

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Second Session — Nineteenth Legislature

Tuesday, June 10, 1980.

EVENING SESSION

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Romanow (Attorney General) that Bill No. 77 – **An Act to amend The Queen's Bench Act** be now read a second time.

MR. R.L. ANDREW (Kindersley): — I would just like to indicate, Mr. Speaker, that Bill No. 77 and Bill No. 76, the bills pertaining to the district court, the provincial court and the unified family court, will receive the support in principle of the official opposition. Having spent some time over the last few weeks discussing the bills in some detail with members of both the legal profession and the judiciary, there is no concern about the acts themselves from the members I have talked to as they are unanimous in that it is a policy decision. They express some concerns about the administration, but those are not to be dealt with at this time. In my view, and in theirs, they are problems which can be rectified either by amendments to the rules or to any regulations which may be passed.

One may question the need, however, for unification of the courts, but again that is a policy decision. I would venture to predict that the unification of the courts, notwithstanding the assurances of the Attorney General, will not result in any savings for the taxpayers of Saskatchewan. The result of amalgamation in other jurisdictions has not resulted in any savings. But on the other side why in fact and practice do we need both a district court and a Court of Queen's Bench when the jurisdictions are virtually similar and the movement over the years has been to increase the jurisdiction of the district court so that in many cases it is carrying on exactly the same activities as the Court of Queen's Bench?

I would ask the Acting House Leader to ask the Attorney General to respond to one point that I raise – a technical point. I see confusion resulting from the legislation. Under the present practice there is a procedure whereby certain judicial activities may be dealt with by what is called the local master, the local master being a judge of the district court acting with, (in limited areas) Court of Queen's Bench jurisdiction. There was then an appeal from the local master to the Court of Queen's Bench. This was a procedure which saved a great deal of cost. It was an expeditious proceeding and one beneficial to the public and the practitioners. With the elimination of the local master it seems illogical (I might say, not because of activities in the session) to have an appeal from a Queen's Bench judge to the Court of Queen's Bench, and I'm not sure that was the intent of the legislation. I don't believe it was the intent to do away with a very expeditious procedure, so I asked the government members opposite if they would raise that with the Attorney General. Perhaps he has an explanation for the Assembly. But again, Mr. Speaker, we will be supporting in principle those bills, and I've dealt with them in my remarks, dealing with the amalgamation of the Court of Queen's Bench and the District Court of Saskatchewan.

HON. W.E. SMISHEK (Minister of Municipal Affairs (Urban)): — I don't know whether or not any one else is going to speak on this bill, but with regard to the questions the hon.

June 10, 1980

member raised, I want to assure him that I'll bring them to the attention of the Attorney General. When we're in committee perhaps he can respond to your concerns. With that, I think I'll move second reading on behalf of the hon. member.

Motion agreed to and bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Romanow (Attorney General) that Bill No. 76 – **An Act to repeal The District Court Act** be now read a second time.

Motion agreed to and bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Romanow (Attorney General) that Bill No. 79 – **An Act to amend The Provincial Court Act** be now read a second time.

Motion agreed to and bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Romanow (Attorney General) that Bill No. 126 – **An Act to amend The Unified Family Court Act** be now read a second time.

Motion agreed to and bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Romanow (Attorney General) that Bill No. 127 – **An Act to amend The Small Claims Enforcement Act** be now read a second time.

MR. LANE: — This bill, along with the other two for which I've asked standing motions, **The Defamation Act and The Queen's Bench Act** are legislation resulting from the defamation bill and I beg leave to adjourn debate. . . . (inaudible interjection) . . .

MR. SPEAKER: — Yes, the member has adjourned it before.

MR. R. KATZMAN (Rosthern): — As Mr. Lane said, these are subsequential; therefore I ask leave to adjourn debate.

Debate adjourned.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Shillington (Minister of Culture and Youth) that Bill No. 88 – **An Act to provide for the Preservation, Interpretation and Development of Certain Aspects of Heritage Property in Saskatchewan** be now read a second time.

MR. G.M. McLEOD (Meadow Lake): — Mr. Speaker, as I indicated before I adjourned debate on this, I wanted to have some time to study this bill and to look at heritage property legislation in some other jurisdictions, namely Ontario and Alberta which are, I believe, the other two jurisdictions in Canada that have similar legislation. I also indicated at the time that we, on this side of the House, are in agreement with the principle of the heritage property legislation and with the need to preserve heritage property.

From what I've been able to ascertain in looking through the other legislation, about

two-thirds of this comes from the legislation in place in the province of Ontario. In conversation with people in that jurisdiction regarding some of the clauses about which I had some reservations, they say they have very little problem with them. I have indicated to the minister privately, there are a couple of sections of the bill which I feel are not really justified. These are clauses which have appeared in this legislation and aren't in place in either of the two jurisdictions, Ontario or Alberta. Those are sections 30 and 51 of this bill, both dealing with the dereliction of designated heritage property. Section 30 deals with heritage property designated by the municipalities. Section 51 deals with heritage property designated by the province or the minister.

In both of those clauses, the thing that bothers me and my colleagues on this side is the fact that once the piece of property is designated in the public interest . . . If it is in the public interest to designate a particular piece of property or a house or whatever, then we feel it certainly should be in the public interest to pay for the upkeep or the maintenance of the property.

Having said that, certainly we do not believe that someone who owns the property should be able to profit from the expenditure of public funds in the maintenance or the upkeep of the property. So I have asked the minister privately if he would be willing to bring in some House amendments. I don't mind who brings in the amendments as long as this thing can be covered. I would be interested in the minister's response to this request.

Basically what I'm saying is that if it's in the public interest to preserve the property, then it certainly must be in the public interest to pay for the maintenance. If the owner subsequently sells the property and has permission to sell it, then the amount of public expenditure, which goes into it and into the maintenance of it, should be recoverable by the municipality in the case of section 30 or by the province in the case of section 51.

With those remarks I will indicate again that we're in favor of the bill in principle but we could get into . . . Well, we'll see. I would hope the minister will agree with it when he wraps up debate in the second reading.

HON. E.B. SHILLINGTON (Minister of Culture and Youth): — Mr. Speaker, those behind me are threatening me with hellfire and damnation if I go longer than a couple of minutes so I'll try to be very brief.

I want to say to the member for Meadow Lake that I have some sympathy for the position he has espoused and the problem he has raised. It is under consideration between me and my officials. We really haven't made a decision now. One of the things we want to check is the workability of the solution he has suggested. We want to see whether or not there may be some alternative which would work as well and perhaps leave the municipalities as much flexibility.

All I can say to the member at this point in time is that I have some sympathy for the problems he has raised. It was raised as well, I believe, in some of the newspapers, particularly the Saskatoon Star-Phoenix. It's something we want to cover if we can so it's under active consideration. We will be considering it and we'll have an opportunity to discuss it further when the matter comes before this House in committee of the whole.

Motion agreed to and bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. G.T. Snyder (Minister of Labour) that Bill No. 92 – **An Act to amend The Labour Standards Act** be now read a second time.

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

Yeas – 21

Pepper	Bowerman	Smishek
Romanow	Skoberg	Shillington
Mostoway	Banda	Kowalchuk
Rolfes	Cowley	Tchorzewski
Cody	Koskie	Matsalla
Prebble	Long	Johnson
Nelson	Thompson	Engel

Nays – 13

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Tchorzewski (Minister of Finance) that Bill No. 103 – **An Act to amend The Heritage Fund (Saskatchewan) Act, (No. 2)** be now read a second time.

MR. SPEAKER: — Order, order! If members wish to get into the debate all that it is necessary to do is say, Mr. Speaker, and I'll try to recognize them. I'm sorry, I didn't see the member for Regina South. I'll put myself in the hands of the House. The member for Regina South.

While I'm on my feet I'll just mention one other thing. When the members cross the Chamber, I wish they would show the usual deference to the Chair as they pass the mace. Members have been forgetting that and I think that, along with the question of members saying Mr. Speaker to get my attention, would be advisable.

MR. P. ROUSSEAU (Regina South): — I apologize, Mr. Speaker. I wasn't aware I had to say, Mr. Speaker. I was standing when the bill was called and I assumed you had seen me but I apologize.

MR. SPEAKER: — I'll take this opportunity to ask the member for Regina South to put himself in my position. There are members jumping up all over the Chamber and walking around. Now, if the member . . . (inaudible interjection) . . . Order, order! I say to the member for Regina South that all he needs to do if there are members jumping up around him (and I saw them walking across there) is to say, Mr. Speaker. I'm sorry. I apologize. I said I didn't see the member.

MR. ROUSSEAU: — Thank you, Mr. Speaker. Once again, I apologize and I'll leave it at that.

Speaking on this bill, I would have to . . . I think I will wait until there is a little bit of semblance of order.

The bill before the House now is certainly different than the original amendment to The Heritage Fund Act presented earlier in the session. This bill is certainly one that will bear criticism and scrutiny in committee of the whole. I intend to do that. I note from the bill it amends the heritage fund structure to create a resources division, an energy security division and an environmental protection division, which is all very well because that was all part of the direction in which the government was taking the heritage fund.

