

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Second Session — Nineteenth Legislature**

**Thursday, June 12, 1980.**

The Assembly met at 10 a.m.

On the Orders of the Day

**REPORTS OF COMMITTEES**  
**Select Standing Committee on Public Accounts and Printing**

**THE CLERK of the LEGISLATIVE ASSEMBLY:** — Mr. Andrew, from the select standing committee on public accounts and printing, presents the first report of said committee which is as follows:

Your committee met for organization and appointed Mr. Andrew as its Chairman and Mr. Skoberg as its Vice-chairman. Your committee held 14 meetings and examined both the provincial auditor's report and the public accounts for the year ended March 31, 1979, with the provincial auditor, Mr. Lutz, and two of his officers, Mr. Wendel and Mr. Hunt; the comptroller, Mr. Schneider, and his officials, Mr. Kraus and Mr. Fogg, and other officials of the Department of Finance, in attendance.

During the course of their deliberations your committee met with officials of the following departments: Department of Agriculture; land bank commission and FarmStart; Department of the Attorney General; Department of Finance; Department of Government Services; Department of Northern Saskatchewan; Department of Revenue, Supply, and Services; Department of Social Services.

Your committee notes concern expressed by the provincial auditor regarding funding of legal assistance, that during the year under review the Saskatchewan Legal Community Services Commission provided \$2,006,843 to 10 local community boards without proper legislative authority and contrary to the clearly stated legal position. Your committee recommends that the legal aid commission should not have to pay out that sum of money contrary to the clearly stated law as set down in the legislation. Your committee further recommends that the Saskatchewan Legal Community Services Commission resolve this outstanding issue in order that the provincial auditor's office can ensure that public moneys are accountable.

Your committee notes that once again the provincial auditor has raised the concern that the Department of the Attorney General, through the fee tariff on land title fees has raised some \$1,426,305 while only being required to pay out some \$6,062.96. Your committee recommends that a new tariff for land titles fee should be implemented so that the assurance fund charges should be as such to cover only anticipated losses.

Your committee notes the concern expressed by the provincial auditor regarding a weakness in the level of detailed field audits conducted by the Department of Revenue, Supply and Services, was not sufficient to secure an effective check on the assessment and collection of education and health tax revenues. Your committee recommends that the department review its

procedures to ensure that there is a balance between the number of detailed field audits on the one hand, and the costs of the audits on the other, so that an effective check is in place.

Your committee notes the concern expressed by the provincial auditor regarding the Department of Revenue, Supply, and Services not charging the total costs to the users of executive aircraft. Your committee notes that the legislation dealing with section 34 of The Department of Revenue, Supply, and Services Act has been changed in this session of the legislature, and will remove this concern.

Your committee notes the concern expressed by the provincial auditor regarding purchases by the Department of Revenue, Supply, and Services of 12 pieces of heavy equipment when the tenders called for bids on a lesser number of items. Your committee recommends that in future every effort should be made to tenders to be called for the total pieces of equipment to be purchased, so as to ensure that the best possible price can be obtained for the said equipment.

Your committee notes the concern expressed by the provincial auditor regarding the Department of Social Services wherein cash shortages were detected because of criminal activities of an employee of the department. Your committee recommends that although this type of illegal activity will probably always exist, the department should insist on more strict compliance with accounting procedures set out in the regulations and orders. In that regard, the responsibility should be placed to a greater degree on supervisory personnel to ensure adequate checks and balances are in place.

Your committee notes the concern expressed by the provincial auditor that a Crown corporation has undertaken the construction of a major building in Prince Albert, to be rented to the Department of Government Services for a period of 30 years, at the end of which time the title will revert back to the Department of Government Services. Your committee is concerned that by such a scheme the Legislative Assembly is being circumvented and denied the right to vote the appropriation of funds for the expenditure.

Your committee notes the concern expressed by the provincial auditor that there are still problems associated with the accounting, organizational control and management in the Department of Northern Saskatchewan. Your committee recommends that the comptroller fully investigate this department with a view to developing better control and management procedures.

Your committee recommends that the next public accounts committee review during the 1980-81 session, in detail, the concept of comprehensive auditing, and present a report to the legislature during the next session.

Your committee further requests that the Department of Finance be requested to submit a position paper on comprehensive auditing to the next public accounts committee for their study and consideration.

Your committee further requests that the public accounts committee at the

next session give consideration to the desirability of separate legislation governing the office of the provincial auditor, and that this committee authorizes, under section 54 of The Legislative Assembly Act, the attendance of the Chairman and Vice-chairman, or their designates from the 1979-80 public accounts committee to attend the eighth annual conference of legislative auditors, to be held in Winnipeg, Manitoba, August 11-13, 1980.

Your committee extends its appreciation to the Clerk of the Legislative Assembly and his staff, the provincial auditor, and the comptroller for their support services to the committee.

Your committee has considered the matter of sessional printing, and recommends as follows:

1. That 375 copies of the Journal be printed, including the questions and answers as an appendix;
2. That 750 copies of the Debates and Proceedings be printed daily, two copies each to be supplied to the members of the Assembly;
3. That 120 copies of the minutes and the verbatim report of the proceedings of the public accounts committee be printed with all convenient speed, one copy each to be supplied to members of the Assembly.

Your committee advises that copies of the minutes and verbatim report of proceedings of the public accounts committee will be tabled as a sessional paper.

**MR. R.L. ANDREW (Kindersley)** moved, seconded by Mr. J.L. Skoberg (Moose Jaw North):

That the first report of the select standing committee on public accounts and printing be now concurred in.

He said: Perhaps a couple of brief comments, Mr. Speaker, before moving a motion of concurrence. In this session the public accounts committee made what I believe to be some real progress in the field of developing the public accounts committee. I think, quite frankly, there were two restrictions which I saw in the public accounts committee.

Firstly, over the years I think it developed into a committee which was too partisan, and as a result of that a lot was lost in public accounts. This year we made a first step toward getting away from the partisanship that has very often been associated with this committee, and not with others, and to that I would give some credit to the member for Moose Jaw North.

Secondly, I think the public accounts committee has finally started to now address the whole question of comprehensive audit. Comprehensive audit deals with the provincial auditor questioning, looking into and investigating the whole concept of management analysis in government.

I believe the committee, by and large, is never going to be an exciting committee. Quite frankly, it is very often quite dull, tedious, and a lot of hard work.

With those comments, I hope in the future that the committee will continue with that progress, and we can upgrade our committee to become, perhaps, the best in the country.

**MR. J.L. SKOBERG (Moose Jaw North):** — Mr. Speaker, very briefly, I would like to take this opportunity to thank the departments which appeared before the public accounts committee this year. You have them spelled out in the report. I do believe the department officials who appeared before us were there for the specific purpose of giving information and to be forthright in answering the questions which were put to them.

I think any of the criticism we have levelled in this report is done in a constructive manner. Some of those areas have been covered in past public accounts committee reports. This year is a repeat of some of those complaints which have been brought before us by the provincial auditor. I will say the departments which were before us did a commendable job in giving information that the public accounts committee desired at this particular time, and I join with the hon. member who moved the report in saying there was some advance made this year which hasn't been evident in other years.

Motion agreed to.

### **INTRODUCTION OF GUESTS**

**MR. J.L. SKOBERG (Moose Jaw North):** — Mr. Speaker, it gives me a great deal of pleasure this morning to introduce three guests whom we have with us in your gallery, the principal of Central Collegiate, Mr. Dale Clarke, from Moose Jaw, along with his guests. Elizabeth Musgrave from Australia, who is here on an exchange program with the Rotary Club of Moose Jaw, will have been here one year before she goes back to Australia. When she goes back there will then be a student from Central Collegiate, Bill Cooper, also in the gallery, who will be going to Australia for the exchange program.

It is also significant, Mr. Speaker, that the Rotary Club of Moose Jaw celebrated its 65<sup>th</sup> year of existence in Moose Jaw. I think that and our celebration of 75 years as a province is certainly significant of the contribution the Rotary Club has made. I must say it is a pleasure for us to have these guests visiting with us. I wish our student from Australia the very best on her return to Australia. I hope that you have learned a good deal about Saskatchewan and I know that Bill Cooper will enjoy his stay in Australia. Congratulations for coming over to be with us today.

