil and natural gas is abundantly clear from the records of the House of Commons.

In 1926, Alberta and the federal government came very close to concluding an agreement for transfer of natural resources. Under it, Alberta have received all unalienated natural resources but would have given up practically all subsidies she was receiving in place of them. As Mackenzie King said, it was a much poorer deal than Alberta later received.

That Alberta almost accepted the 1926 arrangement was owing to financial losses she could see herself incurring under continued federal control of natural resources. Her annual subsidy in place of natural resources amounted to something like \$562,500 per year. For the five year period ending in 1923, revenue to the federal government from Alberta coal, oil and natural gas leases alone was over \$660,000 per year while expenses involved in their collection were only \$60,000 so Alberta could see herself gaining.

From what I have just said, Mr. Speaker, it is clear that when natural resources were being discussed extensively prior to the transfer to the prairie provinces, those resources were fully understood to include a variety of energy resources — coal, oil, natural gas and hydro-electric power. No distinctions were drawn between them by any provincial government or federal government.

The natural resources (and that included energy resources) might vary from province to province but that was no cause for concern. Each would have full possession and equal control and ownership. The legislatures of the provinces and not the federal government, as Mackenzie King stated, would decide what was to be done with those resources.

To treat provinces differently at a later date is certainly breaking the rules of the game as they were understood at the time the prairie provinces received their natural resources. To separate out one energy resource for an export tax is nothing less than to discriminate against provinces endowed with that energy resource. Any attempt to distinguish between control over resources held by one province and those held by another was touched upon during the natural resources debate in the House of Commons and was described as totally improper.

More than once it was pointed out that Ontario and Quebec received large portions of land situated within their boundaries after confederation from the federal government. That land like land contained within the prairie province had been part of the Hudson's Bay Company territory. One member spoke on the subject thus:

What a howl would have arisen in Ontario, if when the 93 million acres were added to that province in 1912, this government had said, yes, we are going to increase your territory but only on condition that you agree to certain restrictions with regard to schools or something else. Just imagine the froth and foam from Queen's Park in Ontario and from all over the province of Ontario if you had attempted to do that. They would have said quite properly, mind your own business. Hand over that territory. And the moment it becomes part of Ontario under the constitution it is ours to administer. We own it from that moment. So they did. So did Quebec without any question.

At another point in the debate a similar statement was made in respect to the

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328,698,361 acres handed over to Quebec. That land, by the way today contains the James Bay hydro-electric development.

You may be wondering, Mr. Speaker, what the federal government hopes to get out of this arrangement which involved all provinces. Essentially I would say, public applause for solving a long-term, naughty problem and hence political popularity. It could lay to rest the decades-long dispute with the prairie provinces over natural resources and eliminate its differences with B.C. concerning land it held in that province since construction of the CPR.

It put a damper on the Maritime's rights movement which had flourished since World War I. At the very least it could put a temporary end to its dispute with Ontario and Quebec over development of navigable streams for hydro-electricity. And all that could be done at minimal costs.

Cash subsidies to the four western provinces would remain just what they have been. Subsidies being paid to the Maritimes would simply become long-term. The only added cost would be that resulting from arbitration of prairie claims. The national treasury then showing surpluses could certainly bear the small added expense. And Mackenzie King was not at all shy about spending from public funds to purchase popularity and national tranquility.

Mr. Speaker, I could go on to argue that propriety of my position from other standpoints. For example, the export price of natural gas is closely related to the export price of oil — which can be used to replace by an importer. The same is true to some extent of the export price of electricity, which an importer may also use to replace oil. However, I've already presented enough evidence to make my point.

From a historical point at least, an export tax on oil is a discriminatory tax unless it is applied to all forms of energy exported. If other forms of energy exports are not subject to an export tax, oil should not be either.

Let me close, Mr. Speaker, by demonstrating very briefly how the export tax on oil discriminates against our province of Saskatchewan and how its absence operates to the benefit of other provinces.

In 1979 Saskatchewan oil exports to the United States were valued at \$540 million. Of that amount the federal government in export tax took a profit of at least \$238 million. The sum remaining to Saskatchewan and its oil producers was about \$312 million. The federal government, by its export tax, taxed away 44 per cent of the value of our exports. During 1978 Alberta and B.C. exports of natural gas to the United States brought \$2,165 billion. Of that, the amount of export tax was nil. The sum remaining to Alberta, B.C. and their producing companies was therefore \$2.165 billion, or 100 per cent of the export value.

During 1978 Quebec exported electric power worth nearly \$130 million. A substantial part of that went to the United States. On that, the export tax was again nil. The sum remaining to Quebec and its utilities was therefore about \$130 million of 100 per cent of the export value.

Mr. Speaker, any arrangement which allows one province 56 per cent of the value of its exports of energy and three other provinces 100 per cent, is certainly a discriminatory arrangement. It is one which is not supported by highly relevant historical occurrences.

Since the resolution before us embodies the objective of ending such discrimination and unequal treatment, I therefore firmly support it.

MR. J.G. LANE (Qu'Appelle): — I suppose, Mr. Speaker, given the times in Canada, with what will be, I expect, taken as a referendum on national unity in the province of Quebec, no matter what it's called by Premier Levesque, that the reiteration tonight by government members of the usual complaints and statement of the usual platitudes may well be the low point in the constitutional debate. We will attempt to resurrect that in due course.

It's obvious, Mr. Speaker, the government opposite threw two backbenchers into the breach who weren't ready for it and didn't have a political understanding. I'm sure even the Attorney General, if he had been here, wouldn't have allowed a motion such as the one introduced today. I just ask the government members opposite to look closely at the resolution. I think it really sets out the firm constitutional position of the government opposite.

Who do they want? Who does the government, The Blakeney NDP, want to make progress on new constitutional provisions? The federal government? The same Pierre Elliot Trudeau that has brought this country to the verge of breaking up, that has pitted one region against the other, that has alienated western Canada, perhaps irretrievably, that has alienated Ontario, that has alienated the Maritimes, that has believed in confrontation politics? Who does this government want to make progress? Is it the provincial premiers? Is it their own Premier? No. The savior, the one they are really looking to to make progress, the one they are really pleading for help to is one Pierre Elliot Trudeau.

Now I'm sure most of you didn't read it because you are a little surprised at what I am saying tonight. Let me just say it again . . . (inaudible interjection) . . . Do you want to state that outside? You've just passed your limit my friend, let me tell you. That this Assembly urge the federal government (not our western premiers, but the federal government) to continue the progress — I don't think there has been any progress. You're all of a sudden very optimistic; you think something is done.