However, there is one area I would just like to take two minutes to dwell on, that that is the Crown corporations area of this heritage fund. As I understand the bill now (and I stand to be corrected; I probably will hear from the Minister of Finance in due course on this) the Crown corporations are now allowed to receive heritage fund dollars. Well, if that is correct, then I must totally disagree with the concept of the Crown corporations receiving heritage fund dollars. The heritage fund was not originally established to enable or to assist Crown corporations. This sudden shift in direction on that is something I can't understand.

Now the Minister of Finance is shaking his head. I hope that I misread or misunderstood or misinterpreted the bill, but as I see it (and that is what I am going to speak on at this point in time) the heritage fund now can direct funds and dollars into Crown corporations. For example, if we consider Crown corporations like SEDCO (Saskatchewan Economic Development Corporation) — it is my favorite one I usually like to talk about — but there are 23 of them, forest products, mineral resources, and so on . . . When does the government ever expect to receive or to build up a heritage fund for the citizens of this province? There isn't a Crown corporation in Saskatchewan today that is really carrying its weight, not one of them.

You know, all one has to do is look at the very latest report or brochure or propaganda or whatever terminology you want to put to it, of the NDP government, that is Saskatchewan Into The Eighties, to confirm what I have just said. Very simply, for those who may not understand (and I doubt very much the Minister of Finance even understands it at this point) we have Crown corporations, according to the government that have net assets of \$3.5 billion. Now if we consider these 23 or 24 — I'm not even too sure the government knows how many Crown corporations they have any more — is it 24? My seatmate says 24. It could be 25, but no matter. When we consider that these Crown corporations of the government have \$3.5 billion in book value (book assets) but as admitted by a couple of cabinet ministers, the true assets of these Crown corporations are probably closer to \$10 billion . . . (inaudible interjection) . . . Oh, no; what is bad about it is if you have \$8 billion to \$10 billion (and as I say this is admitted by a couple of cabinet ministers on your side) as the value and the worth of those Crown corporations and you are only receiving \$27 million into the consolidated fund as a dividend from these Crown corporations.

When you look at \$10 billion of assets returning to the citizens of this province a mere \$27 million in dividends, no wonder the government is saying, we have to direct the funds of the heritage fund into Crown corporations in order to help them out. That is a

very simple analysis of why this bill is here. Because . . . (inaudible interjection) . . . Oh, I do not forget about the services, no. You know, if you took the \$10 billion and had a proper return on it, Mr. Member for Saskatoon Centre, let me tell you what would happen. If you were getting the proper return on your \$10 billion in your Crown corporations, there isn't a citizen in this province who would ever again have to pay one penny of income tax. Did you know that? But you're not aware of that. So the mismanagement of your Crown corporations has forced you to say, well, from the heritage fund we'll direct more funds into the Crown corporations to assist them. A \$27 million return on assets of that value is absolutely ludicrous even if you consider that as a return on what you say, (and what your report says) are the net assets of your Crown corporation, namely \$3.5 billion. Now, we all know that is a book value and we all know the value of those 24 Crown corporations far exceeds that amount of money.

So that is the main thrust of my criticism in respect to the amendment to The Heritage Fund Act, Mr. Speaker. I certainly, because of all of the changes within the bill itself and the different changes in the clauses of that bill, will be scrutinizing and criticising and asking various questions as that comes up in committee of the whole. But because of the direction in which they have amended this act we, on this side of the Assembly, certainly will not be able to support this amendment.

HON. E.L. TCHORZEWSKI (Minister of Finance): — Mr. Speaker, just a few brief comments, and certainly I will be most happy to reply to any questions that the member for Regina South has when we consider this bill in committee.

I guess, Mr. Speaker, the difference that we are seeing here this evening is the question of, do we, as a government, believe in the approach of Crown corporations in providing services and developing our province in a mixed economy, or does the opposition Conservative Party believe that should not be the case? And I think that the member for Regina South has made it very clear in his comments that (well, I'll be pretty precise) heritage fund money should not be used to invest in Crown corporations. Well, that's not new in the amendment and I want to explain what the amendments say. The amendments to The Heritage Fund Act do not change that. That opportunity existed under the act when it was originally introduced in this House, so there is no change in that aspect of it at all.

We believe, Mr. Speaker, and we believed when we brought in the legislation that it was wise to use heritage fund money to invest, for example, in the Potash Corporation of Saskatchewan. It has done a lot of good. It has provided for expansion of the potash industry in this province. It has provided jobs that otherwise would not have been provided. It has provided us as a government an opportunity to regulate the development of the potash resource so that it best provides the maximum return to the people of Saskatchewan. And in 1979, as has been indicated many times in this House, that potash corporation returned a net profit of \$78 million. Now that to me, on an investment of \$400 million, is a pretty good investment.

You can't have it both ways. You can't say on one hand that the Crown corporations shouldn't pay dividends as was the criticism here with regard to the Saskatchewan Power Corporation, and in the Crown corporations committee, then stand up in this House several weeks later and say, Crown corporations aren't making enough money on the investments and on the assets that they have. Those are two contradictory positions and I think what the opposition needs to do is decide which of those positions they are going to fall on. Now I know that when we get into committee we'll dwell on that probably at some length, and so I shall not pursue it any longer. I have explained what

this amendment to The Saskatchewan Heritage Fund Act does. It is an amendment that brings in provisions announced in the budget some time ago on March 13, and with those remarks in closing I am pleased to move second reading of this act.

Motion agreed to and bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Tchorzewski (Minister of Finance) that Bill No. 104 – **An Act to amend The Income Tax Act, (No. 2)** be now read a second time.

MR. ROUSSEAU: — Thank you. As I can understand The Income Tax Act amendment, it really is a housekeeping bill more than anything else. However, there is one section I hope the minister will clarify for me. As I understand it, again we are talking about a bill that creates retroactivity. I think the time has come for the government opposite, once and for all when they introduce legislation in this Assembly, to know what they are introducing, to make up their minds that the legislation they are introducing and want passed isn't going to be changed two, three, or four years down the road and made retroactive. There is a retroactivity in this particular bill and anything to do with legislation that has retroactivity in it, absolutely abhors my way of thinking and I cannot agree with that concept. Other than that particular section, I see nothing in it, it being of a housekeeping nature and changes as indicated within the budget. Mr. Speaker, that is all I have to say on that one.

HON. E.L. TCHORZEWSKI (Minister of Finance): — Mr. Speaker, once again I will be very brief. I am certainly pleased that the members opposite will support this bill. The member for Regina South is correct; it does implement the tax cuts which were announced in the budget speech. He makes reference to a certain provision which is retroactive, and indeed it is. I just want to point out to the House and to him (I think he wasn't here when I gave second reading; he was unable to be here as he explained to me) that in the area of corporate taxation, because that's what it deals with, we are amending The Income Tax Act to apply the lower provincial corporate tax rate to the income of credit unions eligible for the additional deduction under section 137 (of the federal act) and to the credit union mutual aid board, which will also benefit.

Now that is retroactive, Mr. Speaker; we don't apologize for that. We are trying in this amendment to bring our legislation into line with legislation which the federal government introduced prior to ours, to make amendments to their act. I think it is unfortunate that because there is a time lapse between when we can bring in our legislation and when federal legislation is brought in, the credit unions and the mutual aid board have been caught in a situation where they have had to pay the higher corporate tax rate, rather than the lower corporate tax rate which applies to small businesses. That is all this amendment does.

I think the member when he considers it and accepts my explanation, he will accept it, even though he objects. I understand how he feels about it. Retroactivity in this case is I think, even in his mind, a good provision. I move second reading of the bill.

Motion agreed to and bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Smishek (Minister of Municipal Affairs (Urban)) that Bill No. 119 – **An Act to amend The Urban Municipality Act** be now read a second time.

Motion agreed to and bill read a second time.

SECOND READINGS

HON. E.L. COWLEY (Provincial Secretary) moved second reading of Bill No. 131 – **An Act to amend The Members of the Legislative Assembly Superannuation Act, 1980.**

He said: Mr. Speaker, this bill is largely a housekeeping bill to correct some problems which have arisen under the act passed last year. The amendment to clause 2(g) will change the definition to include not only the indemnity but also the sessional allowance and the expense allowance. It was always intended that this be the case, and indeed it was the case prior to the passage of the legislation last year. That error was made when the original bill was drafted. This amendment will be retroactive to April 1, 1979, the date the new act came into force. The new clause 2(n) is necessary to ensure that pensionable service is defined as it was under previous legislation. Prior to July 1, 1975, sessions were declared to be pensionable. After that date, a year of pensionable service was an actual calendar year. Prior to July 1, 1974, the act imposed a limit of \$4,200 on a superannuation allowance payable. Members were not required to contribute in respect of more than 20 sessions unless they elected to do so. Most did not elect to do so because the \$4,200 limit on pensions was there.

Under the new section 9.1, a member who was a member prior to July 1, 1974, and who was in receipt of a pension under the act, may make contributions for those sessions which he did not contribute previously and have his pension recalculated. The spouse of a deceased member, who would have been entitled to make contributions under the proposed section 9.1 will also be able to make contributions and have his or her pension recalculated. Under the 1973-1974 amendments to The Members of the Legislative Assembly Superannuation Act, section 24(2), it was intended that anyone who was a member during the 1973-1974 session should have the benefit of the amendments. This section was left out when the act was redone last year. The new subsection 12(4) will restore this right to members. This amendment on section 8 will permit the widow of a Premier to claim 60 per cent of the Premier's allowance in addition to 60 per cent of the rest of the Premier's pension which she is entitled to, which is the case for all other members I might point out.