**HON. MEMBERS:** Hear, hear!

### **WELCOME TO STUDENTS**

**MR. D.G. BANDA (Redberry):** — Mr. Speaker, it is with a great deal of pleasure that I introduce to you and to members of the House a group of 68 Grade 9 students from Battleford Junior High School. They are sitting in the west gallery, Mr. Speaker, and on behalf of the hon. member for The Battlefords, Mr. Kramer, and myself, we certainly want to welcome them to the legislature and to the capital city. I know they will be touring the city today and visiting different points of interest. I had the pleasure of meeting with them a little earlier, before coming into the Chamber. We want to welcome you here and your teachers. My wish is that your visit is a very interesting and informative one. I also want to wish you a safe journey home.

**HON. MEMBERS:** Hear, hear!

## QUESTIONS

### Additional Funds to Land Bank

**MR. R.H. PICKERING (Bengough-Milestone):** — Mr. Speaker, a question to the Minister of Agriculture. Mr. Minister, my information is that your government and your department have made plans to inject in the neighborhood of another \$25 million into the land bank commission this year. Would you confirm or deny this information?

**HON. G. MacMURCHY (Minister of Agriculture):** — Part of the budget calls for \$25 million allocated to the land bank. There are no plans at this time, Mr. Speaker, to add to the \$25 million which has been budgeted. I might say to the hon. member that there is significant pressure on the land bank through requests from farmers to sell their land to the land bank and I think that will have to be examined. But at this point in time there is no decision and no commitment to add any further funds to land bank.

**MR. PICKERING:** — Supplementary, Mr. Speaker. Would the minister not agree, if you do suggest putting more money into the land bank, with the existing drought within the province, would you not feel it would be better put into a drought program?

**MR. MacMURCHY:** — Mr. Speaker, I don't think there is any question that the priority of this government, at this time, so far as agriculture is concerned, is the drought program. I indicated the program to this point in time yesterday to the hon. members and to the people of Saskatchewan. I indicated also that our next step is to call representatives of farm organizations together to look at what the possible next steps might be. That should get going next week.

### Ombudsman's Report re Indian Children

**MRS. J.H. DUNCAN (Maple Creek):** — A question to the Premier. Mr. Premier, in the ombudsman's report to the legislature, he states, and I quote:

It is evident that considerable delays arise from the long-standing dispute between provincial social services, north and south, and the federal Department of Indian and Northern Affairs, as to which level of government should bear the responsibility for apprehending Indian children. Unhappily these children continue to be the real victims of this dispute.

Could you inform this House, Mr. Premier, what steps your government has initiated or is willing to initiate to resolve this long-standing situation?

**HON. A.E. BLAKENEY (Premier):** — Mr. Speaker, I read that portion of the ombudsman's report, and I felt that it only partially dealt with the matter. Another group of people who have some interest in the matter of Indian children are the Indian people themselves, including the bands and the band councils, and their organizations like the Federation of Saskatchewan Indians.

We generally take our advice on what should happen with respect to treaty Indians from the elected leaders of registered Indian groups, the band councils and the Federation of Saskatchewan Indians. They take the position that services, particularly on the

reserves with respect to welfare, are the clear and unequivocal responsibility of the federal government and they ask us not to intervene. That is the general position taken by band councils and by the Federation of Saskatchewan Indians. That's a position which we attempt to respect.

On occasion there will be cases where there appears to be a case when a life may be in jeopardy, and no doubt our social workers have gone on reserves and acted. We recognize that when we do so we are acting contrary to a general policy which we are asked to follow by the Federation of Saskatchewan Indians and band councils.

**MRS. DUNCAN:** — It would appear that the Department of Northern Affairs doesn't concur with your position. My supplementary comes from what the ombudsman further states, where he states:

I am cognizant that the issue is a legally significant one for both levels of government. However, it is not so significant that Indian children who are being battered or denied their basic rights to food, shelter, medical attention and the like should have to risk the fatal consequences that could result from the present impasse.

And I realize, Mr. Premier, that the impasse comes not only from the inaction of both provincial and federal levels of government but also does include the demands of the Indian bands themselves.

But could you tell me, Mr. Premier, why this particular group of children should remain innocent pawns of the three levels that are supposedly there to look after them, just because the three groups of people cannot sit down and resolve this long-standing dispute once and for all?

**MR. BLAKENEY:** — Well, I suppose one can always ask why children are pawns of their parents' decisions, but that is the way we organize ourselves in a society with respect to the family. I think we must take cognizance of that. I think that while our social service workers undoubtedly will enter reserves in extreme cases, we certainly do not wish to enter reserves when, at least in our judgment, it is something which the federal government should be doing, but that's a small point. More important, in the judgment of the band councils and in the judgment of the Federation of Saskatchewan Indians, we have no business on those reserves. And it's not an easy thing to enter upon ground, which clearly is under the administration of the Indians, when they in no uncertain terms have suggested that we shouldn't be there. Admittedly we must act on occasion when there are extreme cases but we would much prefer that the matter be dealt with in the manner which Indians ask and believe they have the right to have it dealt with.

**MRS. DUNCAN:** — Mr. Premier, it seems that you will not say that you will initiate any changes or bring about any type of actions to perhaps resolve this further that these children will remain victims of government ineptitude and inaction?

**MR. BLAKENEY:** — Mr. Speaker, I wouldn't want to leave the impression that we have not initiated discussions with the federal government. This is not something which involves Indians in Saskatchewan in a particular way, but involves Indians all across Canada, those Indians who are operating on the basis of treaty rights I should say, since all the treaties say substantially the same thing in this regard. We obviously have initiated a good number of discussions on the respective responsibilities of the two

governments with respect to the delivery of services to registered Indians on reserves. We attempt to guide ourselves by what the band councils, the parents and the Indian organizations, such as the Federation of Saskatchewan Indians, advise us they wish done.

Obviously, one would like the problem solved. I take it that members opposite would wish us to ignore the requests of the band councils and the Indian organizations with respect to . . . It may be that I do not understand your position. You are free to state what your position is; I am stating ours as clearly as I can. I invite all hon. members opposite to state what they would do in these particular circumstances.

### **Need of Bottle Collection Agencies for Canasphere Industries**

**MR. H.H. SWAN (Rosetown-Elrose):** — In the absence of the Minister of Industry and Commerce, I would like to direct my question to the Premier. I have been informed, Mr. Premier, that there is a real need for bottles to come to Canasphere Industries if we are to retain the industry in the province. You may or may not be aware that they have built a plant in Calgary and the contract with the Alberta government demands that they supply the needs of that plant before they can bring bottles into Saskatchewan. For that reason, they are now finding that they don't have enough bottles to continue to operate the plant in Moose Jaw very much longer and they are interested in the collection agency that has been proposed to begin in Saskatchewan. When can they expect the Department of Industry and Commerce to begin its initial collection agencies around the province and what is the future? Do you see this expanding to be a province-wide program?

**MR. BLAKENEY:** — Mr. Speaker, I regret that I cannot give the answer the hon. member requests. I will take notice and ask my colleague the Minister of Industry and Commerce to reply.

### **Social Assistance for Needy Farm Families**

**MR. D.G. TAYLOR (Indian Head-Wolseley):** — A question to the Minister of Social Services. Mr. Minister, as you are well aware, many farm families in Saskatchewan are suffering because of the drought, especially in the area south of Melville. Last year there was a drought and frost; economic conditions are very bad in that part of the province. It has been brought to my attention that many families are being cut off the family income plan. One is a family with five children under 13 years of age; two of these children are preschoolers. The family farms approximately a half section of land. They were receiving a supplement of \$214 per month and that has been cut off. Can you explain to me why, in this year with the severe economic conditions faced by people on small farms, they are being cut off the family income plan?

**HON. M.J. KOSKIE (Minister of Social Services):** — As the hon. member fully appreciates, there are certain basic criteria that are laid down for qualification in respect to the family income program. Those criteria are as they were last year, they haven't changed and, accordingly, anyone who meets those criteria of income and net assets will qualify as they did previously. There has been no change and no direction by the department to eliminate qualifications for the family income supplement.