I think when we use the phrase 'continue the progress' it assumes progress has been made. I don't think there has been any. As a matter of fact, I think we have gone backward. I know the alienation in western Canada is far greater today than it ever has been. Obviously, the alienation in Quebec is greater today than it every has been if we listen to the polls on the yes vote, but they want to continue the progress.

Obviously, Mr. Deputy Speaker, not much thought went into a resolution on what I think all members accept as a very vital issue. Then the same backbenchers, and I am going to presume they are in reality speaking for the government, condemn the Clark government for recognizing the inherent rights of the provinces to their natural resources and for turning them over. And they say that's wrong because you can't recognize the rights of the provinces if you are going to give them their resources, because that's what Clark did. He recognized the rights of the provinces to their resources. He's the only Prime Minister who has set up (oh, I wish you wouldn't go, this is a new lecture you're getting tonight) . . . What happened when we finally got a government which recognized the provinces have a right to their resources, and transferred the rights so there would be no dispute . . . (inaudible interjection) . . . No, he recognized there is no dispute, accepted it as a fact of political life in Canada and then you opposed it. Now, which way do you stand? Do you think the provinces should have the resources or not?

AN HON. MEMBER: — Were you happier with Trudeau?

MR. LANE: — No. Make up your mind because your resolution is just as contradictory as the statements of the Premier, who says in western Canada, oh, separatism isn't an issue. Then he hops, skips and jumps down to Toronto and says, oh boy, you better worry. He decides in Saskatchewan he can attack the provinces, but when he's held accountable for attacking his western what-should-be allies all of a sudden his eyes open and oh it's good politics to attack Toronto. Long overdue. So now he decides he's going to attack Toronto, but not until the opposition brought home to this Assembly that the true course for this province is to first mend its fences with the western provinces and attempt to get some uniformity of action so we are talking as a unified force. The interesting thing is, and I challenge the mover and the seconder . . . You know it's an interesting thing, you've said what great things the Premier said.

AN HON. MEMBER: — Hear, hear!

MR. LANE: — Oh, hear, hear! You know the Premier of this province has never laid down a firm constitutional proposal. He's been in office nearly 10 years. He has never laid down for the people of this country and this province a firm constitutional proposal which he is prepared to take to the people of this province. Now, what has he been doing with all his time? You can't have it both ways. You can't say he should be a spokesman, and then he comes in without any proposal. The fact is he has flip flopped; he is trying to find out which way the wind is blowing on the constitution so he can attack the straw man. He has gone from a one Canada approach, when he found out which way the winds are blowing. And he went so far, as a matter of fact, on national television last night to say, oh, a politician shouldn't commit himself too soon. That's what he said. You are smiling, and you know it. The fact is this Premier has done a disservice to the country and to this province by failing, after 10 years, to give a constitutional proposal to the people of this province which he is prepared to stand on, prepared to fight an election on. Now, why is he? He doesn't know which way the wind is blowing. He knows he has been the odd-man-out of western Canada for so long, and I know the press has seen and the public has seen and you've all seen that until we raised it in this Assembly your big effort was attacking Tory Alberta and attacking . . . I haven't heard much in the last couple of months since the opposition laid out its proposal and its direction. If you are going to hold the Premier of this province up as a spokesman, and I think he's rapidly falling, then you'd better get him to lay before this Assembly his constitutional proposal. Why can't he do it? What's he afraid of? He's afraid of committing himself. Does she agree the provinces should have resources? Then he should have been thanking the Clark government for accepting the fact in Newfoundland. He didn't disagree. As a matter of fact he stated that the provinces own their resources and you are the only party which voted against that position. Make up your mind.

I say that the people of this province can rightly call for the Premier to finally table a firm constitutional proposal, a white paper he is prepared to defend, which he is prepared to take to the other premiers and which he is prepared to take to the constitutional deliberations . . . (inaudible interjection) . . . Oh ho, he did not. You know better than that. He has never taken a position on which he is prepared to stand. You know that. That's surprising, and I'm glad you said it with a smile on your face because you know it has no validity.

I'm not satisfied that this resolution really doesn't set out in black and white the constitutional proposal of this government. They are as follows: (1) that they urge the

federal government, (the onus is on the federal government to do it) that's the first point in their plank, in their constitutional platform; (2) to fail to recognize there has been no progress and to say instead that there has been some progress; (3) they want more federal-provincial conferences.

Now isn't that a tremendous policy of foresight, wisdom and vision? That's their policy. They have had nearly two months, Mr. Speaker. They have changed and withdrawn resolutions which is of course their prerogative. But they have stood firm on this motion from the beginning of this session, after the possibility of withdrawing it with a Quebec referendum being announced, with the varying positions and the travels of the Premier of this province. Yet they stand up and all they can say is that they urge Pierre Trudeau to continue to make some progress and they want more federal-provincial conferences, and they object to the same federal government giving the rights, the resources, to the provinces.

That's what this resolution very simply says. I think it's a rather surprising resolution. I think those opposite didn't give much thought to this resolution or if they did, they may well have the weakest constitutional position of any province in Canada. I think it's shameful in the seriousness of the debate that this is all you can come forward with. Surely it's incumbent upon you as the government to table in some substantial detail your constitutional position and your constitutional proposals. You failed. You're failing the people of Saskatchewan and you're failing the people of Canada.

Mr. Speaker, I have more to say. I beg leave to adjourn debate.

Debate adjourned.

RESOLUTION NO. 10 — WATERFOWL CROP DEPREDAATION PROGRAM

MR. A.S. MATSALLA (Canora) moved, seconded by the member for Pelly (Mr. Lusney):

That this Assembly urge the Government of Canada to assume its responsibilities under the Migratory Birds Convention Act and implement a permanent waterfowl crop depredation program which fully compensates farmers for crop losses from migratory bird damage.

He said: Mr. Speaker, in moving this motion, I wish I could say I was breaking new ground and I wish there was something even mildly optimistic I could say on the subject. However, Mr. Speaker, that is not to be. We have been over this issue with the federal government again and again. Always their response is the same — they will not assume their responsibility to compensate farmers for crop losses due to migratory bird damage.

Mr. Speaker, in doing research on this subject I came across some interesting facts and figures. The urge to migrate among wild creatures is a powerful and complex instinct. It moves great herds of elephants, buffalo, and deer thousands of miles to better feeding grounds or away from drought. It causes the tiny Arctic tern to fly 10,000 miles twice a year from the high Arctic to the southern Antarctic. Migration affects fish and even certain species of reptiles and amphibians. Strange exotic animals like bats and eels move north and south with the changing seasons.