Section 10, the amendments to subsection 23(3) and section 34 will permit persons to designate a beneficiary as they can under the public service superannuation plan. Section 11, the amendment here provides for new supplementary allowances for retired members and spouses of deceased members who are receiving pensions. It also provides for the recalculation of supplementary allowances of April 1, 1980, for members picking up years of service under the proposed section 9.1.

I want to point out to the members that this is the same formula which has been used in the past with respect to increasing members who are on pension, and members will know this was already done this year for members of the public service.

Section 12, the new section 28 will give present members still under the old plan until May 1, 1981, to decide if they wish to switch to the money accumulation plan. It will also permit members who ceased to be members prior to April 1, 1979, and who are not in receipt of a pension, an opportunity to switch to the money purchase plan. As members will know, under the act which was passed last year, members had to elect by May 1, 1980, and previous members did not have the right to elect; this is to give them

the opportunity to do so.

As I mentioned previously, all of this act except section 3 which is retroactive to April 1, 1979, comes into force on the day of assent. Mr. Speaker, I move second reading of The Members of the Legislative Assembly Superannuation Amendment Act, 1980.

SOME HON. MEMBERS: Hear, hear!

MR. R. KATZMAN (Rosthern): — Mr. Speaker, before I beg leave to adjourn debate to consider the minister's statements, if the member remembers, I believe it was the spring of 1978, we had a bill similar to this which was retroactive and there was a considerable amount of jockeying . . . (inaudible interjection) . . . It's about time, Nelson, you got off your you know what and did some work yourself and stopped bugging. Just listen and you'll hear something; it's about time you learned something, so button it up.

MR. SPEAKER: — Order. I wonder if the members, when they are directing comments, could direct them through the Speaker. That way we would take the personalities out of the debate and probably speed it up a bit.

MR. KATZMAN: — Mr. Speaker, there are some comments, and as I was indicating earlier the member for Biggar will remember the '78 spring when there was discussion on this bill. It was down to about this time. The Legislative Assembly was about to adjourn when we were discussing a change in the superannuation for members. It was polled. There were certain areas that affected certain past members. Some of these members had been contacted, and once again I have contacted some past members to ask them their feelings about some changes being recommended. I have also contacted some pension people to understand exactly the two things that are . . . The portion of buying back for additional payments, and those that are already getting benefits, are the areas that I was concerned with. If any other pension plan allowed that or not — I can't seem to find out if they do. It's basically an unfunded liability from what I understand, and for a small fee we're going to give them a lot more money back.

That's basically what it seems to do. Of course we haven't had time for the money to accrue to gain any benefits for them. I'd like to double-check that. I've asked some people to get me some answers. Therefore, within the next day or two I expect to have the answers and be able to reply completely after studying the minister's comments. For the benefit of the member for Yorkton, the explanation notes only came here yesterday. The bill has not been around that long in print. So if he would ever be up to date with what happens in this House and stop yak-yakking, we'd get along. Therefore I ask leave to adjourn debate, Mr. Speaker.

Debate adjourned.

HON. E.L. COWLEY (Provincial Secretary) moved second reading of Bill No. 134 — **An Act to amend The Business Corporations Act.**

He said: This is a very small amendment here. The members will know that a new Business Corporations Act was passed in Saskatchewan to coincide with the one in Ottawa and the one in Manitoba, I believe (and in Ontario at this time, although I'm not certain about that).

There was a period of time given for the existing corporations in this province to switch

over to the new Business Corporations Act. This bill is to enable the corporation to continue under the new act without a special resolution of shareholders, where there is in effect no change in the articles of the corporation. The problem that arose within a corporation is, because of certain rights within the corporation that a minority shareholder might have had, it was conceivable that he could have prevented the special resolution from being passed, even though he was a minority shareholder. The result would have been the corporation would have gone out of existence. This was obviously not the intent of the legislation.

This act, I am told, has been amended in a similar way in Ottawa and in Manitoba. Therefore, Mr. Speaker, I would move second reading of An Act to amend The Business Corporations Act.

MR. E.A. BERNTSON (Leader of the Opposition): — Mr. Speaker, I have no reason to disbelieve the Provincial Secretary. I think everything he says is right on. Unfortunately our critic for this particular bill stepped out momentarily and rather than delay the House (and as I say, I don't think there is any problem with the bill), I would beg leave to adjourn debate.

Debate adjourned.

HON. E.L. COWLEY (Provincial Secretary) moved second reading of Bill No. 136 – **An Act to amend The Constituency Boundaries Commission Act.**

He said: Mr. Speaker, again the amendment here is a relatively minor one. As members will know, the constituency boundaries commission has made an interim report. It is now considering its material for making a final report. I think all members would agree that as soon as that report is ready, it is in everyone's interest to have it public.

The way the legislation is now drafted, it must be filed with Mr. Speaker, who then distributes it to the House in session. For example, if the report were filed with Mr. Speaker at the end of June – let's assume, and perhaps it's a dangerous assumption to make, that the House is not meeting on June 30 – then members on this side and that side of the House would have to wait until the next session to see the report.

And so this amendment simply says that the commission shall immediately submit its final report to the Speaker and file a copy of the report certified by the chairman with the clerk of the Executive Council. The result then would be that the clerk of the Executive Council will distribute to all members of the Assembly by mail immediately, a copy of the bill. And I think in the case of the leaders of the opposition, they will be simply delivered to their offices so they get it right away. This will then give members on that side and this side of the House an opportunity over the summer to study it. I think it's the government's intention to introduce at the fall session, on the assumption there is one, a bill which will follow exactly the report of the constituency boundaries commission. I suppose, theoretically, for some reason that might not happen, but I can't think of the occasion in which we wouldn't follow their report exactly. And so this is to facilitate getting the report out to members as soon as it's tabled. I would therefore move, Mr. Speaker, second reading of An Act to amend The Constituency Boundaries Commission Act.

MR. KATZMAN: — Mr. Speaker, I had some concerns when the thing was first brought in, but the minister's explanation I think has cured most of the concerns I had. And now

that I understand his intent, if I'm correct, as soon as the Speaker gets it, he will give it to the executive and they will immediately make it public. We will not have to wait until the fall session. Therefore I think that's probably proper and what everybody would expect and therefore we'll go along with it.

Motion agreed to and bill read a second time.

HON. R.J. ROMANOW (Attorney General) moved second reading of Bill No. 132 – **An Act to amend The Members of the Legislative Assembly Conflict of Interests Act.**

He said: Mr. Speaker, this bill is one which is the result of a study, now of some several months, stemming from criticism which the opposition and others mounted with respect to some aspects of legislation last year. Essentially, the criticism concerned itself with the sufficiency or the insufficiency of this legislation as it relates to a member's participation in a company in a corporate capacity, either as a shareholder or a director or in some other function.

I think, Mr. Speaker, this bill can be fairly easily described as being concerned with three areas. First of all, we can say that this bill expands the definitions throughout it, where relevant and applicable, designed to catch and reflect more accurately the various corporate combinations which are possible in today's business world. The old bill, for example, read in the definition section of business the following.

Business includes a corporation or enterprise.

Members will see that on the first page of the bill we are amending business to mean a corporation partnership or other association of persons organized in anticipation of profit. That's an expansion of the definition of business and thereby an expansion of the corporate possibilities, a more accurate reflection of the corporate possibilities in which a member may find himself in which the old bill would be deficient.

Another example, Mr. Speaker, is on page 2 of the bill, (h), right at the very top. We are here defining 'participation share'. This is a new and more expanded definition which reads, if the bill is passed:

'Participation share' means any unit of interest in a business which entitles the holder to participate in the profits of the business or in the assets of business upon its dissolution, as compared to the earlier definition with respect to participation shares, which simply did not seek to incorporate the same corporate combinations of participation shares as this legislation would do. So that's the first thing it does.

The second thing that it does is to clarify and permit certain activities which were engaged in by a member, where that member who participated in a government contract prior to the election or by operation of law is required to cease such participation as soon as possible. Members will realize that this may create some difficulties for members, such as a difficulty of getting out of the contract which he has incurred with the government prior to becoming a member. This bill proposes to allow a new section (h) which would obligate the member in such circumstances to appear before a federally appointed judge, to present the terms and the conditions of the contract, the old contract or the ongoing obligation as it might be. At which time, the judge would examine the facts and circumstances surrounding its acquisition and its terms. If he certifies it is satisfactory, then he would in effect issue a certificate saying it has been approved.

This method, presently set out in the bill elsewhere, is related to the holding of certain lands and the need for an approval of a land deal which a member may have with the government quite innocently, (say dealing with the Saskatchewan Housing Corporation or something of that nature). The member must go before a court to get the provisions and circumstances of that arrangement out in the open. I think it will be of assistance to members, and makes sense.

Finally, Mr. Speaker, this bill deals (and I think this last point is probably the most important point) with the change of the law respecting prohibition by a member in dealing with the government as a member also of a corporation which corporation would have a contract with the government. Mr. Speaker will know the thrust of the bill has two prongs. One is a general prohibition provision with some exceptions. The second prong is a revelation section. Now, with regard to members in their personal capacity, the law is unchanged. There is a general prohibition with some exceptions, and there is a reporting mechanism, which I will speak to in a moment, as well, in the law.