**MR. TAYLOR:** — Supplemental, Mr. Speaker. In discussion with people in your department I understand that this year they are reviewing many of these and although there may not have been a change in policy, many are being cut off, and that's the

important issue. I realize that the criterion for this is \$100,000 assessment. Surely you must understand, Mr. Minister, that a person on a farm today may have \$100,000 in assets, which is not a very great deal at the price of land, and will you not consider raising this ridiculous figure so that these people are not being cut off their family . . . ?

**MR. KOSKIE:** — I'd like to indicate, Mr. Speaker, that Saskatchewan is the one and only province (until recently the Manitoba government), which has a program which in fact does supplement family income in this way. I want to say that we spend over \$9 million in the budget in helping people on low income. The criterion is as I indicated and there has been no effort to decrease the amount of assistance to the families in this state.

**MR. TAYLOR:** — Final supplementary. Will you or will you not take a look at raising that amount of assessment from \$100,000 up to a realistic figure so that these people can get the income that they're going to need to get through this year?

**MR. KOSKIE:** — I indicated to you that we have reviewed the estimates; we have set aside the individual amount of money with respect to the family income program. Our programs are constantly under review and accordingly, in due course, they will be reviewed.

### **Money Available to Land Bank Program**

**MR. R.L. COLLVER (Leader of the Unionest Party):** — The Premier will be aware that some \$25 million is committed in this budget year to the land bank program in the province of Saskatchewan and that an additional \$25 million is available to the land bank program. The moneys available to the land bank, the Premier will be aware, serve to raise the price of land in the province of Saskatchewan, thereby increasing the assessment. Is the Premier not aware therefore that the increase to these poor families, who are involved in trying to get by in a drought-stricken province in this very difficult year, is being caused by the very governmental actions that your government is taking in its budget?

**MR. BLAKENEY:** — Mr. Speaker, I'm being advised that I'm aware of a remarkable number of things of which I am not aware. I am, for example, not aware that there is an additional \$25 million available to the land bank. I am aware only of what is in the budget and for those who can read, I think they will find that the budget provides for loans of about \$25 million for the land bank. I am not aware that the activities of the land bank have increased the price of land at all. I invite hon. members to compare land prices in Saskatchewan with land prices in Alberta. The land bank does not operate in Alberta. I would take it, according to the logic, that land prices are significantly lower in Alberta. I think there's no evidence of it whatever, none whatever. Similarly in Manitoba, I think there is no evidence of that either.

I invite all hon. members to look at areas where the land bank operates practically not at all, such as the constituency of the hon. member for Kindersley and ask whether or not land prices have been dropping there; or whether or not they are not as high in the Kindersley constituency as they are in the Pelly constituency where the land bank does operate. There is not a shred of evidence to suggest that the land bank activities have raised the price of land anywhere. Accordingly, there is not a shred of evidence that the increase in the price of land, which is acknowledged to have happened (but not because of the land bank), is in any way attributable to activities of this government.

**SOME HON. MEMBERS:** Hear, hear!



### Rural Development Programs

**MR. L.W. BIRKBECK (Moosomin):** — New question, Mr. Speaker. I wish to direct a question to the Premier. In light of the comments made this morning regarding rural Saskatchewan farm development and so on, Mr. Premier, you can say what you like in this House regarding . . .

**MR. SPEAKER:** — Order, order!

**AN HON. MEMBER:** — What's the problem?

**MR. SPEAKER:** — Order! The problem is the member for Moosomin is making a statement. It's obvious from what he said. . . . (inaudible interjection . . . Order, order! I think a fair examination of the record will show that it sounded extremely like a statement. I would be prepared to take a question.

**MR. BIRKBECK:** — Very simply, Mr. Speaker, the question is, in light of the facts, the facts being that Saskatchewan's rural population is down, and down to the pot, that Alberta's is on the rise as was in the headlines about three days ago, Mr. Premier, are you not now prepared to agree with the opposition that your rural farm development programs have been a failure in the last eight years and that we have no reason to be optimistic about them in the future?

**MR. BLAKENEY:** — My short and simple answer to that is no; I don't agree.

### Plans for Sask Power Service Centre

**MR. P. ROUSSEAU (Regina South):** — Mr. Speaker, a question to the Premier, in the absence of the minister in charge of Sask Power. Are you aware of any plan presently on the drawing board for a proposed new service centre for Sask Power to build in the city of Regina?

**MR. BLAKENEY:** — No, I am not, but I wouldn't necessarily know, if it is at an early stage. I do not know.

**MR. ROUSSEAU:** — You really answered it in two different ways. You said you don't know whether there are any plans or whether it is in the early stage. Are there any plans at all? Are you aware of anything?

**MR. BLAKENEY:** — The question was, am I aware of plans? The answer to that is no; I am not. I give, by way of further explanation, the fact that I would not necessarily, nor necessarily would my cabinet colleagues, be aware of a proposal to build a service centre in Regina, certainly at any early planning stage. In short, I am not denying that; I am certainly not admitting it, since I do not know. I do not know, and would not ordinarily be advised.

**MR. ROUSSEAU:** — Will you take notice of the question and get me a reply?

**MR. BLAKENEY:** — If the hon. member is asking whether in fact there are plans, then I will ask my colleague to answer that question. I thought he was asking whether I was aware of it; that's the question I was answering.

**SOME HON. MEMBERS:** Hear, hear!

### **Stabilization Program**

**MR. J.W.A. GARNER (Wilkie):** — Mr. Speaker, my question is to the Minister of Agriculture. Mr. Minister, in the last two or three weeks your deputy minister has been making statements to the press and the media about a stabilization program which your government is looking at. In some of those press statements it states that only producers of up to 100 head will be eligible for this stabilization program. Do you think that is fair to the larger ranchers in Saskatchewan whose only income is derived from cattle production? And secondly, if you are to implement this stabilization program, will you let every producer in Saskatchewan have a vote on this plan?

**MR. MacMURCHY:** — Mr. Speaker, the Government of Saskatchewan has no plans at this time for a stabilization program for beef. I expect that is what the hon. member is talking about. As the Government of Saskatchewan, I think it is clear, we have said that in Ottawa, at a meeting of provincial ministers with the federal Minister of Agriculture in July, we plan to put forward the issue of stabilization for beef on a national basis. Without question, the governments of Alberta and Manitoba support Saskatchewan on the issue of stabilization as it relates to hogs. They will be supporting our arguments in Ottawa on hogs. I'm not sure of their stand on beef. I have not discussed that.

As for the comments being made by the deputy minister, Dr. Gartner, I report to the hon. member and all hon. members that we received a proposal from the Western Cow-Calf Association some weeks ago. I was present at the meeting when it was presented to us and that proposal is in the department and is being looked at in the department and that is as far as that goes.

**MR. GARNER:** — Mr. Minister, you're saying that you're not going to have a provincial one; your deputy minister states in the paper that you're seriously looking at one. What is it? Are you seriously looking at one? Have you only had representation from one cattle organization in the province? Have you had representation from say the Saskatchewan Stock Growers' Association? You can't have it both ways. You're either looking at a provincial plan or else at a national plan. Now what is it going to be?

**MR. MacMURCHY:** — Mr. Speaker, I say to the hon. member with respect to a submission that was made by the Western Cow-Calf Association which is in the department, which is being looked at, that I think they're entitled to have the Government of Saskatchewan, through the Department of Agriculture, look at the submission and look at it seriously. That's as far as that particular area goes.

**MRS. DUNCAN:** — Supplementary to the Minister of Agriculture. You just indicated that you're looking at the proposals by the WCCA (Western Cow-Calf Association). I understand their membership is about 50. Could you tell this House why you would be looking at proposals given to your department by a very small organization when yesterday at the stock growers' convention on a question put to you from the floor, you indicated that you have not reviewed any of the proposals put forward by the stock growers of Saskatchewan which has a membership of 2,000?

**MR. MacMURCHY:** — Mr. Speaker, in reply to the hon. member for Maple Creek, there was a question at the stock growers' association. I say two things. I'm not sure of the membership of the Western Cow-Calf Association. I was at their annual convention in

Debden and there were considerably more present than 26 as the Leader of the Opposition suggests, or 50 as the hon. member for Maple Creek suggests.