Mr. Speaker, the migration of North American waterfowl brings an estimated 23 million birds into Saskatchewan every spring. Much of our province is the last stop for many

ducks and geese on the Mississippi and central flyways. The lakes and sloughs and potholes of Saskatchewan are the summer home of some 6 million mallard ducks and another 14 million ducks of other species. Mr. Speaker, 1.5 million snow geese, 175,000 Canada geese, 75,000 Ross geese and 150,000 whitefronts spend the summer in Saskatchewan. And finally, Mr. Speaker, the Department of Tourism and Renewable Resources estimates that some 200,000 sand hill cranes visit our province during the warm months.

No one I know of has even estimated with any accuracy the amount of food 23 million ducks and geese eat during their stay here but it would certainly be measured in thousands of bushels. Their consumption of food would go up in the fall of the year as the young birds reach maturity and the flocks gather together on larger lakes in preparation to fly south.

Mr. Speaker, when we talk about food where prairie waterfowl are concerned, we are talking about grain that is swathed and lying in the field. In several recent years the losses suffered by Saskatchewan farmers have been in the neighborhood of \$5 million annually. In an extremely bad year losses may run as high as \$10 million. In 1978, Mr. Speaker, which was an extremely bad year for crop damage by migratory birds, nearly 1,900 Saskatchewan farmers submitted claims that totalled about \$1.8 million. As we all know, Mr. Speaker, that is only the tip of the iceberg. The Department of Tourism and Renewable Resources estimates that as many as 8,000 farmers in this province are affected by migratory bird damage every year.

Approximately one-half of the damage migratory birds do on the prairies is done in Saskatchewan. And as swathing has become more popular year by year, and more land is cleared to be farmed, waterfowl damage to crops will only increase. Mr. Speaker, in a number of recent years we have seen the harvest delayed by wet weather. Farmers have been forced to leave their swathed crops sitting in the field sometimes for weeks on end. A delay in combining provides maximum advantage of the opportunity. Twice a day — morning and evening — the ducks and geese leave the water to feed. Flocks, which can often contain as many as 1,000 birds, descend on fields and clean up patches of the acre or more with each visit. The losses to farmers, as I have already pointed out, are considerable.

Mr. Speaker, crop depredation by migratory waterfowl has been a problem for farmers since the prairies were being homesteaded, but the problem has grown steadily worse. In the early 1950s damage was particularly bad. The Government of Saskatchewan set up the wildlife crop insurance fund in 1953 in an effort to extend a measure of protection. In 1968-69 crop depredation became so severe that wildlife insurance funds became depleted. For the next two years the fund was subsidized by the provincial government from general revenue.

That was an extremely poor arrangement, Mr. Speaker. For one thing it did not involve the federal government, and it is the federal government which has the legal responsibility for migratory birds. Ottawa's responsibility was first established in 1916 with the Migratory Bird Convention Act. The federal government collects a sizeable licence fee from hunters wishing to hunt waterfowl, and it maintains the right to arbitrarily set bag limits. The birds belong not to the prairie farmers, and not to the provincial governments, but to the federal government, and it is the federal government which should be responsible for the destruction the birds cause.

Finally, in 1972 the federal government involved itself in the problem. Ottawa provided \$1 million annually to alleviate waterfowl crop depredation. Saskatchewan put up \$500 thousand each year. That arrangement was agreed to for a five year period. That agreement ran out in March of 1978, and after considerable negotiation a new arrangement was arrived at. The federal government was to provide \$2.8 million and Saskatchewan \$1,115,000. This 1978 agreement replaced the old wildlife insurance program with a compensation program under which Saskatchewan farmers could recover up to \$50 per acre in damages due to waterfowl.

This was an improvement, Mr. Speaker, but perhaps the program was not flexible enough because 1978 turned out to be an extremely bad year for migratory bird damage, and there were insufficient funds to properly cover the claims. The result was that prevention efforts such as lure crops had to be sacrificed somewhat to pay for even a portion of the total compensation claims. Farmers who had legitimate waterfowl crop damage found that they were compensated only \$68 for every \$100 of claimed damage. Insurance ceilings of \$50 an acre and a maximum total claim of \$2,500 were very inadequate when damage to some farms was estimated to be as high as \$20,000.

Just prior to the 1979 federal election, the Trudeau government announced a new five-year program without the agreement of the provinces. The new program was to increase funding for the prairie provinces to \$3 million annually. Negotiations between Ottawa and the provinces continued through the change of government after the May 22 election. Several aspects of the federal new scheme were unacceptable to the provinces. Finally Saskatchewan was forced to conclude a tentative agreement with Ottawa which simply extended the 1978 programs for one year. The federal government tentatively agreed to the one-year extension, but with Ottawa's contribution limited to \$2 million for all of western Canada.

The Blakeney government budgeted \$1.15 million as the provincial share. So as you can see, Mr. Speaker, the province of Saskatchewan has been assuming a greater and greater share of the burden of crop depredation and the federal government less and less of a share.

1979 proved to be a relatively light year for migratory waterfowl damage to crops in western Canada. In Saskatchewan 930 claims for compensation cost about \$1 million. Prevention costs, such as lure crops, totalled about \$300,000. It is just as well the damage was light, Mr. Speaker, because the Conservative government of Joe Clark proved to be even less willing than the previous Liberal government to assume its responsibility in this situation.

It should be pointed out, Mr. Speaker, to the Conservatives here in this House that the Conservative federal government did not sign the 1979 agreement until late January 1980, at which point moneys were immediately released to cover outstanding claims.

Just while we are on that point, Mr. Speaker, I would like to refer members to the debate which took place last year on a resolution very similar to this one we are debating now.

On March 20, 1979 the motion was moved by my colleague, the member for Melville, and seconded by the member for Redberry. Then the member for Wilkie entered the debate. As usual he had a lot to say, but very little of it was relevant. I am sorry he is not in the House at this time to hear the comments I have to make. Perhaps he would have a rebuttal.

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I would like to read a brief excerpt from the speech made on March 20, 1979 by the member for Wilkie. The member said on page 842 of Hansard:

Now, Mr. Speaker, I think it is very evident that the people of Saskatchewan are fed up with the present federal Liberal government and the two dictators we have running the federal Liberal government, those two dictators being Mr. Trudeau and Mr. Lang. Every time these two individuals turn around, something happens to our wonderful Canada and it's not good.