The way the present law is drafted on the corporate side, as opposed to the personal capacity side, we also have the two prongs: prohibition, subject to \$5,000 and 5 per cent shares in a very complicated way; and revelation. After several months of review by lawyers and others, we are recommending to the Assembly that we drop the prohibition portion with respect to corporations which are doing business with government in which those members may be members of the corporation. Rather, what we're doing here is laying the stress on the public revelation of corporations which do business, as opposed to prohibition. Frankly, this is simply an admission, based on our current review of the law, that an outright prohibition is impossible, (given the complexity of corporate modern day business practices) to effectively attain. Or in the other alternative, if we are to attain it, we would make the prohibition so strict that members wouldn't, for example, be able to be a director of a credit union, a co-op or whatever, which of course in Saskatchewan life is a daily part of almost every one of our activities – or you're a shareholder of a local co-op. You either make the kick-in so low it becomes onerous, or on the other side you try to define a higher kick-in which makes the law too full of loopholes.

We are taking the approach in this bill that we will put emphasis on revelation and on public exposure, so that if a member is involved in an unethical or an improper situation corporately, as a shareholder or director, then presumably public pressure will be mounted and members themselves can attach the appropriate pressure required.

Finally, Mr. Speaker, there is a reporting mechanism change. The old bill required us to do some reporting yet last year but because we never proclaimed the bill in time the reporting mechanism is obviously no longer relevant. It is proposed that the new reporting mechanism be set out. It's essentially the same as the old reporting mechanism. If my notes and my memory serve me correctly the reporting mechanism will be for some time this summer, and thereafter on a yearly (at the beginning of the year) basis, an update of any changes in the financial standing of the members.

Mr. Speaker, we would be pleased to receive submissions from the opposition in committee of the whole which would improve this bill, because after all it's not our bill. It's ours in the sense of government; it's ours in the sense of members of the House in doing public business. If there are any comments in committee of the whole, where I

think this matter can be more effectively dealt with on a more detailed basis, we'd be pleased to deal with them. So, Mr. Speaker, with those few words I move second reading of Bill No. 132 – An Act to amend The Members of the Legislative Assembly Conflict of Interests Act.

MR. D.G. TAYLOR (Indian Head-Wolseley): — Mr. Speaker, I'd just like to put forth a few comments on this bill. I think all members in this House realize that every member wants to take time to study this bill because it certainly has implications for each and every one of us. Perhaps there has to be time for the implementation of it. I understand the Attorney General was indicating implementation some time within this year. I'm just wondering if it wouldn't be wise to postpone implementation until the end of the current tax year, December 31 or somewhere around that period of time, which gives members time to get all their affairs in order.

Again, I would like to point out that this bill, as we all know, is designed basically against the MLAs (I shouldn't say against the MLAs, but it concerns MLAs). There may well be a need for this, but I think we have seen in this session where perhaps there is some need for influence. To me, this bill deals entirely with declaring assets, and perhaps more important than that is the ability people have to influence. Of course, as we've said from this side of the House on many occasions, we on this side have virtually no control over the expenditures. We handle no money; whereas members on the other side, Executive Council members and especially senior civil servants, are the people who really are in control of the expenditures of the government purse. So I think there are a few things we would want to debate a little further. I perhaps would be receptive, and I think would find it interesting to hear the Attorney General's comments on revelation rather than prohibition of holding shares and so on in certain companies. I think maybe that is a step in the right direction, but I do think there are a lot of things here that each and every member has to look at and with regard to this I would like to adjourn debate at this time.

Debate adjourned.

HON. R.J. ROMANOW (Attorney General) moved second reading of Bill No. 133 – **An Act to amend the Statute Law.**

He said: Mr. Speaker, I don't intend to make a second reading speech on this other than to point out to the members that this is the (I was going to say traditional) bill for introduction when we are coming to (touch wood) the end of the session. It is a bill which is designed to rectify spelling errors, word omissions, in the multitude of statutes which we have introduced in this session. It is strictly a very technical housekeeping bill; there is no new law written, at least it shouldn't be incorporated there. I think if members have any questions about it, they should be dealt with in committee of the whole where we will be able to deal with specific errors and omissions.

Motion agreed to and bill read a second time.

COMMITTEE OF THE WHOLE

Bill No. 86 – An Act respecting the Assessment of Real Property, Businesses and Special Franchises.

Sections 1 to 9 agreed.

The committee agreed to report the bill.

June 10, 1980

Bill No. 94 – An Act respecting the Provision of Financial and Other Assistance to Urban Municipalities for Capital Works Projects.

Sections 1 to 11 agreed.

The committee agreed to report the bill.

Bill No. 66 – An Act to amend The Planning and Development Act.

Sections 1 to 5 agreed.

Section 6 as amended agreed.

Section 7 agreed.

The committee agreed to report the bill as amended.

Bill No. 101 – An Act to repeal the Department of Municipal Affairs Act.

Sections 1 to 3 agreed.

The committee agreed to report the bill.

Bill No. 93 – An Act to establish The Department of Urban Affairs.

Sections 1 to 12 agreed.

Section 13 as amended agreed.

Sections 14 to 24 agreed.

The committee agreed to report the bill as amended.

Bill No. 119 – An Act to amend The Urban Municipality Act.

Sections 1 to 8 agreed.

The committee agreed to report the bill.

The committee reported progress.

COMMITTEE OF FINANCE – DEPARTMENT OF THE ENVIRONMENT – VOTE 9

Item 1 (continued)

MR. G.S. MUIRHEAD (Arm River): — Mr. Chairman, it has been so long since we were on Environment, I can't remember just exactly where we left off. But I remember the minister and I were having a debate on issues at Federal Pioneer. Then he refused to answer any more questions on account of it being in the court.

The minister and myself were in a debate on issues at Federal Pioneer when all of a

sudden he just quit answering questions. We won't have to waste any further time on Federal Pioneer issues tonight because after the lengthy time I went to Federal Pioneer and I was able to get my answers. They had no problem in answering them. They're in the same court as you. You could have given these simple answers right here. There would have been no problem at all. We would have saved about an hour that night.

Mr. Minister, as I recall it, there was another problem you and I had differences on. It was whether Don Fast overruled me on getting drinking water from the Farrell Pumping station. I have two questions here I want to ask you. One is this. Will the minister make a statement regarding the accusations made by himself that it was not true that Don Fast overruled the city of Regina waterworks, prohibiting me from receiving water samples?

HON. G.R. BOWERMAN (Minister of the Environment): — No, Mr. Chairman, I believe it to be true. I have no reason to believe otherwise. Mr. Don Fast, first of all, didn't have any authority to overrule. He may have had discussions with city officials. I'm not denying that he had discussions with city officials and may have made recommendations; although I have no reason to believe that he even made recommendations to that extent, to overrule or to prevent you from taking water samples from the Farrell pumping station. We just don't have that authority. He didn't have that authority. It's my understanding from the officials that there was no recommendation made that you were not eligible or not able to have water as far as he was concerned.

MR. MUIRHEAD: — Well, I'm not going to go further on the matter. I just want it on record that I was absolutely refused water samples by Don Fast. He overruled the city. You've refused so I've been talking to Regina water officials and I'll have to get the statement from them and bring it to this House. We'll drop it after that because they have assured me that Don Fast did overrule the city of Regina and refused me water samples. Now this is fact and I want it on record.

The other question, Mr. Minister, is on water samples. I didn't bring my water file into the House so you can rest, because I was only through about half the towns and their problems. But we want to get on.

I just have this one question. I think you understood my point, that there was a serious problem out in the country with the differences in the two ways of testing water. You don't seem to admit this but you must see there are two different ways of testing water. I'm going to ask you again, will the minister give me his assurance that he will notify all towns, villages and hamlets of the importance to test water and to insist that they do a comprehensive test at least once a year, but absolutely to go no more than two years without a comprehensive test? Now, that is not too much to ask when I found such a mix-up in the province of Saskatchewan with towns not understanding what they should do. That's all I have asked you to do. That is a very simple request for the sake of the people of the province of Saskatchewan.

MR. BOWERMAN: — The reason I took some extra time with regard to the question is because the hon. member asked the same question in estimates last year as to whether or not I would do this. I said I would. I think he took from what I said that I was going to write individual letters (which I gather he has done) to all the towns and villages or public water supply systems in the province.

I am not sure that if I say yes, I'm willing; I have no objection . . . There is no reason why one couldn't sit down to write to the towns and villages and say you should have the water analysed. When I say that, as Minister of the Environment (it reflects not only on

me but also on the Minister of Health) many of them will believe it is an obligation on them; many will believe that because they see a letter from the minister and from the government, they should have their water system checked. I would suspect that what we will get is a flood of water samples coming in which we will not be able to handle in the lab. We would not be able to give the analysis the hon. member expects.

What I am concerned about in answering the question, is the level of expectation which will be left if I say yes, I am prepared to do that. I have no objections to the communities, towns, villages, cities and so on, receiving a letter from the department recommending they have a complete analysis done of the water supply. But if that will lead to the feeling that they are obligated to do it, and if they are obligated to do it, they all begin to send water samples in for analysis. I am sure the lab would not be able to handle them in a large volume like that.

The other thing is, if a community (let's say it is Shellbrook) receives a letter from me or from the department saying they should get a complete water analysis once every year, or once every two years, or whatever it is, so they send in the water sample and with respect to the total dissolved solids, the water is above our quality standard, what do we say? What level of expectation does the town have when I write to them and say they should have it analysed, and then they find that the dissolved solids are higher than the standard? What do they expect of the government?