I said yesterday to the cattle people that I have not looked at their proposals seriously and they can take issue with that with me but I also said, which is true, I have not looked seriously at the proposal that has come forward from the Western Cow-Calf Association. It is also in the department.

I might say to the hon. members that they will realize that I have spent, over the past period of time, a fair bit of time in this Assembly and a great deal of work has been neglected. I hope as soon as this winds up to have an opportunity to look at the proposals on stabilization and marketing – or I'll turn it around, marketing and stabilization – because it's an issue to be addressed and we intend to address it at the meeting in Toronto in July.

### **The Role of Government in Saskatchewan**

**MR. COLLVER:** — All right, Mr. Speaker, all in one now. My question is to the Minister of Education, then. In a speech or in a news release which he has released today regarding Canadian and American relations, he states that the American political traditions stress the importance of individual liberty and a cautious view of government, while the Canadian tradition takes a somewhat more positive view of government and places a somewhat greater importance on collective action. My question to the minister is quite simply this: is he aware that there are a number of people in the province of Saskatchewan who do not hold the minister's view that government is the answer to everything and that there are individuals in the province of Saskatchewan who believe that perhaps we should stress a little more individual liberty and a little less government in the province of Saskatchewan?

**HON. D.F. McARTHUR (Minister of Education):** — Mr. Speaker, certainly I am aware that there are many different opinions in Saskatchewan and I certainly respect those varieties of opinions. But I do point out to the hon. member that I think Saskatchewan, for example, illustrates very well the tradition of collective action by people through farmer co-operatives, through organizing labor unions, and indeed through government action. I think we have nothing to be embarrassed about in that historical fact. If the hon. member would care to study his history and compare the history of this country with the country to the south of us, I think he would find that the statement I have made is a valid one as a general statement of history.

**SOME HON. MEMBERS:** Hear, hear!

### **ANNOUNCEMENTS**

#### **Congratulations to Mr. and Mrs. Pepper**

**MR. D.G. BANDA (Redberry):** — Mr. Speaker, it is a very special day today for a member who is well-respected and known in this Assembly and outside. The hon. member for Weyburn and Mrs. Pepper are celebrating their 40<sup>th</sup> wedding anniversary today.

**HON. MEMBERS:** Hear, hear!

**MR. BANDA:** — I am sure all members of the House would want to extend our very warmest congratulations to this young couple.

**AN HON. MEMBER:** — I would like to know how he does it.

**MR. BANDA:** — I am sure the hon. member for Weyburn is getting younger every day. I am sure all members of the House want to join with me in wishing Mr. and Mrs. Pepper the very best of luck, continued good health and happiness, and that they certainly will have the opportunity to have very many more happy anniversaries together. Congratulations.

**HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** — I call on the member for Weyburn to put any facts or figures on the table that he wishes to.

**MR. J.A. PEPPER (Weyburn):** — I can assure you, Mr. Speaker, I will be very brief. If you think I look well at 40 years of married life, well that is a secret of mine. I will keep it to myself. Behave yourselves, and I think you will all come out all right. But I would like to say thank you to all members of the House. I would also like to say that I think there are better places to spend your 40<sup>th</sup> anniversary than sitting in here. Thank you.

**HON. MEMBERS:** Hear, hear!

#### **Baseball Game Between News Media and NDP Caucus**

**MR. P.P. MOSTOWAY (Saskatoon Centre):** — Mr. Speaker, I would like to inform this House about an event, of no mean significance which occurred last night. Last night a softball game was played between members of the news media and the NDP caucus. It was a good game which went seven innings. The news media narrowly eked out a victory 31 to 21.

I do want to make a few comments in regard to some of the players. A brilliant performance was put in by a gentleman by the name of Eisler from the news media. O'Brien at third base played extremely well. Young pitched very well. There was a gentleman there named Sharpe (who wasn't) but he was effective.

I also want to touch on a few players from the NDP caucus: Tchorzewski caught well; Romanow — played; a gentleman by the name of White, who has (I think rightly so) earned the nickname Ricochet Clint, and Poniatowski did well also. Now, Mr. Speaker, I said that the news media won 31-21. I don't know. I wasn't active in the game myself, but I heard it said that there is a possibility the game was deliberately thrown. I don't know about that, but if they did, so be it; I think they all did their best.

But it shows you one thing, members of the news media, that in the final analysis, not one of us here can beat the press.

**MR. COLLVER:** — I understand it is traditional in this Assembly for various caucuses (or is it cauci?) to play against the press at some game or another. It's my understanding the Conservatives were beaten by the press by four runs; the NDP was beaten by the press at baseball by 10 runs; I would only like to challenge the press to whatever game they like, that takes only two.

**MR. SPEAKER:** — I think it's time we moved on to government orders.

## COMMITTEE OF FINANCE – RURAL AFFAIRS – Vote 43

**MR. CHAIRMAN:** — Would you introduce your officials, Mr. Minister.

**HON. E.E. KAEDING (Minister of Municipal Affairs (Rural)):** — I would like to introduce our staff: Jim Webster, our deputy minister, on this side; Archie Clampitt, our associate deputy minister in charge of the road division; Stan Mingle, behind me, is our executive director; Nick Bichel, the director of municipal management and finance, is back there; Lloyd Talbot, our senior staff member in charge of community planning; Walter Antonio, director of planning and research, in front of me; and Arnold Lashinski, director of administration services, at the back.

### Item 1

**MR. R.H. PICKERING (Bengough-Milestone):** — Thank you, Mr. Chairman. I don't expect to take a great deal of time on rural affairs estimates. Since the department has been put into place I have received many compliments from various municipalities. They are, however, voicing some concern with only a 7.8 per cent increase in funds under the revenue sharing program which has forced most R.M.s throughout the province to increase their mill rates. I think at a time like this, with the high cost of everything else, I would like to have seen a little more money go out to the R.M.s.

I brought this to your attention before the drainage Bill No. 120 on April 17, on which you said the government hasn't been able to reach total agreement as to who should administer drainage regulations and how it should be done. I certainly question you and the Minister of the Environment for bringing in this controversial bill. I know we did stand it the last time it came up on the order paper, waiting for replies from R.M.s throughout the province, especially in the so-called flat lands. We have not received them all up to this point in time. But certainly those we have received are voicing their concern so far as what the bill actually has in it. We find we are going to be doing a lot on that bill when it does come up again. I think we will be objecting to it, in most parts.

Since your department has been set up the permanent positions have increased from 66 to 81. I asked you, during your establishment of the department, if you had all your department in place. I would ask you at this time if you could give me a brief run-down, if you have them all in place and why the significant increase?

**MR. KAEDING:** — Mr. Chairman, I would like to thank the member for the compliment with regard to setting up of the new department. I think it is recognized as a step in the right direction. The rural people of Saskatchewan will appreciate, I think, having this department to which they can address their particular rural development problems.

The question of the increase to the R.M.s, through the revenue sharing program, was actually 7.76 per cent. I think you have to recognize that SARM (Saskatchewan Association of Rural Municipalities) and SUMA (Saskatchewan Urban Municipalities Association) have both made an agreement with the government to enter into a revenue sharing agreement and they have agreed that whatever figure came out of the revenue sharing formula would be the figure which they would accept. This year the figure came out at 7.8 per cent. They agreed to the formula and how the formula was arrived at. We had a number of meetings with them (SUMA and SARM and the Department of Urban Affairs). We agreed as to how the formula was going to be determined. While the figure may not have been as large as some would have wished, I think it was a fairly adequate figure. It does for the most part pick up the government's share of the increase in costs of maintaining rural roads and rural programs.

I think it has to be recognized that this is the first year of that program. We are hoping in the future that as the rates are struck we will be able to average. In fact we have an agreement with the R.M.s that we will average the percentages over a period of three years, so there will not be a violent fluctuation from year to year. As you can recognize, in a bad year (and this could be one) the revenues may drop in the province, and this may reflect itself in a lower percentage under revenue sharing. Another year may be a very good year, and the product may go up by 25 per cent. We wouldn't want to have that very erratic level of revenue sharing. So we have an agreement with them that they will take a three year averaging. But this being the first year, there is nothing to average with. As the years move on from now, we will try to get averaging in.