I want to make it clear, Mr. Speaker, the reference in the last sentence to two individuals causing harm to Canada involves Mr. Trudeau and Mr. Lang, not the two Conservative MLAs who were twice elected as Tories here in the province of Saskatchewan who are now advocating the break-up of our nation.

At any rate, Mr. Speaker, while the member for Wilkie was engaged in his tirade against the prime minister and the minister of transport, an hon. member is recorded in Hansard as saying:

Think Joe Clark would be better?

To that the member for Wilkie said:

Just hang tough guys. Whenever Mr. Trudeau calls a federal election, I'm very confident that the people will pull the rug out from underneath him and the rest of the Liberal party.

At that some hon. members said 'Hear, hear!' That was before they had seen the Clark government, Mr. Speaker.

The member for Wilkie went on to say:

With Joe Clark as our prime minister we will get back to a government that will listen to the people and not dictate to them.

Now, Mr. Speaker, I ask you, why is it, if we were to have a federal government that would listen to people and not dictate to them that we could not reach an agreement on crop depredation.

Why did the Clark government refuse to sign the agreement for 1979 until late January 1980? Why did the Conservative government in Ottawa steadfastly refuse to assume its full responsibility in the area of migratory bird crop depredation? The answer is clear, Mr. Speaker. The two old line party governments in Ottawa are one and same when it comes to dealing with bread and butter issues affecting the farmers of Saskatchewan.

There is no question the Trudeau Liberals and Clark Conservatives have turned a deaf ear to the farmers of western Canada. They have seriously neglected to assume their responsibility in paying their share into an adequate and more permanent crop depredation program. The Conservative members opposite, Mr. Speaker, are of the influence, nor of any help. All they have provided is lip service which ends up in empty promises, and then they suggest the province of Saskatchewan should assume Ottawa's financial load, be it the costs of this program, the costs of high interest rates or the high transportation costs.

The NDP Government of Saskatchewan over the years has carried more than its share of responsibility in providing relief to farmers for migratory birds crop losses. It's time the federal government in Ottawa woke up to the fact and realized that its responsibility for migratory birds was established way back in 1916 under the Migratory Bird Convention Act.

The act is clear. The responsibility is that of not only collecting hunting license fees, protecting the birds and regulating bag limits. It is as well that of compensating farmers for feeding the birds with their valuable crops. The point is clear as to what the issue is and where the responsibility lies. I urge every member in the House to give support to my motion.

SOME HON. MEMBERS: — Hear, hear!

MR. D.G. TAYLOR (Indian Head-Wolseley): — Well, Mr. Speaker, I have been sitting here tonight and it puts me in mind of some of the days when we used to have to observe classes. I just wonder what happened tonight. Just a few minutes ago we heard what I call a boring political philosophy class dealing with Mackenzie King and more recently, in all due respect to the ex-minister who is a man I admire and like. I really thought I was in a Grade 7 science class for a while there when we got into the habits of the Arctic tern and the various types of ducks and geese that are here. I just wondered what the purpose of this was. Then a little later we had a very poorly worded motion which my colleague brought up. I won't delve into that anymore. But I just wondered what the purpose of your speech was. Was it something about ducks? I think on the types of ducks you fellows on that side know more about that. When we talk about popular swans I am sure we on this side of the House could vouch for that.

Then we got on to the motion, and I'm glad the member did read the motion. I'd like to read it again because it seems to be a perennial one. He pointed out the date; that was on Tuesday, March 20, 1979 so we are about a month late this year. But a motion was put forth and it said:

That this Assembly deplores the federal government's disregard of its obligation and responsibility to farmers of western Canada as shown by its refusal to share fully the cost of the 1978 migratory waterfowl depredation claims.

I think it was Mr. Banda and Mr. Kowalchuk who spoke last year. It seems we get the same thing time after time only this fellow added a little bit of elementary science. And I just wonder, what was the gist of the whole thing? Was it who feeds the ducks? Is that the problem? Or was it that Joe Clark was against ducks? You pointed out that our member for Wilkie would have a rebuttal. I am sure when he reads what you have to say in Hansard he will certainly have a rebuttal on those remarks. At this point I beg leave to adjourn the debate.

Debate adjourned.

RESOLUTION NO. 21 — UTILITIES PRICE REVIEW BOARD

MR. P. ROUSSEAU (Regina South) moved, seconded by the member for Indian Head Wolseley (Mr. D.G. Taylor):

That this Assembly recommends the establishment of a public utilities price

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review board with adequate powers to regulate Sask Power and Sask Tel in such a manner as to prevent both Crown corporations from over charging for basic requirements, thus reducing utility rates.

He said: Mr. Speaker, in rising to speak in favor of my motion calling for the establishment of a public utilities price review board, I do so because the consumers of Saskatchewan do not have a regulatory agency to protect them from sudden and needless price increases in utilities such as telephones, electricity and natural gas. Indeed, Mr. Speaker, it's my conviction that the present administration has been consistently using Crown corporations such as Sask Tel and Sask Power to tax Saskatchewan residents in a hidden manner by overcharging them for basic requirements. That, Mr. Speaker, is one key reason why Saskatchewan needs a public utilities price review board.

In recommending the creation of a public utilities price review board, I am confident it would be a positive step for Saskatchewan. Such an agency would probably have a greater direct effect on people than any other provincial government agency. Its actions could determine, for example, what natural gas for cooking or heating your house would cost each month. It would cut the rates for electricity. It would govern telephone rates. Buses and other methods of public transportation would be regulated by the public utilities price review board.

The responsibilities of this board would be to be an independent agency serving as a watchdog for the taxpayers of Saskatchewan. Public utility boards are not a new concept, Mr. Speaker. Seven provinces in Canada and all 50 states in the United States have public utility boards. They were established to protect consumers from powerful companies.

Mr. Speaker, I would urge this Assembly to pass my motion because the consumers of Saskatchewan need to be protected from the profiteering of bodies such as Sask Tel and Sask Power. What the people of Saskatchewan pay for utility services should be governed by a public utilities price review board.

While I believe in the concept that public utilities should be allowed to earn a reasonable return on their investments devoted to the public use, it is also imperative that rates and fares on utilities be held at the lowest levels which will allow utilities to earn just as reasonable returns on their investment.

Mr. Speaker, it should be that when any utility applies for a rate increase, a public hearing should be held. These hearings should be well advertised and public under the auspices of the public utilities price review board. It should be, Mr. Speaker, when a utility seeks a price increase, they must publicly state their reasons why. Company officials should have to explain why a rate increase is necessary. A public utilities price review board would make the final decision, not the government . . . (inaudible interjection) . . . Indeed. Of course. Certainly.