I suggest to you that, because the water supply system in the province of Saskatchewan is one where the total dissolved solids or the salts are high, we are not going to be able to solve that problem. Therefore, I am cautious; I want to be careful about expectations which would be created by me or by the department sending out a letter. I would want to take great care, if such a letter went out, to indicate there is not a following obligation, that if they get a sample back and it is much higher than the standard that doesn't upset people who have been drinking the water for some time and have become used to the salts or used to the solids and therefore are not bothered by them, unlike a stranger to that kind of water quality who would be bothered by that water. What do they do? They may feel, well, our water is not safe. Our water is above the standard. So, therefore, we must have a new water supply system. What implication does it have for the government in that respect? So, yes, in answer to the hon. member's question, certainly we are prepared to advise the towns and villages if the recommendation is we should do it to every one. I am certainly prepared to consider that. But don't be surprised if we miss a public water supply system. If we do, I don't want it to be said that somehow we didn't do a complete job.

AN HON. MEMBER: — We would never say that.

MR. BOWERMAN: — No, I realize you wouldn't, hon. member for Estevan; you're a very honorable man; I recognize that. I know he would not be critical of the government, and hasn't been. But there is a fear of the hon. member for Arm River who might do that, even though he is a very honorable man as well. But I do want to indicate that caution and concern which I have about us or the department sitting down and writing personal letters to communities saying this is what should be done.

MR. MUIRHEAD: — Well, Mr. Minister, this is the first time I have ever heard this government worry about anything being compulsory. I understand your caution, Mr. Minister. But when you did not send these letters out last summer as you said you would, I did. I didn't cause a panic in the lab. They were pretty busy for a while. I took samples in, and they said they were a month and six weeks behind because of the flood

of samples, but there is no reason for the answer you gave.

You have admitted right here tonight that we have a water problem in Saskatchewan but you are afraid to let the people know there may be something wrong with the drinking water in their towns. If we are talking about something being compulsory, ask the Minister of Health; he knows we have to get an injection for smallpox and all these vaccinations but they are compulsory for the sake of the health of humans in Saskatchewan. Now, what is more important than drinking water? What is more important? I know it could be very alarming for some of the towns in this province to find out about their water, because I mentioned towns the other night where the water was unfit for human consumption. I know it is very alarming for them. What are they going to do about it?

You could do as the doctors did in Craik, Davidson, and Outlook in my constituency. They put notices in the papers saying that you drink the water in this community at your own risk. Advise them; let people know. You made the statement here a year ago in estimates when we were talking about the same thing. You said that old people used to drink the water from the wells; they would drink the water from the sloughs and it didn't hurt them. Well how do you know it didn't hurt them? They drank that at their own risk.

Nowadays people move into the cities or into their towns. They have municipal wells and they are depending on the officials from the town that supplies them with drinking water to make sure the water is safe to drink. They are depending on you, Mr. Minister of the Environment. Even the people in this city of Regina are depending on you that this water is safe to drink; they don't know. Until the press found out about the PCBs in the city of Regina, the people didn't know what they were drinking. It is your responsibility as the Minister of the Environment of the province of Saskatchewan.

You have admitted to us tonight that you are afraid to notify the towns about the water, just in case the samples come back saying that the water is not safe to drink. You might be causing a panic. Well I say you should cause a panic if the water is not safe to drink, absolutely cause a panic. I would love to see a panic in Saskatchewan about the condition of our drinking water.

It has been proven and I have shown you (it's on the records) last year and again this year, where Regina has the lowest quality of drinking water of any city in Canada! That's serious, Mr. Minister, serious. Any place of business I go in this city and I give my name, they say oh, you're the man who is trying to do something about the drinking water in our city. Please keep on. I was in a furniture store yesterday (Kozans) and they said your name is Mr. Muirhead. You're the one fighting to clean up our water. Why can't the government fight to better the condition of our water in Saskatchewan? Why do you and the opposition have to do it? It shouldn't have to be me; it shouldn't have to be my concern to write letters when I come in here in May and see 470 towns – it is your job not mine to see that the water is safe.

Mr. Minister, I don't think you understand the seriousness of this. I don't want you to think I'm trying to make a political issue of drinking water. I am concerned that the people of the province of Saskatchewan drink safe water and you're not concerned.

MR. BOWERMAN: — Well, I appreciate the hon. member's concern and that makes the concern of this department and this government no less with respect to the drinking water. I can't see, however, what the hon. member has done. So he went to the Kozan's Furniture World and they recognized him as being the man of water and the man of the

hour with respect to water. But what did that do to improve the quality of Regina water? . . . inaudible interjection) . . . Oh, I appreciate that; it didn't do anything. What did it do for the people of Craik when the water analysis was done? They published it in the paper but it didn't improve the quality of the water. Now maybe it helped some of the folk out in Craik to know what it was they were drinking in the water, at least in terms of the chemical.

My concern, Mr. Chairman is the implications that will follow and I think the hon. member implies that in his discussion. If there is a situation for example, like Craik, where the water quality is above the standard or the objectives of the province, then somehow there needs to be a new water system and the government is somehow going to be responsible for that. That's the care that I want to take with respect to it. I think it's right that towns, villages, hamlets should know the water quality. I think even farmers should know what they're drinking out of their wells. But I have to suggest that it's been a long time, (and I don't recall when the last occasion was, if there was ever one in the province of Saskatchewan) since there has been a major public health hazard from the water that people were drinking in this province, from public wells or from private wells which were dug and being used for domestic purposes. I just don't recall any.

If there had been major outbreaks in the area of public health, certainly there would be reason for greater concern; there would be reason for greater alarm and reason for greater care to be taken. Nobody is suggesting that we should stand around waiting for a health problem to arise. The suggestion there is valid; people should be analysing and most of them do. With the exception of the small towns or the small villages, most of them I would suspect do have an analysis of their water quality.

I think the question has been answered. I don't know what more I can say.

MR. MUIRHEAD: — Well, we won't push it any further than this . . .

MR. J.L. SKOBERG (Moose Jaw North): — Mr. Chairman, following the hon. member for Arm River, I also want to deal with water quality and quantity when he finishes his line of questioning.

MR. MUIRHEAD: — Thank you. All I can say, Mr. Minister, is that I have made it quite clear where I stand concerning the safety of drinking water in this province. People know where I stand; I definitely stand for the safety of the people of Saskatchewan. That's been my only interest, and I can't do any more than that. I've made it clear to you going on for two sessions in this House and you're the minister so I leave it in your hands. But I assure you, in my constituency I'm making sure that the towns are being notified on methods of testing water. The hospitals in my area are being taken care of, so there is nothing on my shoulders; it all lies on yours.

I have made it very plain and very simple in this House where I stand on the concern of drinking water.

Now I have just a couple of short questions. . . . (inaudible interjection) . . . Oh, excuse me. If you want to say something about water, I will let the member for Moose Jaw North in and then I'll ask my questions.

MR. SKOBERG: — Thank you Mr. Chairman and the hon. member for Arm River. Now that we're back into the throes of government and issues that are affecting the people of Saskatchewan, there has been some indication that the samples of water which are

taken at various locations, may lead some people to believe there is some danger. There is one area, I believe, which the hon. member for Arm River raised a week or two weeks ago indicating that there is some danger to the cities. I believe he mentioned Moose Jaw at that time. I think he should realize that when he suggests that the Moose Jaw River flows into Buffalo Pound Lake and that Buffalo Pound Lake supplies the water for Regina and Moose Jaw, in addition to the wells here in Regina, he isn't quite correct.

The Moose Jaw River does not flow into Buffalo Pound Lake. It flows into the Qu'Appelle chain, and naturally that poses a threat (if there is a threat) downstream. But the Moose Jaw River does not go into Buffalo Pound Lake, so when you talk about the Moose Jaw River and any contamination that may have been present at a previous stage in our history, (when the Canadian Forces Base had its lagoon hooked up to the Moose Jaw River, which is not the case now), that water does not go into Buffalo Pound Lake.

But I think something we should recognize is that in the filtration plant that we have at Buffalo Pound right now, it is meeting the health standards of the Department of Health in so far as Moose Jaw is concerned. And in Moose Jaw proper, and I deal with Moose Jaw as I am somewhat familiar with it, the samples at the different locations completely meet the standards of the Department of Health. All of the tests in the Moose Jaw area for human consumption completely meet those standards. So, Mr. Minister, there is no problem in meeting the standard for human consumption of water in the city of Moose Jaw.

Also I understand, Mr. Chairman and Mr. Minister, that there is a miniature pilot plant now at Buffalo Pound Lake having to do with water treatment. I would like your comments on that miniature pilot plant being undertaken at this time in analysing the contents of the water at that particular location. But when we are dealing with water quality, I think all of us probably agree that some of the real problems, not just here in Saskatchewan or in other parts of Canada, but in North America, are the pesticides and herbicides, the reaction with the organic matter that's included there, and the by-products of the pesticides and herbicides and their reaction. In addition to the miniature pilot plant at Buffalo Pound Lake, my question is whether or not the Department of the Environment is undertaking, or at least co-operating with other North American counterparts, in a major study into the whole area of the reaction of pesticides and herbicides and their organic by-products? I think all of us here appreciate the fact that we all are concerned about the by-products and exactly what's happening here, not only in Saskatchewan but in North America. I am wondering whether or not his department is co-operating with other departments of other provinces and North America in this particular issue.