With relation to the drainage situation, this comes under my colleague, the Minister of the Environment, at the present time. We recognize that it came in a little late in the season but we did have a number of proposals around, and we had a lot of discussion with the organizations in the public advisory committee as to how best to come up with a drainage proposal. While it came a little later than we would have liked, we think it's very important that this bill be brought in during this session, because this is a year when there isn't a big drainage problem. We are hoping that we can get the process into place. We are going to have to have a lot of consultation with SARM and with some of the other contributors to the public advisory committee as to how we are going to handle the financing and the cost sharing, and where our jurisdiction ends and where theirs begins. All of that has to still be done and we think that this is a really good year to do it, because we don't have any pressures which are forcing us into taking actions which we might not otherwise take. So we think it is important for us to move with that bill in this session.

You were asking about the staff. The staff is fairly well in place. We have a couple of positions yet in the planning division which have to be filled. The number of staff, as you indicated, has gone up by 15. Of those, four are in the minister's office. Of the other eleven, seven were transfers from urban affairs; they are not really new people but simply transfers from urban affairs. Four will be new people and they are pretty well placed except for the planning people.

**MR. PICKERING:** — Thank you Mr. Minister. Going back to this drainage bill, or drainage problem, we found that you drafted the bill and brought it before the Assembly here and the SARM president received no copy. There was no representation made to the R.M. secretaries or councils, and I wonder why this wasn't done prior to bringing this in. On April 17 you said you weren't going to bring in a bill and all of a sudden here it comes. And I question why you would bring it in that late, after saying you weren't going to bring one in.

**MR. KAEDING:** — I think that statement was incorrect. The intention always was to bring in a bill. Of course, we had two proposals before us. One simply was amendments to The Water Rights Act, and the other one was the new proposal which is now before you, the watersheds kind of legislation. We had a great deal of discussion with the public advisory committee on which SARM has a member. We also had a number of discussions with the SARM executive with regard to which policy would be the best to introduce, and which they felt the most comfortable with. At one time SARM had indicated reservations with regard to the proposal which is now before this House. But they did indicate to us that they were prepared to support this legislation which is before the House. We have indicated to them that we are only going to be putting (and I think the minister, in his second reading speech, indicated that) the policing sections

into effect at this time. The sections with regard to jurisdictions and cost sharing and so on will be discussed with all of the members of that committee, including SARM, who are the major actors. That will take place this summer. So those sections of the act will not come into effect until we have had all of the discussions which we need to have with them.

**MR. PICKERING:** — Another thing that the R.M.s have voiced their concern about, Mr. Minister, is the fact that there was only a slight rise in the funds for the super grid roads program. Do you have any reasons for this slight rise considering the increased costs? I think you are well aware of this.

**MR. KAEDING:** — Well, again, we are, as I indicated, locked into the revenue sharing program. The total increase in dollars to the total program was roughly \$2.5 million, just short of \$2.5 million. Of course, we had to allocate that out on the basis of a number of programs.

As you are aware, there are unconditional and conditional grants. From the unconditional side we removed the problem of improving grid roads, reconstructing grid roads. We put that into the conditional side. So it was necessary for us to put the corresponding number of dollars into that side. We decided, and it was agreed to by SARM, that in the allocation of the funds, of the 7.76 per cent, we would allocate 3 per cent only to the equalization side (which is the unconditional side) and 10.5 per cent to the conditional side.

Under that conditional program, then, there was an increase in the number of dollars in that particular conditional area of \$22,432,000, which is up 10 per cent from last year.

Then we discussed with SARM how we should allocate that between super grids, main farm access, reconstruction and special conditional grants. The decision was made that the super grid program would get \$3 million. It was their desire that we not move super grid at a more rapid pace than that because they want to finish their main farm access system. So the larger share of the funds went into the main farm access construction and reconstruction area. While some municipalities may not have received the same number of dollars, this comes about as a result of the equalization formula which is based on their costs and their revenue-producing capacity. So some municipalities may have received less money, and that is true under any equalization formula.

**MR. PICKERING:** — Mr. Minister, there was an indication in the press (I think you made a statement) that one of the reasons the Department of Municipal Affairs was split into urban and rural was automation and larger farm size. I wonder if you could just explain a little further why . . .

**AN HON. MEMBER:** — Could you speak a little louder?

**MR. PICKERING:** — When the split of municipal affairs came about it was mentioned in the press that one of the reasons for this was because of automation and larger farm size. I was wondering if you couldn't just give me some reason why you would say that? What does that have to do with forming another department?

**MR. KAEDING:** — Well, I don't know whether that is particularly relevant. I think the fact is that there is a change going on in the rural community, as I think you are well aware, and I think we have to be cognizant of that. I don't know whether that by itself would

have any great impact on rural affairs making a rational decision or not. I do think there is a change going on in terms of community planning and the need for community planning because of some of the changes that are happening. We felt it was important that we have a department which could handle those changes in a more effective way than if the problems were under a larger department.

**MR. PICKERING:** — Mr. Minister, as a new department would you briefly outline what your objectives are?

**MR. KAEDING:** — Well, I think the important thing to consider here is that the changes and problems relating to municipal government are not only in rural affairs but also in urban affairs. There are a great number of things which are happening both in rural and urban Saskatchewan, which have to be addressed. There appeared to be a feeling among a number of people both in SARM and SUMA that unless they had a separate minister who was addressing their particular problems, they were not getting their share of the ear of the government. Because of that the decision was made that we would set up a ministry for both departments. I think, generally speaking, that is the situation we have. We have a changing road system with which we have to deal. We have (as I indicated earlier) a great deal of need now for community planning in all of the rural municipalities. With country residential becoming very much a part of the scene in many areas it becomes very important that we have someone who can deal with the rural structure and rural community planning; these will be the two major areas which we will be dealing with at the present time. That is not to say that in the future other demands may not be put on the department.

**MR. DEPUTY CHAIRMAN:** — Would members of the committee permit the member for Saskatoon-Sutherland to make an introduction at this time?

### **INTRODUCTION OF STUDENTS**

**MR. P. PREBBLE (Saskatoon-Sutherland):** — Thank you Mr. Chairman. I would like to introduce to you, Mr. Chairman, and through you to all members of the legislature, a group of Grade 7 and 8 students from College Park School in my constituency. It is one of the larger elementary schools in my constituency and earlier in the week I had the pleasure of visiting with these students. I'll be looking forward to visiting with them again for a short time after they have had an opportunity to tour the legislature today. At the present time we are doing estimates for the Department of Rural Affairs and those estimates are currently being debated before receiving approval. I hope that all members of the legislature will join me in welcoming these students from my constituency. We hope that you have a very nice day in Regina and we wish you a safe trip home.

**HON. MEMBERS:** Hear, hear!

### **COMMITTEE OF FINANCE – RURAL AFFAIRS – VOTE 43**

#### **Item 1 (Continued)**

**MRS. J.H. DUNCAN (Maple Creek):** — I just have a few brief questions concerning the community capital fund no. 2 which was announced earlier this year. I believe it is an extension of an existing program but it has been brought to my attention that R.M.s which do not have an organized hamlet or village within their boundaries are not eligible to partake in this particular project. Is this correct?



**MR. KAEDING:** — Yes, I think that would be basically correct. The community capital fund is an urban directed fund; it goes to urban centres, and not to rural municipalities. In the very large majority of the cases, many of the benefits of the community capital fund do go to the total community as opposed simply to the urban residents. Many of the things that are done with the fund are of value to the rural community as well. I would recognize that in an area, if there were no small communities at all, they would not of course be getting any of that benefit, but they would likely be. Those people would be moving to a larger community in another jurisdiction, and they would be getting the benefit of the rinks and the schools and the roads, and so on, and so while they would not be getting a direct benefit, they would be getting it indirectly through whatever service centre they were going to.

**MRS. DUNCAN:** — Well, I wouldn't imagine there would be many R.M.s in the province that wouldn't have organized communities within them. But do you think it's really fair? I had an inquiry from Carmichael (and it's close to Gull Lake and whatever) and it has a community hall. I believe it's an old school. Many districts have such gathering places and they are used quite frequently, especially in the winter for various things. The Carmichael R.M. wanted to put on an extension and upgrade the present facility, and they were more than a little annoyed to find out they couldn't, that they weren't eligible for a grant. Surely there must be some place within rural affairs from which they can get assistance. Do you have any programs they could apply to?