Indeed, Mr. Speaker, the public utilities price review board could be empowered to review the earnings of all public utilities to see they are at a reasonable level.

In conclusion, Mr. Speaker, the people of Saskatchewan would greatly benefit by such a positive move. I urge all members of this Assembly to support my motion. I said 'in conclusion' but that is not in conclusion, Mr. Speaker. I want to say a few more words

on it.

The member opposite just asked a minute ago if that should apply to private corporations. Of course, it should. However, I don't know what private corporations he's referring to. We don't have any such things in Saskatchewan . . . (inaudible interjection) . . . Sorry? Is that a public utility? Well, that's what we're talking about. I'm talking about public utilities. Since when is General Motors a public utility? We said public utilities. We're referring to 50 states in the United States which have such a board and seven other provinces in Canada which have this board. They found it necessary. They deemed it to be necessary to have such a board.

Let me read a recent article which appeared in the Winnipeg newspaper recently.

The Greater Winnipeg Gas Company will ask the public utilities board April 30 for a 2.4 per cent increase in its rates, company spokesman, Ian Sutherland, said Monday. The increase, if approved, would mean the annual gas bill for the average residential customer would go up \$10.

. . . (inaudible interjection) . . . Oh, I wonder where that member has been for the last 12 months. The member says still more than here, when we talk about a 15.5 per cent increase we've experienced in this province in the last 12 months. I'll come back to that in a minute.

About \$3.2 million would be brought in by the company from the increase. The funds, he said would be spent on labor costs, projected increases in property taxes, increased cost of borrowing money, and an increased cost of gas to the company. The utilities board which controls the gas company's rate of return on its product disallowed a request for a rate hike in February. The company wanted the rate increase to cover employee wages and benefits.

There is something I want to quote here from the United States Public Utilities Commission, State of California. I will just quote from this article, Mr. Speaker:

Many Californians, perhaps you are one of them, know that the state has a public utilities commission but don't have a very clear idea of what it does. This is unfortunate because the California Public Utilities Commission may well have greater direct effect on your life than any other state agency. If you plan to make a move to some other place in California, the moving company that takes your furniture will charge you on the basis of what the PUC allows. If you phone a friend in San Diego, the charges are set by the PUC. If you take a bus or commuter train within the state, the fare is set by the public utilities commission. Altogether the commission regulates about \$16 billion in state commerce. No small responsibility.

And they go on to quote further:

Today the public utilities commission regulates the service and rates of more than 1,500 privately owned prime utilities and transportation companies serving over 22 million Californians. These include gas, electric, telephone, radio-telephone, water, steam heat utilities and sewer companies. Railroads, airlines, buses, trucks, vessels transporting freight or passengers and so on.

And it goes on to quote further.

It is the duty of the commission to see to it that the public gets adequate service at rates that are fair and reasonable both to customer and to utilities.

That is the American public utilities review board which is applicable to 50 states and seven provinces of Canada have the same thing. Let me get back to the natural gas rates in this province. Just slightly over a year ago we were promised in this Assembly (which to me amounts to a guarantee to the people of this province) in the budget that the rates of natural gas would not increase more than 7.5 per cent for that coming year. What did they go up? More than double that amount. More than double, and who was to stop them? Who was to stop Sask Power from doing that to the people of this province? Nobody, nobody there to stop it, to prevent that kind of gouging of the taxpayers of this province, of the ratepayers of our public utilities. When we talk about 6 per cent increase in telephone rates, 8 per cent increases in electricity, in this province in the last year, who is to stop Sask Tel and Sask Power from incurring these increases and imposing them on the people of this province. Nobody. You know, it always happens a year following an election. It never happens the year before an election, never. But you make up for it when you follow the election. You can smile and you can laugh, but it's not a laughing matter to the people of this province who are paying; it is nothing but a hidden tax.

I know the members on the opposite side are not going to support this motion, they will probably adjourn debate on it which is the same thing as not supporting it. Do you know why you can't support the motion? Do you know why you won't support the motion? Because if you were regulated in your Crown corporations from the profits and the gouging of the people, you would have to directly tax them to get the revenue needed to balance the budget. That is why you can't support this motion, and that is why you will either not support it or you will adjourn debate on it and that is not a responsible attitude to the people of this province. The government is using the Crown corporations to tax and tax and tax and tax.

Mr. Speaker, to speak on this and to convince the members opposite would be futile and I could probably carry on a lot longer because it is a subject that is very important. It's a situation that exists in this province today that has to be corrected. I will tell this government that the members opposite them, as a Progressive Conservative government, would immediately institute a public utilities price review board.

So therefore, Mr. Speaker, I move Resolution No. 21.

MR. D.G. TAYLOR (Indian Head-Wolseley): — Mr. Speaker, there are just a few points I want to bring forward on this motion with which I agree whole-heartedly. I think the government opposite should be taking a look at what they are doing with the utilities, especially the natural gas, the power and the telephones. It seems to me when you first wanted to establish these as Crown corporations, the idea was that they would be of service to the public and that they would operate close to a break-even point. Now we see there are tremendous profits coming in from these — \$30 million on Sask Tel and \$40 million on Sask Power.

I wonder, really, have you lost sight of your original purpose? You laugh about that but I can tell you fellows very sincerely that out there with the voters of Saskatchewan — Mr. Member for Cut Knife-Lloydminster, this is not a laughing matter because one thing

here is that this touches every person. Here is a form of your regressive taxation. No consideration whatsoever as to the ability to pay. You can be a senior citizen on a fixed income. You can be the richest man in the province of Saskatchewan. You can be a farmer we hear of who's going broke. In these things you keep upping the rates continually without any consideration of the person's ability to pay.

You won't let us have a freeze. I asked the minister the other day right in this House, will you follow the lead of Manitoba and freeze the power rates for five years? No, he wouldn't freeze the power rates for five years. We hear of rinks, and you know in your constituency and throughout this province there are rinks that are having trouble meeting the costs of Saskatchewan Power Corporation. We asked him, will you take out the demand meters, will you do something to help them? No, he said, we won't do anything.

My colleague here has brought forth a motion of a public review board, a public review board such as seven provinces in this country have and 50 states. And you fellows think there's no need for that. I wonder how you get the concept that everybody else in this country is out of step, but the NDP government in Saskatchewan is stepping to, I wonder, what drummer. We've looked at the television cameras. Oh no, we don't need them in here. The other provinces had them, the federal government has them, but no, not here, not in Saskatchewan, there's no need.

