

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Third Session — Nineteenth Legislature

Tuesday, April 14, 1981.

The Assembly met at 2 p.m.
Prayers

ROUTINE PROCEEDINGS

REPORTS OF COMMITTEES

Select Standing Committee on Library

THE CLERK: — Mr. Speaker, the chairman of the select standing committee on library presents the first report of the said committee which is as follows:

Your committee has considered the reference of the Assembly dated November 9, 1980, namely, the recommendations of the public documents committee under The Archives Act, contained in the retention and disposal schedules comprising sessional paper number 618 at the present session. Your committee recommends to the Assembly that the recommendations of the public documents committee on schedules 217, 218, 219, 220 and 222 be accepted, and that schedule number 221 be accepted as amended.

MR. NELSON: — Mr. Speaker, I move the report on behalf of the hon. member.

Motion agreed to.

INTRODUCTION OF GUESTS

HON. MR. GROSS: — Mr. Speaker, I'd like to introduce to you three important visitors we have in the province today. They are three people from Denver, Colorado, with Frontier Airlines. They are Danny Todd, vice-president of the corporation, Bob Slichter, director of community relations, and John Alquist, director of field marketing. They are seated in the Speaker's gallery and I'm sure members will want to wish them a warm welcome to Saskatchewan. They are all no doubt aware why they are here today — it's to inaugurate a reception that will start later today at 5 o'clock at the Regina Inn, indicating what they plan to do with Frontier Airlines in Saskatchewan.

HON. MEMBERS: Hear, hear!

WELCOME TO STUDENTS

HON. MR. ROLFES: — Mr. Speaker, it's my pleasure today to introduce to you, and to the House, 36 grade 8 students from Hugh Cairns School in my constituency. Many of these students live next to me on the same block or neighboring blocks because the school is located right next to my own home in Saskatoon. I know many of these students personally, and I can indicate to the House it is a very good school, a high calibre school and many of these students will certainly go forward, as their predecessors have, into the high school system. They will do well for themselves, not only academically but also in the sports field.

They are accompanied by two teachers, Mr. John Brent and Mr. Keith Cowan. I want to

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especially welcome Mr. Keith Cowan as a personal colleague of mine. I want to indicate to the students I will meet with them a little later. I hope that they will find their trip to Regina both educational and interesting, and that the sitting in the House will also be interesting. I want to wish you a good day in Regina and also a safe trip back home.

HON. MEMBERS: Hear, hear!

INTRODUCTION OF GUESTS

MR. LANE: — I'd like to join with the Minister of Tourism in welcoming the officials from Frontier Airlines. I'm sure on behalf of all members of the Assembly we wish them success in their endeavors. We are hoping, as citizens of Regina and Saskatchewan, that it is successful and that the relationship is a long and fruitful one for both Frontier and the people of Saskatchewan. I know we are all looking forward to the service and, again, we wish you every success.

HON. MEMBERS: Hear, hear!

WELCOME TO STUDENTS

HON. MR. McARTHUR: — Mr. Speaker, I wish to introduce to you, and to members of this Assembly, two grade 8 classes which are here with us this afternoon, both sitting in the west gallery. One group, numbering 27, is from Lakeview School. They are accompanied by their teachers, Mr. Jake Janz and Mr. Bill Forrest. Another grade 8 class, a group numbering 52, is from Argyle School. They are accompanied by their teachers, Mr. Huber, Mrs. Lovell and Mr. Graham. I want to welcome the students to the Legislative Assembly this afternoon. I know that in both cases your schools have taken a great deal of interest in the proceedings of this legislature and in the political process. I hope that your visit here adds to your knowledge and understanding of this very important part of our life. I look forward to meeting with both groups; I believe the group from Lakeview at 2:30 for pictures, and the group from Argyle School at 3 o'clock. I welcome you here and hope you have a good day.

HON. MEMBERS: Hear, hear!

MR. MINER: — Mr. Speaker, I would like to join with my colleague, Mr. McArthur, in welcoming the students from Argyle School to this Assembly. This particular school is of interest to me because during the period that we have lived in Regina, my children have all attended Argyle School and one of my daughters is in the gallery. Sharon, I welcome you to the Assembly. It is a pleasure for me to welcome their teachers, Mr. Huber, Mrs. Lovell and Mr. Graham, and I can assure this Assembly that the standards of education in this school are of the highest. I am proud and pleased to welcome them to this Assembly and I hope they enjoy the proceedings this afternoon, followed by their meeting with the Hon. Minister of Education.

HON. MEMBERS: Hear, hear!

QUESTIONS

Alleged Leak of Documents on Constitution

MR. LANE: — I would like to direct a question to the Premier. Newspaper reports indicate that the details of the so-called Winnipeg compromise or the premiers'

position on the constitution have been leaked to the Labour Party in London. It's very difficult to determine or believe in any other source, other than the Saskatchewan government or its delegation. Would the Premier kindly advise whether he has made any investigation as to whether the documents were leaked by the Saskatchewan delegation?

HON. MR. BLAKENEY: — Mr. Speaker, on hearing that report I have caused some inquiries to be made and have been assured that if material came into the hands of any members of the British House of Commons from any provincial delegations, it does not appear to have come from anybody in the Saskatchewan employ, either as an employee or retained on fees.

MR. LANE: — Would you kindly advise as to the extent of your investigation?