MR. BOWERMAN: — Mr. Chairman, the hon. member for Moose Jaw is raising a question with regard to a pilot project which really has reference to the consultant who has been appointed out of Calgary, as I understand it, to do various kinds of treatment procedure and various kinds of tests. He is using pilot testing equipment or a pilot project, but it's really part of a study. As far as I am aware there are no results from the study. In fact, it is too early for us to have any results from that, but it comes as a result of the interests of the cities of Moose Jaw and Regina with respect to the water supply of Buffalo Pound Lake.

MR. SKOBERG: — Mr. Chairman, would the minister respond to whether or not his department is co-operating in a major study into the reaction of the organic matter that I have just referred to?

MR. BOWERMAN: — With respect to the hon. member's question, Mr. Chairman, the point which the hon. member raises is with respect to research that may be done or may be in the process of being undertaken. With regard to residual chemicals in the water supply system, my officials tell me that there are so many chemicals that you would really have to study them individually. There are so many chemicals that it would be an absolutely superhuman project to undertake at this point in time.

The member is referring to a study which the department has been doing and was completed last year (taking about one and one-half years) relative to the chlorinated organics in the weather system. There has been testing going on at about 10 centres in the province as I understand it. And the report of that was in our hands sometime last year. Now, that may not be specifically and directly related to the question that you raised, but we are not participating in the large, overall North American studies that the member refers to, Mr. Chairman.

MR. SKOBERG: — I appreciate there's no way that an individual problem of this magnitude can be conducted and investigated at the provincial level as one province. I think all of us realize that it's a real problem in the whole of North America. I'm wondering whether or not the minister wouldn't agree that the whole problem of pesticides and herbicides and the reaction of those in the organic matter problem could be brought up in one of your interprovincial or North American conferences that are conducted from time to time?

MR. BOWERMAN: — Mr. Chairman, I certainly couldn't agree with the hon. member more. I quite candidly say we are not very careful about how we use chemicals in our province, particularly in the agricultural sector. We've become used to dumping a five gallon can of chemicals into a sprayer and away we go. We may take water out of a well or we may take it out of a stream alongside the farm or we may take it out of a slough. We dip contaminated chemical cans into the water and so on. We have a habit of doing these things. Away we go with our sprayer and when we turn the corner in order to miss the creek, the sprayer boom goes out over the flowing water and so on.

We have a tendency to do things that way. The problem the hon. members refers to is a problem of such magnitude that as a single province I think we could not deal with it on our own other than to start. I'm not saying we should throw our arms in the air and not start. I think there's a point to be made there. I acknowledge that point. There's no question, however, about the fact that we continue. I think there is a greater emphasis being placed in the Canadian Council of Resource and Environmental Ministers with regard to homing in on some of these very pertinent kinds of questions, more so than I think has been done in the past. I would be hopeful, from my own personal point of view, that council will somehow see its mandate as being more important to deal with some of these issues than some of the issues I think we have been addressing in the past. So, yes, I can agree with the hon. member's question and I recognize the point that he makes is a valid point. The Department of the Environment is contributing to the analysis, to the assessment, as much as it is able in this whole matter, not only of chemicals into the water supply system, but chemicals in general as they relate to surface environment, the environment around and about us.

MR. MUIRHEAD: — Mr. Chairman, the statement from the member for Moose Jaw South brings up a very important aspect to this water situation . . . (inaudible interjection) . . . Oh, Moose Jaw North or South or West. Several times in this House, Mr. Minister, the member for Moose Jaw seems to think that I don't know where the

water goes at Moose Jaw. This has been a misunderstanding, the water coming from Diefenbaker Lake through the open ditch to Buffalo Pound Lake. Now, if he's misunderstanding me, I'm sorry, but I've always talked about this open ditch. What he brought up tonight about the water always being safe for human consumption on Moose Jaw and Regina is absolutely correct.

AN HON. MEMBER: — I said Moose Jaw.

MR. MUIRHEAD: — And I'll add Regina because I've had the water tested on many, many occasions with Auzie Mang at Buffalo Pound water station and if they're too busy at the provincial lab here, I take my water test right to Auzie Mang. I asked him, why is it that you can keep this water down to this low level safe for human consumption? What do we do about our water? The other tests that I'm bringing in to you are so high, what do we do about it? He said, the station we have here at Moose Jaw has the machinery, has the ways and means of bringing this water down to these low levels, safe for human consumption. Maybe it doesn't taste good.

Last summer when the people couldn't drink this slop in Regina, I took some of the slop that we couldn't drink to have it tested, but still it was safe for human consumption. That's also alarming if you can't drink it, because people have to drink a lot of water to be healthy. But the issue I'm trying to raise, Mr. Minister, is that they have the facilities in the larger cities to bring the quality of the water down to a level safe for human consumption. But they aren't able to in the other towns and cities in the province of Saskatchewan because they can't afford it. They can't afford it in Craik or Davidson, Outlook, Simpson, Milestone. They can't do it. That's what the importance is here. You have machinery out here that can bring this slop down so you can drink it, but it doesn't help the water so you can drink very much of it. Just go to some of the places that I have gone to in this city. Go to some of the homes, the senior citizens' homes, and talk to their officials and ask them what they think about the drinking water. They're not even concerned about what the test is. Their concern is that our senior citizens don't drink enough water for good health. Now, there's no sense in pursuing this any longer. The member for Estevan has some water questions he wants to ask.

MR. R.A. LARTER (Estevan): — Mr. Minister, I don't believe the member for Arm River is being unreasonable when he asks you to send letters out to these communities in Saskatchewan. I was very surprised at the answer you gave. What are we going to do if the answer comes back saying, there were too many solids or too much salt or too many nitrates? I think that's something you have to meet when the time comes but I don't think you should let that be the criterion, whether you send them a letter or not. I think the people in these communities should know exactly what their drinking water is and I believe it's your duty to tell them what it is.

The member for Arm River mentioned a while ago that some older folk were on salt-free diets, and they found the drinking water up there was heavily laden with salt. They would drink more in a glass of water than they were supposed to drink under doctor's orders. I say it is up to you to tell these people exactly what their drinking water is like. If I were the Minister of the Environment I wouldn't be concerned with what the results of the test were, as long as they knew the results of the test.

AN HON. MEMBER: — Nonsense.

MR. LARTER: — Nonsense? You think that's nonsense, Herman? The Minister of Health says he thinks it's nonsense that the people should know what they are drinking. Now

that's really a wonderful statement. That's really a wonderful statement coming from the Minister of Health

Mr. Minister, I would like to know what you have done. We are so anxious to extend our potash mines by \$20 million, \$30 million, \$40 million. What have you done for that 25 per cent of the population who live in Regina, Saskatoon and Moose Jaw. Have you looked at a pipeline from Diefenbaker Lake? Have you looked at a water pipeline from the proposed Rafferty Dam? What have you done about looking into these matters?

MR. BOWERMAN: — Well, there are studies which we are participating in with respect to water supply for Regina and Moose Jaw at the present time. Part of the Souris study was for water supply. Part of the research that was done there was for domestic water supply. And presently Lloydminster is looking for a domestic water supply and we are involved in some study there.

MR. LARTER: — Mr. Minister, the Souris River study really did recommend only one thing as far as any recommendations for this side of Midale are concerned. It was that they build a new reservoir and increase the drinking water supply for the community of Weyburn. I have no argument with this but the Rafferty Dam study really did not go any further than that. It recommended that it wouldn't be feasible just for preventing flooding alone and I would probably agree with this. But you have since received proposals, both from the Souris River group and the North Dakota group, regarding a possible Rafferty Dam. I wonder if you have passed this proposal on to the minister in charge of SPC? Are you attempting to get together on this proposal?

MR. BOWERMAN: — I would want to check my answer here, but I do not recall ever receiving any direct communications from the North Dakota group with respect to the Rafferty Dam. I received correspondence or communications, either direct or indirect, from the hon. member for Estevan and some other people in the area suggesting that I should attend some meetings and people have been saying that the state of North Dakota is prepared to donate money.

But there certainly has not been, with me, any formal communication from elected officials of North Dakota to elected officials in Saskatchewan with respect to the Rafferty Dam, the sharing of funding and so on.

I think the hon. member is suggesting something which in essence, so far as an official recommendation or an official communication is concerned, has not been made to the province.

I haven't made any direct response to the Souris Valley group in so far as committing the province one way or the other, either in favor of, or objecting to, the project.

MR. LARTER: — Mr. Minister, I'll accept that. I know you've expressed your willingness to look at something if they offered it to you and I'll accept the fact that you haven't received anything concrete. I'm not arguing with you on that.

Just leaving that for a minute to finish my question, I'd like to ask pertaining to Boundary Dam . . . and I thank you for this report on the monitoring. You mention that you had a sulphur dioxide monitor in a mobile air quality laboratory located at the Estevan airfield between October '74 and November '75. I wonder if this bears out the tests of 31,000 tons of sulphur dioxide out of the stacks. I wonder if you have done your testing anywhere else other than the airfield. The reason I ask this is because the prevailing

northwest and southeast winds take the smoke much further than just to the airport in Estevan. Mind you, we do get a lot of smoke at the airport and sometimes it's almost impossible for aircraft to land. But I would like to know if you've done any testing beyond this, so that you have a true assessment of what is happening to this smoke and the so-called acid rain coming out of the stacks.