Now we see the other provinces and the States have public utility review boards. No way do we bring one in. We don't need it. Just continue to gouge the people of Saskatchewan. What I told you earlier, you can laugh about; you can think it's funny, but I tell you with many of the people, and you know it as well as I do, this is a very serious situation. It's not a popular move because what do you do with your money? What do you do with your money? You build more socialist shrines to past heroes of your party, and I said to the Minister of Tourism and Renewable Resources, this hotel which I suspect he is building somewhere — would the name of it be the Woodrow Lloyd Hotel? That's probably the next shrine which you are going to build with the taxpayers' money in this province.

You talk about your balanced budget. You won't bring in a prices review board . . . (inaudible interjection) . . . That's absolutely right. You balance your budget in Saskatchewan over the backs of the old ladies, your mothers and the people on fixed incomes, and you sit and laugh about this. You won't let the people have a review and I say, shame on you. I think you brought forth one of the best motions I've heard in this House and I support it whole-heartedly.

SOME HON. MEMBERS: — Hear, hear!

MR. L.E. JOHNSON (Turtleford): — Mr. Speaker, I listened with some interest to the proposal that was being put forward by the members opposite regarding a public utility board and I find from their statements (if they stop and think about them and look at them) they are in effect stating to this House that the free enterprise system does not operate very well. I would like to explain to them exactly how this comes about. In the United States, as they indicated, there are in the 50 states these boards. And what do these boards do? They regulate private industry that is there to make a profit based on the value of the corporation and a return to the shareholders. So you will find hearings being set up where you have accountants paid by the public purse arguing with accountants paid by the corporation, and in the end result the people of the state or province pay for both of them. In that way what is happening is the members opposite

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are suggesting to this Assembly that you develop a system in the province of Saskatchewan which is as inefficient as the one running in the United States.

Mr. Speaker, the members opposite, I believe, if my information is correct, are presenting some of the items to this Assembly which have been used prior in either the late '50s or the early '60s. I would like to take a look at Hansard to see whether it's the identical argument that the Liberals used at that time which they are presenting now or whether they have varied the arguments a little bit. It's at that time, Mr. Speaker, that I think there was a proposal being put forward for a public utilities review board, if my information is correct. One should also recognize that the Saskatchewan Power Corporation at one time was the power commission and after it acquired the Moose Jaw electrical system some time in the late '50s or early '60s the commission was found to be expensive and redundant and was dropped so that they could have the corporation which was run with some efficiency. Now if the members opposite would like to give some consideration to the fact that the Saskatchewan Power Corporation is probably worth, in today's terms, something in excess of \$5 billion and even an economical return of that investment of 4 per cent or 3 per cent would generate far more return to the province of Saskatchewan than any of the profits which have now been transferred to the province of Saskatchewan.

I should also like to point out, Mr. Speaker, that if you take a look at the record of the Saskatchewan Power Corporation, if that organization was totally owned and there were no borrowings involved in it, the amount of money that would be saved in paying out the interest would have covered over half of the increased capital costs for the year 1979.

The members opposite, Mr. Speaker, haven't put together any particular thoughts, economic thoughts, in presenting this commission at this particular time. I would like to now adjourn this motion so that I can look at some of the Hansard records to know what took place.

SOME HON. MEMBERS: — Hear, hear!

Debate adjourned.

RESOLUTION NO. 23 — E&H TAX ON CHILDREN'S CLOTHES

MR. D.G. TAYLOR (Indian Head-Wolseley) moved, seconded by the member for Regina South (Mr. Rousseau):

That this Assembly condemn the Government of Saskatchewan's failure to remove the education and health tax on all children's (14 and under) clothes and school supplies, thereby improving Saskatchewan's per capita income, which remains below the national average.

He said: Mr. Speaker, if everyone's finished with their comments, I'd like to get on with this motion. We noticed in the House the other day that the Minister of Revenue brought down an amendment to the E&H tax in Saskatchewan. I would say once again that ministers in the government opposite have completely failed to take into account a sector of the population of Saskatchewan that certainly needs some consideration with regard to the burden of E&H tax.

If we look at the other provinces in western Canada, we will see that much greater and

fairer treatment is given to these people who have young families. Many of these people we know have mortgages at this time. We know they have very high interest rates that may be coming up for renegotiation and that could add a considerable expenditure to their personal budget. We know these people in many cases have loans on automobiles. Some of them may be starting farming and have a large debt to pay there. And at this point in time, as we know, they're having to finance for their spring operating costs. Come next year, come fall, we don't know how good the crop is going to be. We know they are going to be faced with these costs, the interest rates that they're going to have to pay. And then they are going to have to start equipping their children for the school year again.

I would think that if this government were really interested in doing what it has said to the people of Saskatchewan, (one of the slogans it has said for many years is putting people ahead of profits) they would have certainly given some consideration when they were amending the E&H tax to give special consideration to these people.

I would like, for the record, to show some of the situations on the E&H tax as it affects the parents of young families in western Canada. I'll take the item of children's clothing. In Manitoba, it's totally exempt. In Saskatchewan, it's taxed at 5 per cent. In Alberta, we know there is no E&H tax. In B.C., it's exempt.

We look at babies' needs, all the things you would need for a young baby. We on this side of the House stand for babies. I like to see the growth of families, and I certainly am opposed to the abortion your party supports. Therefore, we look at these . . . (inaudible interjection) . . . No, you can laugh about babies. You can laugh about taxing people. Laugh now boys, because sometime you're going to pay for a few of your jokes. But again, we'll look at where the exemptions are. In Manitoba, those things are exempt from E&H tax. No, not in Saskatchewan: they're taxed. Alberta, of course, no tax. In B.C., they're exempt.

School supplies for students, exercise books and so on, school bags: in Manitoba, they're exempt; taxed in Saskatchewan; exempt in Alberta; and exempt in B.C. Those are just a few of the things which show the consideration given in other provinces to the needs of young families, to people who are in a financial pinch.

As I've said before, it shows me where your priorities are. In Saskatchewan, if you want to feed your dog, your cat or your canary, those items will be exempt from E&H tax but the tax is charged in other provinces. Still the necessities for raising a baby will be taxed. I say to you fellows across the way, where are your priorities? Are they with the kids, or are they with the pets? I remember last year, looking at many of you over there giving speeches, standing up in here and going on and on. I remember the fellow reading the book over there, the Minister of Culture and Youth. He was the Minister of Education at that time, and he spoke and gave praise to the International Year of the Child, as did all of you on that side of the House. You mentioned what we should do for children. But when you come around to revising your taxes, do you help children? No, in no way do you help children.