**MR. KAEDING:** — No, we don't have a program under rural affairs under which that would be dealt with. Under the intermunicipal recreational program, of course, they would be eligible for some maintenance costs if they have an agreement with the other recreation groups in their area. They would be able to get some maintenance grants from that. There is, under our department, no special grant program for those kinds of individual efforts. Much of that was handled under the culture and youth facilities grant program, and there are many communities that under that program picked up a fair bit of revenue to build up and improve these kinds of facilities that you are talking about. That program has now expired and there is no other program at this time. I don't really anticipate that under rural affairs we would have a separate program. I would think if a new program were to come it would have to come, as the other one did, as a general program across the piece, which would reflect both on rural and urban. So at this time we don't have a program.

**MRS. DUNCAN:** — Well, do you think, as Minister of Rural Affairs, that perhaps you could intervene, because I don't think it's quite right that a particular group of people be denied access to a program that their fellow citizens are eligible for. Perhaps you could talk to your colleagues. As I said, there are probably not many R.M.s that don't have a village or a hamlet within them. Perhaps a little bit more flexibility could be built into the existing community fund program.

**MR. KAEDING:** — Certainly I would want to do that, because I do recognize that there is a bit of imbalance there, and possibly there is some way that we can make some adjustments to the community capital fund which might make it possible for us to provide some revenues to these particular programs.

**MR. R.L. ANDREW (Kindersley):** — Mr. Minister, you announced a grant of \$10,000 to be used to develop a plan and a study in the area of the Lakeland R.M., Paddockwood R.M., and the whole Emma Lake-Christopher Lake area. Is that \$10,000 grant

conditional on anything happening? Or is it in place now?

**MR. KAEDING:** — The only condition for that grant is that there be a public body set up in that area, which would involve people, all of whom would have some interest in what happens in the planning process. It would include the two municipalities, probably the cottage owners' associations, and whatever group the municipality felt was necessary to get full public input. We would want to have a fairly wide public input into the decision-making of that planning agreement, because we think there is a good possibility of co-operation there. Certainly this is why we are putting the money in, because we think there needs to be a good community development plan. We are prepared to help them put it together. We want to do it through the local process.

**MR. ANDREW:** — My second question, Mr. Minister, is, what now stands in the way of Karasiuk Developments in developing its property? Are there any other hurdles that it has to overcome at this point in time?

**MR. KAEDING:** — Well, certainly there are hurdles to overcome. In the first place, they have not yet submitted a proposal on the nine country residential units at which we have indicated we would look. They have to go through the community planning process which involves ensuring there is adequate sewer and water, all of the clearances from the Department of Health and the Department of Highways and so on. All of those clearances have to be dealt with; they have to clear all of those hurdles before they can go ahead.

**MR. ANDREW:** — You have indicated in your meetings either in Saskatoon or in Prince Albert that a condition of solving this problem was that the Karasiuk development had to proceed. That seemed to be the result of any press statements, etc. — that the Karasiuk development was not a negotiable item. There was a commitment to proceed with that development, a commitment to either Karasiuk or a commitment to the R.M. of Paddockwood. How can you make a commitment, Mr. Minister, when you have no clearance from the community planning branch, which has obviously rejected it before and you have no clearing from the Department of Health, the regional health unit in Prince Albert? How can you make a commitment to these people without their having gone through those channels?

**MR. KAEDING:** — Well, in our discussions with the R.M. of Paddockwood and the R.M. of Lakeland, we made it very clear that no development could take place unless it cleared all the hurdles which are now in the way of setting up new subdivisions. They will have to meet those conditions. The R.M. of Paddockwood is aware of that and I don't think they want it to proceed unless all of those hurdles are cleared. They are now prepared to enter into a comprehensive co-operative agreement with the other R.M. providing Karasiuk's property is given the opportunity to meet the regulations that it has to meet. I don't think the R.M. of Paddockwood would insist that the Karasiuk property go ahead if it couldn't meet all of the requirements.

**MR. ANDREW:** — Are there any further agreements between the two R.M.s necessary, according to your department, before that development, or any lake development for that matter, can proceed? Are there any requirements between the two R.M.s by way of agreements?

**MR. KAEDING:** — Well, first of all, we would require the complementary zoning by-law. Then we have indicated that we would not approve any further lake front development until the two municipalities agree in writing to physical and financial arrangements

with regard to sewage disposal, with regard to garbage disposal; physical and financial arrangements regarding lake access – that's public reserve. We would want a written agreement between them with regard to who would be responsible for road construction and road maintenance, water supply, street lights, drainage, fire protection and policing; we would want to have a written agreement between the two municipalities on all of these items before we would consider any future development.

**MR. ANDREW:** — So what you are telling me, if the two R.M.s cannot, in fact, sign that agreement, there will be no further development, that outside of the commitment which Paddockwood has to the Karasiuk development (we have agreed they have a commitment there), no lake-oriented development will take place until there is an agreement between the two R.M.s that there should be some further development. That will likely not take place until this planning process, into which we have put dollars, goes forward. I expect that there will be no further approvals until all of those hurdles have been completed. There is an agreement between the two municipalities that there is room for further development. If they agree in their wisdom that there should be no further development, then there will be no further development.

**MR. ANDREW:** — O.K., so what you're telling me is that other than the Karasiuk one, which is accepted and put over here, nothing else can develop until there is that agreement and that agreement probably will not come until the study is under way. That's basically what you're saying. So you're saying, Mr. Minister, that the only one which has been exempted from this agreement is the Karasiuk development.

**MR. KAEDING:** — Well, we indicated to the two parties we would allow those 9 and we would allow an equal 9 in the R.M. of Lakeland. Lakeland also can develop nine country residential units. Outside of that, we have said that there would be no further new subdivisions approved. Now, there are subdivisions in Lakeland which are not completely filled. They're doing in-filling in that area. That doesn't come under our community planning program any longer because those have been approved, so there will be some in-fill done in Lakeland.

**MR. ANDREW:** — What you're telling me, then, is that no development can continue other than the 9 of Karasiuk's and the corresponding 9 in Lakeland plus the other 300 in Lakeland. Is that what you're saying, that 318 lots can be developed and then nothing more until such time as we have our plan in place and our full study as to whether the lake can handle it?

**MR. KAEDING:** — That's basically correct.

**MR. PICKERING:** — Mr. Minister, I think you are aware of this situation (at least you replied to this letter) in the R.M. of Torch River, No. 488. A Mrs. Victoria Chometsky wrote you a letter and she also wrote me one and said:

I am sending some of the letters I have received from Mackie and Kaeding. I'll write down what I have told.

We have lived on this place for 30 years. My husband served overseas for four and a half years in World War II. We bought our land through the VLA (veterans' land administration) and are still paying for it. We have worked hard to clear and break this land. Now, at his age of 60, we are unable to farm, because our machinery is old. We cannot afford to buy machinery at the price it is now so we rented our land out. My husband has not got a steady job

but picks up odd jobs. We still have cattle and make our own hay. Some of the land is sowed to hay and pasture.

In 1978, we were taxed on our residence. We paid our land tax but did not pay our house tax. On the tax notice it was itemized separately from our land tax. Then in 1979, they put the arrears of our house tax and land tax together, so we only paid our land tax and left our house tax.

You can read the letter I got from Kaeding on this. I hope you can understand what I wrote.

My question would be this. Upon contacting numerous R.M.s throughout the province, it seems like this practice is very inconsistent. For example, in my own R.M., there isn't such a thing as people being taxed under these circumstances and I wonder why these people are, it seems like, in just one part of the Torch River R.M. It seems like it's the east side, I think.