MR. BOWERMAN: — The report, Mr. Chairman, which I have in my hands . . . Did we send this report over to you? Yes, it's the same one.

It doesn't give the locations here other than to say the south and east and then I guess it pinpoints the airport, but there is nothing any more definitive than that.

MR. LARTER: — I just wanted to ask you, is it your intention to take any further tests? I'm talking about downwind either way. Are you monitoring to see that we are living up to standards? We are a little sore at the Americans for the standards they're trying to make us live up to. Are we living up to our own standards?

MR. BOWERMAN: — No, as I understand in the immediate future at least, there will be no more studies directly related to this project. The monitoring will continue in Estevan and area, but not specifically related to this.

MR. G.M. McLEOD (Meadow Lake): — Mr. Minister, I have some questions with regard to the effect of the heavy oil project. I've brought this up in the House with you before — the heavy oil project at Cold Lake and its effects on Saskatchewan, either with the North Saskatchewan River or with the Beaver-Waterhen system. My question to you at this stage would be, what involvement, if any, has your department had with that whole area of the environmental impact on Saskatchewan since your presentation to the energy conservation board hearings in Alberta?

MR. BOWERMAN: — Since that particular interface you talked about with Alberta, we have had ongoing communications, either formal or informal; we have participated on the prairie provinces water board for water quality coming from Alberta into Saskatchewan, and so on; it's just a matter of continuing to watch the socio-economic implications of Cold Lake and developments in that area, as well as the environmental implications, but nothing more specific than that.

MR. McLEOD: — Does your department have a definite position with regard to where you would want to see surface waste water from that project disposed of, in the Beaver River system or alternately in the North Saskatchewan, which are the two present proposals before that board?

MR. BOWERMAN: — We have to say that we really don't think we should be concerned about whether it is in the Beaver River or in the North Saskatchewan River, as long as we are sure the water quality is safe and satisfactory. If it's safe and satisfactory for the North Saskatchewan, it should be safe and satisfactory for the Beaver. As I indicated, our ongoing concern with the prairie provinces' water board is to establish a safe and satisfactory standard for waters coming into the province from those areas.

MR. McLEOD: — Well, Mr. Minister, in the report, which I'm sure you're aware of (the energy resources conservation board report from Alberta), they suggest (it is my understanding anyway) that it would be better for the surface waste water to be pumped to the North Saskatchewan River rather than the Beaver, because of some of presentations which were before them from the Beaver River Ranchers' Association

and others who are concerned about the flood problems which are ongoing in the Beaver River. With an additional flow of water, they believe there will be extra problems, but that certainly wouldn't be a problem in the North Saskatchewan River.

I'll just go further than that, and quote from the report:

The board believes (that's the energy resources conservation board in Alberta) that additional study is required on the biology of the Beaver River and the interaction between effluent quality and inventories of solid by-products. Detailed studies are also needed respecting the costs and impacts of disposing effluents on the North Saskatchewan River. The board would condition any approval it issues to require the above mentioned study. It recognizes the department's (speaking of the Alberta Department of the Environment) responsibility in these matters and would make the condition consistent with the department's requirements.

Now, the question that follows from that is that if they say additional extensive studies are required before they would approve anything in the Beaver River, then I would think that those studies would have been going on by now. What involvement has your department had in those studies, either by yourselves or in conjunction with the Alberta department, or with Esso Resources or whatever?

MR. BOWERMAN: — Well, as I understand, from the time of that report the proponents have been actively doing ongoing studies which have changed their minds to a considerable extent with respect to the effects and where it should go and so on. That really is a recommendation to the proponents to do a proper and correct study. We say that we have confidence the companies will do those reports — at least we have no reason to believe otherwise. When the reports come in and we see them then we can analyze and do our own assessment of whether the reports are accurate and so on. But the request is a direction to the proponent, the person who is going to be undertaking the project, to assure us that all of these things are cared for and analyzed and properly assessed. So until those actual environmental impact assessments are done and the statements are prepared, we can't do anything more than respond in this way.

MR. McLEOD: — I can accept that, Mr. Minister. I'm basically an information gatherer. I wanted to know if your department's involved. Certainly I would agree with you, it's up to Esso Resources to provide this because they are the company suggesting the project. Now you say that since the time of this report there have been ongoing discussions, which I know have been going on. What is the situation now as you understand it and the latest information your department has with regard to this, in terms of two things: first of all is it the thinking of your department that the surface water supply (the 600,000 odd gallons that will be needed for the steam injection process) is to come from the North Saskatchewan River? Is that your understanding? And secondly, what is your understanding at this stage as to which river will be recommended for the disposal of surface waste water?

MR. BOWERMAN: — Just let me try to indicate to the hon. member, so that at least I can overcome some of his concerns, that the department officials have a fairly close working relationship with the Alberta Department of the Environment. I think there is telephone communication and things are fairly free flowing in respect to the communication process. The specific answer to your question is that it is our understanding they will take their water from the Saskatchewan River system and they will supposedly treat their effluent and put it into the Beaver River system.

MR. McLEOD: — O.K. So far as you know at this stage the recommendation will be to put it into the Beaver River system. From that, I gather then, you must have some knowledge of the biological studies and so on that the conservation board required of the Beaver River, because they said that they would make the conditions consistent with the department's requirements. In other words, the environmental studies of the Beaver River system must have been done and must, if somebody is of the belief that it will be going into the Beaver River, have satisfied the energy resources conservation board.

MR. BOWERMAN: — Yes, well again, Mr. Chairman, this is something which really has to be negotiated between the Alberta Department of the Environment and Esso because those are the two agencies that are together. What I said earlier still applies, and that is we will want to know what the quality of the water is when it gets to the border and starts into Saskatchewan. Now they are negotiating as I understand. The officials tell me that the proponent, Esso, is negotiating, having its seesaw with the Alberta Department of the Environment now as to what the standard will be and what treatment will be required. But so far as we are concerned, until they arrive at some conclusion here, and perhaps the Alberta water standards are . . . The standard is set by the prairie provinces' water board, which is Alberta, Manitoba, Saskatchewan. You have two provinces that are going to want to be sure the downstream waters are properly treated and cared for before they get to us, so the standards will be set by that interprovincial board.

MR. McLEOD: — Mr. Minister, now that may be well and good and I accept that. I believe there is very likely a good relationship between the two departments and communications are ongoing and so. And you have addressed yourself in your answers here to the quality of the water when it's injected into the Beaver River. I mentioned earlier that one of the groups that made a presentation at the hearings was concerned with the extra flow of water that would aggravate flooding problems in the Beaver River. And I'm just not so sure that we should leave that to the Alberta Department of the Environment. Certainly they may, in their dealings with Esso Resources, say, well, certainly we don't want to be blamed for putting bad water or whatever effluent that isn't up to standard into the Beaver River to run into Saskatchewan and through Saskatchewan into the Churchill River system. That's fine.

But I'm not so sure they would be all that interested in the problems of a number of ranchers and people there that are depending on the Beaver River hay flats for their hay. The flooding problems are an ongoing thing there, and that's a very real concern. Now I would think your department should be more involved than you have indicated here in terms of that particular part of the problem, the Beaver River. You know their concern is, Mr. Minister, that the proponent for the project should be somebody at least responsible for some effort to control the flood problems in that river.

MR. BOWERMAN: — Well, again, Mr. Chairman, the prairie provinces' water board will deal with quality and quantity, and it will set the standards as I understand. And really, I have to say that if Alberta makes up its mind to use a certain amount of water and to release a certain amount of water, with the exception of what we can get in terms of the prairie provinces' water board rates, so far as quantity and quality are concerned, there isn't very much we can do other than make interventions. That's the way it is. Alberta has a right to use its water.

Now we can go over there and tell Alberta not to gum up the works over here in Saskatchewan. We can make all sorts of interventions and we can say we don't like it, but if they are determined that they want to use a certain quantity, and that quantity is proper relative to the agreements of the prairie provinces' water board, what more can we do? That's their jurisdiction. They have responsibilities and they have rights they can exercise. So we will certainly make our interventions, as we have done. We will certainly try to make sure that water flows will not jeopardize resources in the province, either agricultural or natural, and that water quantity and qualities will be such that it will maintain the Beaver River as close as we can maintain it to the natural characteristics of the river.

But I can't assure that we can maintain it. Alberta has obviously established some bans on the rivers that have made some differences in Saskatchewan. We're prepared to intervene where we can and whenever we can, but more than trying to reach an agreement and have them respond favorably, there are no legal means which I know of that we can use.

MR. McLEOD: — I won't prolong this too much longer, but I do suggest to you that there's a little difference here. You say Alberta has every right; it's their water and so on. But they're taking the water from one river system, pumping it out of there and pumping it back into another one. That has the potential, at least from a layman's point of view . . . That's what I'm asking your department to do, to be sure you're aware of this.

You say the only thing you can do is intervene. What I am saying to you is if that is the only thing you can do, by all means do it, so we know exactly what's happening. I have a feeling and the indication here tonight is that you're leaving far too much of it to Esso Resources and the Alberta environment department and I say that's not good enough. If intervention is the only thing you can do, then intervene. Get in there and find out and tell the people along the Beaver River valley just what your position is. Certainly you should have a position on the thing.