I'd like to just show you in a little more detail some of the things the province of Manitoba does to help out families. These are the things in books; books which are printed and bound with permanent bindings; loose-leaf sheets or pages which are printed and punched for insertion in a ring and post binder, and are published solely for educational, technical, cultural or literary purposes and contain no advertising; plain and lined exercise books and scribblers; graph paper; punched loose-leaf refills; scrap

books; coloring books; and drawing books which are permanently bound in ring binders; all the things a child needs to be educated. I hear the Minister of Education talking about all the programs, talking about what we're going to do for native students (and I hope you do), talking about all the benefits you're giving to school units, and still this same government turns around and taxes the kids on the books they need to acquire the knowledge, to learn about the ducks the minister was telling us about earlier tonight.

AN HON. MEMBER: — They exempt Playboy magazine though.

MR. TAYLOR: — Sure. Playboy magazine, any of those things. You can go right down and buy them without any tax. Again, where are the priorities? Are they with the dogs and the cats and the lewd magazines, or are they with the kids? You've had an opportunity right in this House to change that by legislation, but you decided no.

Now then, we'll look at children's clothes. Here are the things they discuss in Manitoba which are exempt: children's dresses, suits, coats, blouses, sweaters, undershirts, pajamas, combinations, snowsuits, overalls and such other children's garments as fit the upper or the whole body, up to and including girls' commercial size 14X and boys' commercial size 18, and then children's trousers, slacks and jeans, boys' dress and sport shirts, children's hats and caps and bonnets, gloves and mittens; anything you need to outfit a child in Manitoba you can get tax free. But would you give the people of Saskatchewan that break? No, no. You'd rather give somebody's pet poodle a break. Give him tax-free dog chow. Tax the children! Children's footwear, all types of footwear in Manitoba is tax free. Would you get that break from this government? The government that puts people ahead of profits but forgets kids? No way.

We want to hear about the school boards. I turn to B.C. and point out some of the things that B.C. will do for the people. As you noticed, I passed over Alberta, because they don't charge any of this E&H tax. You don't like to keep that in mind but they don't. But I hear again, and I go back to schools, where you're doing so much to help the schools. I think it's 9 per cent per pupil. When I look at the papers I can see the mill rate in almost every Saskatchewan school district has gone up and gone up drastically.

You want to know part of the reason? It's because here in Saskatchewan you have to pay tax if you are in the school on any of the supplies you want to have to operate that school. But not the province of British Columbia; it puts forth such things as this: chalk, maps, charts, diagrams, visual aids, supplies and materials consumed in home economics courses, supplies and materials consumed in woodworking, metalworking, or in industrial arts courses, also chemicals consumed in science courses, supplies and materials consumed in art courses, supplies and materials consumed in commercial and business courses, supplies and materials consumed in vocational training courses.

They go further. They just don't exempt the books the students need themselves. They help their school systems. They don't charge tax on all of those things that I know from working in a school are a considerable part of a school's budget. It would be a move that would be applauded by the ratepayers and the taxpayers of the province of Saskatchewan. But does this government take this into consideration when they amend the E&H tax? No way.

They come out with an educational grant, and you can look in any newspaper and you will see the mill rate has gone up. When you're looking at an act, I ask you and challenge

you on the other side, one of you, to stand up to tell me why you ignore the children of Saskatchewan. Why do you tax these things when the other provinces don't? Did you know? If you didn't know until now, why don't you take into consideration exempting the school supplies?

You say you have a high priority in education and on children. I tell you, stand up and amend that act. Show to me and the people of Saskatchewan that you do have that priority. Just don't sit there and say, oh yes, we're all for education and we're for children, and then you come out and exempt the pet food but not the kid's supplies and you don't give this help that I pointed out that you could.

You've got this bill on the floor of this Assembly. It isn't through third reading yet. You could make these changes if you really and truly in your hearts believe what you try to tell the taxpayers of Saskatchewan. I've talked on this before. I'd like now to move the motion.

MR. P. ROUSSEAU (Regina South): — Mr. Speaker, I am indeed very pleased to second the motion by my colleague, the member for Indian Head-Wolseley.

He mentioned there is a bill today before the House on the amendment to The Education and Health Tax Act. I would like to say that although we certainly welcome the amendment that's on the order paper in this Assembly, we certainly condemn the government for not having included those items the member for Indian Head-Wolseley has suggested in his motion.

For the government to tax school supplies and children's clothing to me is like robbing the piggy banks of this province. It's a crying shame that you have to go after the kids. You know I heard a sneer now and I heard a sneer a while ago when the member for Indian Head-Wolseley mentioned the government favored abortion. Well, let me tell you that I agree with him, that you do. The Minister of Health is shocked when I mention that. The fact of the matter is when you turn around and give grants to agencies that support abortion, then I say you support abortion. You don't give those grants out to the Pro-Life group, who oppose abortion so . . . (inaudible interjection) . . . Speak for yourself, Mr. Minister, or talk . . . (inaudible interjection) . . .

I'll let them have their fun. I think I'll finish after. I say to the members opposite, Mr. Speaker, not only do I support the motion, not only do we on this side want to see the elimination of that tax, that silly unnecessary tax on the kids of this province, but the Progressive Conservative Party as a government would not only eliminate that tax but would immediately reduce the sales tax totally and eventually eliminate it altogether. That's our policy.

SOME HON. MEMBERS: — Hear, hear!

MR. ROUSSEAU: — Mr. Speaker, again you know there's . . . (inaudible interjection) . . . Again, Mr. Speaker, with this type of tax we have, we come to the problem of almost half of our province that is directly affected with such a tax. I refer to those clothing stores and stores that sell the school supplies on the west side of our province. I am told most of those merchants on that side of the province do not even stock children's clothing, do not even stock school supplies or the initial order in the fall, simply because the parent will go to Alberta and buy them. So here we are, we're suffering. You know that's a joke, it's a joke to the member for Cutknife. His own constituents are

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the ones who are suffering from it and you think it's funny. Well, I hope your constituents think it's funny. I hope your constituents will think it's as funny as you think it is.

MR. ROUSSEAU: — I would just like to finish my remarks, Mr. Speaker, with these comments. The motion also includes . . .

MR. SPEAKER: — Order. I know some members are serious about this and want to hear it, and I'm one of them. I would like to hear what the member for Regina South has to say.

MR. ROUSSEAU: — Thank you, Mr. Speaker. The last part of the motion reads 'thereby improving Saskatchewan's per capita income, which remains below the national average'. Mr. Speaker, the fact of the matter is that in 1977 the per capita income in Saskatchewan was \$6,829. The Canadian average was \$7,411. In 1978, the per capita in Saskatchewan was \$7,432 and the Canadian average was \$8,049. Again, still far below the national average.