**MR. KAEDING:** — Well, Mr. Chairman, first of all I want to indicate that the whole question of taxation of small holdings is a very difficult one and we have at the present time, a committee under way which is charged with the job of providing some recommendations as to how we should deal with the small holdings problem. The fact that some R.M.s are taxing small holdings and some are not is of course simply because each one has its own jurisdiction. If the R.M.s request the assessment people to assess property which they know to be small holdings then of course the assessor will assess them and they will be taxed accordingly. The assessors don't know, unless there's a total reassessment, when a holding becomes a small holding because it's part of a farm for one year, and next year as you say, it's subdivided out and it then becomes a small holding and no longer really attached to the farm. It's difficult for us to keep up to that unless the R.M.s are prepared to provide the information. But it's the R.M.'s obligation to identify these and if they want the revenue to request the taxation base.

Now I think the act indicates that they must do that (I'm not sure; I should get some advice on that.) Yes, the R.M. act says that they must tax these small holdings. Some R.M.s have been very delinquent in that regard and they haven't taken that seriously. We haven't really insisted that they do that, although we would want them to do it. So that's the reason, I suppose, why some are taxed and some are not. Outside the R.M. boundary it doesn't affect one municipality or the other as far as that's concerned. So if the R.M. felt that it didn't want to do it, it is losing the revenue and no one else.

But the question in the particular case which you deal with is a difficult one, which the small holdings committee will be addressing, and that is the one where a farmer severs himself from his lifetime holding. But I think you have to recognize that farmer still wants to have service. He still wants his road ploughed and he still wants his road gravelled. He wants all those amenities which he is used to, and it's hardly fair to assume that he should live out his last years there and not make some contribution to the municipality for the maintenance of that road which is very vital to him. So I think it shouldn't be assumed to be unfair that he is taxed to some extent for that service.

**MR. PICKERING:** — Mr. Minister, would you not agree that the first thing that you should determine is if this gentleman is a bona fide farmer. In my telephone conversation with Mrs. Chometsky she says that they make more money from the farm with their cattle, and their share of the crop, than he does at his odd jobs. So why would he be taxed on his residence on his own farm?

**MR. KAEDING:** — Well, there are a number of sections of the act which deal with those various categories, and I don't have at the tip of my tongue right now exactly where the break points are. But there are a number of categories under which they can be taxed or exempted, and I would suggest that if he thinks he's being unfairly taxed, he should appeal to the court of revision. If he fails there he should go on to the court of appeal, because he may fit into one of those other categories and the R.M. might not recognize it. So he should go through that appeal process which doesn't cost him any money, and he can identify really where he fits into those regulations. There are a number of steps and break points with regard to exemptions and so on. They may not have put him in the right category.

**MR. PICKERING:** — Well, would you explain what you think is a bona fide farmer.

**MR. KAEDING:** — I think that is very difficult. Is a bona fide farmer somebody who has a horse in the backyard, or somebody who has a cow and a hog? . . . (inaudible interjection) . . . We could use the income criterion except other people would be very upset if we would use the income criterion, because they don't like that criterion either. They may do a lot of work and not get very much income. The majority of the income, if he is going to qualify as a farmer, must come from agricultural pursuits. Unless he meets that criterion, he would not be eligible for some of the other exemptions. So that is really the basic criterion. I think you would have to look at each individual case. The appeal commission would look at those things and identify that, if he thinks he is wrongly done by. But I think it would not be too difficult to determine, again, whether the majority of his income came from farming or not.

Having been a farmer yourself, you will know that is a difficult thing to determine because one year you can make a good net income and the next year you may not have a net income at all, yet you are running the same kind of an operation. So it is very difficult to make a break point there that you can really glue on to. The assessment process would have to try to do that.

**MR. PICKERING:** — Well, going back to my first question, why is it not consistent throughout the province? I mean some R.M.s don't do it at all, and it is taking place throughout the province.

**MR. KAEDING:** — Again, I want to indicate that the act requires them to do it. The act requires them to tax small holdings. Pardon me?

**MR. PICKERING:** — They are not being taxed.

**MR. KAEDING:** — Then the R.M. is not doing its job properly. I suppose if it were identified, we should be taking some action to see that they in fact do live up to the letter of the law. In many cases, as I indicated, the loss of revenue is to the municipality and not to anyone else, except to the extent that you say that somebody in Torch River is getting taxed and somebody over here is not. It doesn't have a great deal of relevance from one municipality to another because the requirement is there for them to be taxed. If an R.M. decides not to tax, they simply lose the revenue.

**MR. L.W. BIRKBECK (Moosomin):** — Mr. Chairman, the hon. member has certainly, in his own words, made the case for the hon. member for Bengough-Milestone in his definition of a bona fide farmer. That particular individual must make more money

farming than he does at what other opportunities he may have in other professions. Mr. Minister, would you take it under advisement to report back to the hon. member for Bengough-Milestone on the particular cases he has raised with you and clarify those situations because clearly, by your own words, they are being unfairly taxed?

**MR. KAEDING:** — It is not my decision whether they are being unfairly taxed or not. If they don't like their taxation, they have the process which is provided in law for them. They have the appeal processes which are there. If they go through those appeal processes and continue to be taxed, then obviously they are taxable. We couldn't overrule the assessment commission.

**MR. BIRKBECK:** — Mr. Chairman, I have one other question in that particular area. I can see very simply, just in closing on that particular subject, what you are doing. You are saying that you are going to leave that to local government because you know we wouldn't dispute that at any time. I don't argue with that except to say I don't think it would be out of place for you, as minister, to take a look into those specific cases and consult with the local authorities to see if all is right.

You referred to the subdivisions and small holdings. I wonder, Mr. Minister, could you tell me if the title certificate to those particular small holdings is in metric or in imperial?

**MR. KAEDING:** — I am told they are in metric.

**MR. BIRKBECK:** — Mr. Minister, you would be advised then by myself, with all respect, that the land titles officials are not happy with the current situation, whereby certain properties, which have been acquired, taken out of a set block and have been subdivided, and where a planned survey has been requested by either party, revert to metric measurement. That is by order in council of your own government. I have asked before, Mr. Minister, if your government would not consider rescinding that order in council so that situation is not prevalent any more, because I know that the officials who have to make the changes at the land titles office find it quite difficult.

It's certainly not a very efficient system, and if one purchases a parcel of land and finds out that a half dozen parcels of land have been subdivided out of it, he has to look at the back of the title where he'll get the main block of property in imperial measurements. Then he has to subtract those subdivisions which are in metric and do those calculations. I just find that the process is totally unnecessary. If you were to withdraw the order in council whereby planned surveys are requested to be measured in metric and revert back to the imperial system with reference to land, I think would make a whole lot more sense and it would be a lot more efficient for the land titles office. I am sure it would be looked upon by the people of Saskatchewan as a very positive move by your government.

**MR. KAEDING:** — Well, Mr. Chairman, first I should indicate that land titles and that particular area is under the jurisdiction of the Attorney General's department and not our department. However, we have to remember that the change to metric is not a decision of Saskatchewan but a decision made in the federal jurisdiction. And as I understand it, there has been no attempt by the federal government, at least no indication that they are going to reverse their position on the metric system. So if we are going to get into the metric system over a period of time, the process is now under way, and of course you are going to have the dual measurement system for a while. Unless there was a decision made to reverse the entire metric conversion (of which I haven't seen any indication) then I think it would be difficult for us, as a province, to

remove ourselves from that total movement.

**MR. BIRKBECK:** — Mr. Chairman, I can accept the minister's remarks with regard to metric conversion in Saskatchewan as it related to a federal decision. I accept that in totality, with the exception of land. There is absolutely no reason whatsoever that land in Saskatchewan or anywhere in this country needs to be measured in metric. We are not going to be exporting land now, today or tomorrow or ever for that matter. If you can give this House one good reason why land in Saskatchewan should be measured in metric, then I would like to hear it today, because I can't find one individual in Saskatchewan who supports your government's order in council — not the federal government's but your government's order in council — which requires land to be measured in metric on planned surveys.

I will continue to argue this as long as I'm a member of this House. There's absolutely no need whatsoever for land in Saskatchewan to be measured in metric. It's incumbent upon you as Minister of Rural Affairs, in the interest of getting rural Saskatchewan developed and moving and progressive, to make your case on behalf of those people to the Attorney General, who has the power to rescind that order in council right away.

That does not put you in a contrary position to the position taken by the federal government to move into metric with regard to other various commodities for export as it may be deemed necessary by them. That was one of the arguments, that it would be better for us if we had our various products we are exporting measured in metric. That in itself can be argued as well. We won't get into that. We'll just keep it on the issue of land alone and there is absolutely no reason whatsoever.