What is your position? I asked you this, but you didn't say. You said your position is to wait for the report. Is your position that the surface waste water should go into the Beaver River or should go into the North Saskatchewan River, back through the same river that it came from? Or are you going to say, if they say it's fine to go into the Beaver, we'll let it go?

MR. BOWERMAN: — Well, I can't answer the question because we don't have the answers. . . . (inaudible interjection) . . . Well, that was the proposition. Esso Resources' proposal, as we understand it, is that they're going to take water out of the Saskatchewan and put the effluent into the Beaver River. That's their proposition. But at this point in time, we don't have the benefit of their study, or their statement with respect to the implications of it.

What you're saying (and I take that for its worth) is that yes, I suppose it will have some impact. You're talking about the 600,000 gallons which they're proposing to take out of the river and put into another river. Therefore the flows are going to be significantly higher and at wrong seasons of the year. These kinds of things will create implications for ranchers and so on, along the Beaver River. I acknowledge that and once we get a chance to view the implications (if they continue with that proposition) of what is likely to result in the Beaver River, then we can make an intervention. But we can't sort of go over there and . . . Well, we could, I suppose, and frustrate the thing and frustrate ourselves and frustrate the ranchers. But until we know what we are talking about and

what we're intervening against, I think it's really superfluous for us to be doing so.

MR. McLEOD: — Mr. Minister, you talk about intervention, but I would say that your intervention, the original one at the original hearings, had some impact. As you would know (or I would hope you would know), the original proposal by Esso Resources was to take water from Cold Lake. One group intervened and said that they felt it would have an effect on the downstream flow by lessening it on the Waterhen River and so on. The recommendation in this report is to now go to the Saskatchewan River, so your intervention in that case must have had some effect.

It's before the cabinet and there are some other things that have come into it recently to hold up the approval of the project. This is the time now for you people and your department to go in there, to make your position clear, if your position is as I think it should be, that the water should go back into the North Saskatchewan River where it came from.

MR. BOWERMAN: — I can't give any further answer, Mr. Chairman, on what I've given. I've had communications ongoing and I will have, with the hon. minister from Alberta. We will continue to have those; we will continue to make our points known, continue to make the points that the hon. member raises. They're valid points and valid concerns for his constituents and for Saskatchewan in general. So we will continue to make those from time to time.

MR. R. KATZMAN (Rosthern): — Mr. Minister, the first question I have for you is in the environment. I would assume that you should have been responsible for the environment in the schools re the insulation that they're having problems with. I'm wondering if it was your people, or are you suggesting that occupational health is responsible?

MR. BOWERMAN: — Or the department of public health, I'm not sure which, but it's . . .

MR. KATZMAN: — In the northern area, around the mines and so forth . . . By the way, I'm informed by occupational health that you're supposed to be responsible, not them. So when you two guys get your act together . . . Mr. Robert Sass has informed me that he believes your department is responsible, not his, because that's an environmental thing and not an occupational health thing. But anyway, on the water pollution, air pollution, mine pollution and the land pollution, what amount of staff you have and what expertise do they have to do the job?

MR. BOWERMAN: — Eight staff, two with a master of science, engineering technologist, probably an engineering degree . . . One is an engineering physicist. One has some radiological training of some kind. We'd have to dig out the files on the qualifications is what I'm saying, but we're just trying to get it from memory.

MR. KATZMAN: — Mr. Minister, your people have also been doing some studies on the South Saskatchewan River, north of Saskatoon, last summer and the summer before. Are these studies in-house studies or are they public studies, and what's the purpose of them?

MR. BOWERMAN: — The report is not complete. It's being prepared by a consultant. It has to do with examining the water qualities and the effects of the Saskatoon sewage system in the river.

MR. KATZMAN: — Is it your department's responsibility then for the wastes that finally hit that river or is it another department as I had thought it was? Municipal affairs I thought was responsible. You are responsible? Then, Mr. Minister, downstream from that spot as well as the Saskatoon sewage, you have the former mercury sewage that came in from the chemical plants north of the city. Now, I understand they have changed their process and their methods and have not been polluting with mercury. Am I correct or incorrect on that?

MR. BOWERMAN: — Basically, that's correct.

MR. KATZMAN: — Mr. Minister, what residue is left from the mercury that was spilling in before? Are the lagoons and stuff being cleaned up so that it can't happen from what was left before in the soil?

MR. BOWERMAN: — I understand from the officials that we believe the containment is sufficiently provided for so that any contaminated soils and material are now held on the property.

MR. KATZMAN: — With the encroachment of the city, do we have any guarantees that if the city should take over that area the soil will be done away with in such a method, there will be no problem left behind for the people as we see with Love canal and that type of thing?

MR. BOWERMAN: — It's a bit of a hypothetical question. I don't know when the city is going to expand. It's a viable operation and it's satisfactorily being carried out now. If the city does expand then I guess we'll have to deal with the problem at that point in time.

MR. KATZMAN: — Mr. Minister, the chemical plant is now within city limits. I think you're aware of that. Residential and industrial areas are, I would say, within a half-mile of the plant now in many areas. It is a problem you're going to have to deal with very shortly, and I suggest you start to look at it because people will begin to want to encroach upon the area.

The second portion of my question refers to the two chemical plants is the — I call it controlled releases but I'm not sure if that's the technically proper term — when they release chemicals into the air, which they did last year (I'm told now in discussing it with the chemical plants that it was an accident), and the crops in the area were affected. I have spoken with the management of one chemical plant and they have informed me that it was an accident rather than a controlled release. Do you monitor or do you give permission for people to release chemicals in the air as in controlled releases, and are all accidental releases reported to you?

MR. BOWERMAN: — The answer to the question is yes, we do permit controlled releases. We don't know whether all spills are reported to us or not. We hope they are and they should be, but I couldn't give you a definitive answer that they are.

MR. KATZMAN: — Mr. Minister, you say all controlled releases are reported?

MR. BOWERMAN: — Controlled releases are what they say; there is permission given for controlled releases.

MR. KATZMAN: — O.K. Is there any monitoring provision to check whatever you've agreed to allow them to release? Are there stations in the area to make sure the figure is correct? Is there a meter which shows what the release was?

MR. BOWERMAN: — If, in a controlled release, you believe the release is going to be made on Friday, July 2 or whatever the day is, we're not going to be up there with a monitor on that day. But there is monitoring that goes on at the plants and in the areas where controlled releases are permitted. There is periodic monitoring done, and we believe that to be satisfactory.

MR. KATZMAN: — Mr. Minister, let me give you an example. When Eldorado was doing its study re the refinery, they had things which measured the change in the atmosphere and so forth, the chemicals within the area, located at a certain spot and they read it every so often. Do you have these little machines you leave sitting there and every so often you read them to check what the environment's doing?

MR. BOWERMAN: — We do. We read them off the other day to you, where they were located and so on, but yes, we do.

MR. KATZMAN: — Mr. Minister, would you supply me with a copy of the report once it's tabled to yourself, on the South Saskatchewan? Secondly, could your people indicate (and I think the concern is to the people in the area who live near the two chemical plants) or send me a letter indicating what the change in the releases has been and if the environment has changed because of these releases from the two chemical plants?

MR. BOWERMAN: — Yes, Mr. Chairman, we'll try to accommodate the hon. member on both cases.

MR. KATZMAN: — Mr. Minister, the fires in northern Saskatchewan, over the peat moss, will burn for quite a lengthy time. In certain areas the uranium is very close to the surface, close to the peat moss area. Cluff Lake is an example of something close to the surface. I am informed by people in the uranium industry that fire will cause heat which causes the radiation to be released from uranium, which could be a dangerous dosage. Are you doing any studies on this? Are you checking to see whether the people who are working in the industry are safe or not?

MR. BOWERMAN: — Well, I don't know. I don't have an answer. I would only be suspecting again. If that's the case I don't know what we can do about it in the sense that we're going to have forest fires, I guess, and there is uranium up there and that's been the case for the last 100 years or so. But we can try to get an answer for you. I don't have anything specific on it.

MR. KATZMAN: — Yes there have been fires and only the Lord can put them out in some cases and we sure wish His assistance at times. But if it's true, at least in the areas that we know of, maybe we'll need a method of fighting fires whereby we won't put the men into danger.

I am told by people in the industry that under certain conditions the moss will continue to burn and heat the uranium and cause release of radiation. If that is the case, most of the aerial maps will indicate to you where the danger areas are. You pinpoint them as hot spots and tell the guys to beware. I am certain there are areas that you know now are hot spots and therefore if there's a fire in them firefighters should back away from the centre hot spot and work the edges. My concern is to make sure that the fellow who

June 10, 1980

goes up to fight the fire, even though he's willing to fight the fire, doesn't come away with something he didn't expect he was getting into.

MR. BOWERMAN: — Yes.

MR. KATZMAN: — Mr. Minister, could you inform this House why your department was not called in originally before the Key Lakes were drained?

MR. BOWERMAN: — Yes, Mr. Chairman. The company responsible did come to the government to seek advice for the draining of the lakes in the area. The Department of the Environment was involved in the decision which led to permission being given by the Department of Mineral Resources for the lakes to be drained.

The committee reported progress.

The Assembly adjourned at 10:03 p.m.