Mr. Speaker, I think this is a great motion, and it is indeed with great pleasure that I second the motion.

SOME HON. MEMBERS: — Hear, hear!

MR. MOSTOWAY: — Well, Mr. Speaker, it's a pleasure for me to participate in this debate. I'll have a few choice words to say. Right now it looks like the hon. member there has more to say sitting on his fanny than when he's standing up. But it's a pleasure for me because I have advocated this sort of thing over the past number of years — the removal of the E&H tax on children's clothing. I realize there are certain snags involved, or there could be.

Now for example, I took the liberty of telephoning to British Columbia a little while ago and I asked one of the officials in their taxation department how it was working. I tell you what he told me, don't quote my name. I never did find out his name so I couldn't, but he says it's a bureaucratic nightmare. You know when he says 14 and under, I want to tell him that I met a group of Tories from Saskatchewan who happened to be visiting in B.C., and they were saying look at all the things that we have. We have all this children's clothing. We didn't have to pay any tax on it. I said to myself, yes, I'm sure you're all under 14. One fellow was a graduate chemical engineer. Another one had been farming for 35 years. Another one had been a homemaker for 25. But I accepted the fact that they were 14 and under, and that's the kind of a bureaucratic nightmare that they are running into in British Columbia. I would say that it would be far more reasonable that quite possibly this government in the future might consider removing the E&H tax on shoes or something like that. But at any rate, it doesn't concern me greatly right now because I know that the future of this province looks so good that eventually the tax will be removed.

SOME HON. MEMBERS: — Hear, hear!

MR. MOSTOWAY: — Well, I'll tell you why it can't be done right now. First of all I want to deviate. That hon. gentleman said something about abortion, the abortion party. Well, I tell you what, you struck a raw nerve with me. Don't point your fingers at me because I just might happen to point back when we're a little closer. I'll tell you one thing. I don't know if the hon. member is challenging me or not, but I tell you that you have no right to

call this the abortion party. But I can tell you one thing, where were you when Clark . . .

MR. SPEAKER: — Order. I thought there was something about abortion in this, and I have had a chance to check since the subject was first raised (and I realize the member was out of order when he was talking about that particular subject). The member for Saskatoon Centre, of course, doesn't have any opportunity to comment on comments which are out of order. I think there's nothing in this pertaining to abortion. Therefore the member should restrict his remarks to what's in the motion.

MR. MOSTOWAY: — I respect what you say. I just see a little bit of a connection there. I just don't want the hon. member, out of order (or in order), to refer to this as the abortion party. I wanted to ask him where he was when Clark was advocating easier access for abortions. You weren't around. Never heard anything from you birds there.

If you're saying because we have a tax on say, children's clothing or on school supplies — we only have them on a few school supplies. Most of the school supplies have no tax on them at all. If you want to remove the tax on children's clothing and we have a tax — you're saying clothing is not available to the boys and girls of our province. The logical conclusion I can draw is that if you don't have a tax on something, the public will be able to have freer access to it.

Now let me tell you, one thing. Are you trying to tell me that in Alberta, where there is less tax on liquor, the Government of Alberta has its priorities all haywire, that it puts liquor ahead of children. I happened to be in Alberta and I happened to be in Manitoba, both Conservative provinces, and you can" walk down the streets of Edmonton, Calgary or Winnipeg without seeing massage parlors all over the place. I never saw E&H tax there. I guess they've removed the E&H tax. Yes, they don't have any E&H tax . . . (inaudible interjection) . . . Well I tell you, they don't. Now, are you going to tell me the government of Manitoba and Alberta are promoting the kind of nonsense that occurs there? No, you wouldn't say that. Well, how come you use the dog food priority? It just doesn't make sense.

MR. LANE: — Mostoway calls for tax on massage parlors.

MR. P.P. MOSTOWAY (Saskatoon Centre): — Absolutely. In Alberta and Manitoba, yes. You don't have to tax any here because we don't have any in Saskatchewan. That's because a climate has been set in this province by Tommy Douglas and other premiers, and Premier Allan Blakeney. You don't have that kind of situation in Alberta or in Manitoba. What you're telling me really is . . . (inaudible interjection) . . .

MR. SPEAKER: — Order, order! We've just got a few more minutes to go. If members can curb their enthusiasm to get into this debate, perhaps we can squeeze them in some other day, another Tuesday. A while ago I had to caution the House so that I could hear a member speak. I'm in the same position again. I can't hear the member speak. If the members don't like what he's saying, I'm sure they can make notes and perhaps get into the debate next week.

MR. MOSTOWAY: — I will keep my remarks rather short and not pointed, so the hon. gentlemen opposite will not get too excited. Mr. Speaker, I respect your judgment. I have never questioned it like some individuals have.

I want to say, Mr. Speaker, that if they want a balanced budget, and if they want us to remove the 5 per cent tax . . . But if it means we'll have a situation like you have in

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Alberta where they don't have the sales tax, where a family will pay \$200 a year medicare premiums, then I'm not so sure I want to accept it right now. If they are saying we should remove the sales tax in Saskatchewan and have something like they have in Ontario where a family pays \$500 a year in premiums and then when the children are sick and come crawling into hospitals, they even slap a daily surcharge on them — that's not the kind of thing I want here. No, if you are saying we should remove the sales tax on children's clothing here and downgrade the best school system in Canada, then . . . the fellow seems puzzled when we say we have the best school system here.

All right, members opposite, you don't think the school system is very good here. Well, if that's the case, I know what you want to do, buster, you want to break the bank; that's what you really want to do. And I say if you want the sales tax removed, I know that you want the school dental plan removed. Yes, I know what you want, mothers and fathers taking their children to dentists and being charged fairly high prices. If that's what you want, no way, I don't want any part of that deal. If you want to remove the sales tax and if you want to charge outrageous prices for drugs or have kind of a wishy-washy plan like they have in Manitoba, no way do I want any part of that nonsense. If you want to remove that 5 per cent sales tax and get rid of the family income plan (the only plan of its kind in North America; the plan that helps low income people, one-parent families) if you don't care about them, no way do I want to touch your kind of motion, I'll tell you that. If you want to remove the 5 per cent sales tax, then get rid of the sales program whereby we help the handicapped, no way, I don't want any part of it. But I tell you what I do want a part of; I would like to be able to . . . beg leave to adjourn debate, Mr. Speaker.

Debate adjourned.

The Assembly adjourned at 9:56 p.m.