I would like to have you, Mr. Minister, on record in the House today. Give this House just one really good reason (not a small reason) why land in Saskatchewan should be measured in metric and not imperial, and why that order in council should not be rescinded? Tell us why you can't put some pressure and some influence (which I know would be difficult for you) on the Attorney General to rescind that order in council? I want that on record so I can have a much easier time, when I'm out in my constituency and other rural constituencies, explaining why we are measuring land in metric.

**MR. KAEDING:** — Mr. Chairman, again I suppose you can make that argument, and I know that it's a popular argument out in the country. But I want to indicate to you that all engineering is now in metric; I'm sure that if I talk to my staff back here that all of their road measurements are metric now. They're dealing with metric in that context. I'm sure that the surveys are done in the cities in metric, and that's all land-based survey. What you're really proposing is that we have a dual system. While that may be attractive to us in the short term, I don't know whether in the long term that's really going to be very attractive at all. We will be having our engineers and our health people and all of these people dealing in a metric context, coming out into an imperial context and having to make all of those conversions.

As I say, in the short term it's attractive. But I think in the long term, unless there is going to be a reversal of the whole metric system, we should accept the fact that we're into it and we're going to have to live with it.

**MR. BIRKBECK:** — Mr. Chairman, I cannot accept that. You have not answered my question. All you have said is that the federal government has made a decision, we're going along with that, and for us to withdraw that order in council would be in fact supporting a dual system.

I'll tell you, Mr. Minister, that I would bet that over half the members on your side of the House agree with what I am saying with regard to land being measured in metric. There is absolutely no advantage to it. You haven't given me an advantage; you haven't given me a solid concrete reason why it needs to be measured in metric. You haven't given me a reason to support your own argument that it would be a dual system. Even if it were a dual system, even if I accept that to maintain land in the imperial system and not convert it to metric, through your order in council, would be supporting a dual system, tell me how that hurts the people of Saskatchewan. Tell me how it hurts anybody in this province to maintain land in Saskatchewan in imperial. I want some solid backing for a position that your government has taken. Because if I get some, then I can support you out in rural Saskatchewan.

I know that even the Minister of Agriculture can speak to his constituents any time he likes and there are not very many who support measuring farmland in metric.

You use the arguments that the Department of Highways is measuring its roads in metric or urban development is using metric. Urban is different; it's all planned surveys, all of it. But there are not a lot of requests for planned surveys in rural Saskatchewan. And for those where there are, there is a further inefficiency of that particular order in council. Do you have any idea what the cost of those surveys is? What's the cost of converting that from imperial to metric?

Now, I say, Mr. Minister, you have a hot potato in that particular issue and it's incumbent upon you to come up with an answer today before 12 o'clock. If you can't come up with it yourself, take a few minutes out, talk to the Attorney General; he might give you some good arguments. Don't talk to the Minister of Agriculture. He won't support you, because he doesn't want to be on record as supporting metric in rural Saskatchewan. Not one member on that side of the House does. And that's why I say it's incumbent upon you to make some good arguments to support your case. You, as a government, have been consistent in that.

You say you want to nationalize the potash industry and you go ahead and do it and you market that policy to the people of Saskatchewan. Well, you've made a decision to bring in an order in council to change rural land – all land, for that matter, where there are planned surveys – to metric. I say it's incumbent upon you to market that particular philosophy to the people of Saskatchewan and in fact you have not been. You've been evading it; you've been hiding it, burying it. You've been saying it's a federal decision; it's their problem; they moved into metric, and we don't want to be different; we want to go along.

Well, I wish you would go along with the premiers of western Canada as much as you go along with the federal government in metric. Because, Mr. Minister, if your government and your Premier would get on track with Bill Bennett out of British Columbia and Peter Lougheed in Alberta and Sterling Lyon in Manitoba, with regard to rural development, we would not have a decline in farm numbers. And if this regressive step is taken by your government, with orders in council changing land into metric (something that's not going to benefit the people in any way, shape or form) it is a very regressive step, a backward step. I say it's incumbent upon you as Minister of Rural Affairs, or the Attorney General, or the Minister of Agriculture, or somebody on that side of the House to give the Opposition, the media, and the people of Saskatchewan some good reasons for your actions.



**MR. KAEDING:** — Well, Mr. Chairman, again I think we have to get back to the basics. I am advised that almost all jurisdictions across the country have accepted the metric conversion system. If you look at Ontario or Manitoba, and I don't know about Alberta, I understand that most of the provinces have made the metric conversion decision.

We're coming into a stage now where even the engineering instruments are all metric instruments. If we're going to insist on maintaining the old system we're going to find our engineers and all of our field people, not only in our department but in many other departments, covering the same ground. They're going to have to reconvert everything back. In the short term it's attractive, but in the long term I think if we're going to have a final solution of the conversion, we're going to have to do it.

**MR. PICKERING:** — Mr. Minister, every year at the SARM convention, they have numerous resolutions to vote on and a lot of them are passed. How does your department deal with these? What procedure do they follow? Do you have meetings on each resolution and go through them as they come before you after the convention is over?

**MR. KAEDING:** — The SARM executive, after the convention, sort out the resolutions, those which pertain to rural affairs and those which pertain to agriculture, highways, environment, or whatever. Then the executive meets with each department to go over the resolutions to try to determine those which can be enacted in new legislation and those which we feel we are not able to accommodate. It's not unusual, as we discuss with the SARM executive the resolutions which come forward, for them to say, well, we don't think we should move on this one this year, or maybe we shouldn't move on it at all.

So we do come to an agreement on those issues which we really can do something about. Some of them as you know, if you've looked through the resolutions, are of limited application. Some of them relate to only two or three municipalities. They're not all resolutions which are broad and require some legislative change. We do sit down with them every year. We have already had our meeting with the executive and we've indicated those areas where we're prepared to make amendments next year.

As you will notice, almost every year there is a bill which amends The Rural Municipality Act. This comes about because of the discussion process.

**MR. PICKERING:** — Mr. Minister, I notice some of these resolutions come up year after year. In your discussions on these, do you get back to the RM that has brought the resolution forward and tell them the reasons why you're not going to deal with it this year?

**MR. KAEDING:** — No, Mr. Chairman, we don't. That's the job of the SARM. They're members of SARM which, on their behalf, puts these proposals forward. When the discussions take place and there is either a rejection or an approval it's the job of SARM to communicate back to their members what action takes place.

I can tell you as well that beginning next week we're having eight regional meetings throughout the province which all municipal councils are invited to attend. They will have ample opportunity at that time to put forward any new proposals or concerns that they have. So there is ample opportunity for them to make a presentation to us.

**MRS. DUNCAN:** — On item 1, you have increased your staff from 66 to 81. Are those

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new positions created, and did the majority of those employees transfer from the existing Department of Municipal Affairs when you made the split?

**MR. KAEDING:** — I indicated right at the beginning that of the 15, 7 of them are transfers from the Department of Urban Affairs, and the other ones are new positions.

Item 1 agreed.

**Item 2**

**MR. PICKERING:** — Mr. Minister, on item 2, are you considering building any bridges where there are now ferry crossings?

**MR. KAEDING:** — There is one bridge being built this year at Buffalo Narrows, which will replace the ferry.

**MR. PICKERING:** — Could you indicate to me how many requests you've had to build bridges and take the ferries out throughout the province?

**MR. KAEDING:** — We have no requests in our department for any replacements. The replacements are done, as you may know, by the Department of Highways, and it may have some requests. We have no requests in our department for changes.

Item 2 agreed.

Items 3 to 5 agreed.

**MR. KAEDING:** — Yes, that estimate was under the urban affairs estimates yesterday. It was a separate section in there and it was approved yesterday under urban affairs.

**MR. PICKERING:** — Mr. Deputy Chairman, I would like to congratulate the minister on his new department. We certainly will be watching very closely as to how it affects rural Saskatchewan. I know the R.M.s are very happy about the department's coming into place. It is long past due, I think. I wish you much luck with your department.

Vote 43 agreed.

The Assembly recessed until 2 p.m.