HON. MR. BLAKENEY: — I caused the officials of the Department of Intergovernmental Affairs to be in touch with our agent general. We don't have very many people over there, so there are not many places where there could be a leak. We don't have nearly as many people in London as other people do. A good number of people in London were aware of the discussions that have taken place among the provinces. I have no personal knowledge, or even reported knowledge, of the nature of the alleged leak. The agent general assures the officials of intergovernmental affairs, who have assured me, that he does not have any reason to believe that any leak came from any Saskatchewan government source.

MR. LANE: — You very pointedly by-passed the Minister of Intergovernmental Affairs. Did you check with him? You indicate that you went to officials of intergovernmental affairs for review of the leak.

HON. MR. BLAKENEY: — The officials reported directly to me and, I suspect, similarly reported to the Minister of Intergovernmental Affairs. It was a report which they investigated on their own initiative and advised both me and the responsible minister, as I think is entirely appropriate conduct on their part.

Government Stand on Charter of Rights

MR. LANE: — New question, Mr. Speaker. Further reports indicate that you now seemingly have swallowed your objection to the charter. I am wondering how the Premier has changed his position on the charter, and why he is now prepared to accept it. We note that negotiations supposedly have broken off, I believe in February, between you and the federal government. What events took place between then and now that have caused you to dramatically change your position, so that you are now prepared to "swallow the charter"?

HON. MR. BLAKENEY: — Mr. Speaker, I am unaware of any reports that we were going to "swallow the charter." I can only say that the position of the Government of Saskatchewan with respect to a charter of rights entrenched in the constitution remains unchanged since February.

MR. LANE: — I wonder, then, if the Premier would investigate the accuracy of a supposed Canadian Press survey of the 10 provincial premiers or 10 provincial governments — and they very pointedly say, "governments." I also very pointedly say, "government." Would you investigate to determine whether anyone in the Government of Saskatchewan has indicated to Canadian Press that Saskatchewan has changed its

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position, and is not prepared to accept the charter. Who was surveyed by Canadian Press, if in fact a survey did take place?

HON. MR. BLAKENEY: — I think the answer to that is no. I think that no government can profitably use its time to carry on surveys as to the accuracy of news reports. I think that the news reports will speak for themselves. They will prove to be accurate or inaccurate by the passage of time. Judging from their batting average in the last several months with respect to the constitution, I don't think the mere report of the position of a province is likely to engender any large measure of confidence that that is in fact the position of the province. Certainly, I say again, the position of the Government of Saskatchewan has not changed since February.

Saskatchewan Uranium in Soviet Union

MR. ANDREW: — My question is to the Premier. Mr. Speaker, allegations have been made, both at the Warman refinery and more recently by the Greenpeace Foundation, that Saskatchewan-produced uranium is finding its way into the Soviet Union. I appreciate that that is not your job — as to where it goes. Could you advise the Assembly whether, to your knowledge, the destination of uranium produced in Saskatchewan is the Soviet Union?

HON. MR. BLAKENEY: — Mr. Speaker, I have no knowledge of that, in my position as a Premier of Saskatchewan or as one of Her Majesty's ministers. Therefore, I am unable to respond to that from any governmental knowledge. I think it is common knowledge that uranium moves from various producers to various consumers. This uranium is moved from a place like Port Hope, Ontario, (whatever product it may be there: UF-6) into further upgrading plants around the world, where the product is upgraded on a custom basis, and it is not left in the country where it is upgraded. There is such an upgrader in France, and therefore it is sometimes reported that Canadian uranium goes to France. I suppose it does under contract, let us say, to Sweden. Then it is sent back to Sweden in its upgraded form. In that sense, it may be that Canadian uranium goes to other countries. They may include the Soviet Union. This is not within the knowledge of the Government of Saskatchewan.

MR. ANDREW: — Supplementary question, Mr. Premier. Regardless of what side the people of Saskatchewan are on regarding the uranium question, I would suggest that the people would be somewhat apprehensive about the allegation that uranium produced here is finding its way into the Soviet Union. The further allegation, Mr. Premier is this: the control devices within the Soviet Union are not such, there are no observers there to ensure that the quantity going in is the same as the quantity going out. My question to you, Mr. Premier is: are you prepared to look into this question to ensure that our uranium is not, number one, finding its way into the Soviet Union, and number two, some of it staying there?

HON. MR. BLAKENEY: — Mr. Speaker, I say again that none of this is within the knowledge of the Government of Saskatchewan and I would, accordingly, submit that in a strict sense the questions were out of order. If the hon. member wishes us to correspond with the Government of Canada to find out how it is discharging its responsibilities in this regard, then perhaps we could do so. I would suggest that hon. members opposite may correspond with former Conservative ministers of the Crown, or current Liberal ministers of the Crown and all of us can find out how the Government of Canada is discharging its obligations.

MR. ANDREW: — Final supplementary, Mr. Premier. Would you be prepared to undertake an investigation for the people of Saskatchewan to determine, through the federal authorities, if, in fact, any Saskatchewan produced uranium is being processed or is staying in the Soviet Union?

HON. MR. BLAKENEY: — Mr. Speaker, once again, I say this has nothing to do with the responsibilities of the Government of Saskatchewan, as such. So the answer is yes; we will correspond with the federal government; we would hope that members opposite would similarly correspond with the federal government, and with their research staff, equally provided at public expense. It happens that the member for Saskatoon West, a member of the party represented by members opposite, is the energy critic of the official opposition, and he may well be the best source of . . .

AN HON. MEMBER: — He's justice, but former energy minister.

HON. MR. BLAKENEY: — . . . former minister, and he will know exactly what was done when he was minister. We can find out from him and we can find out what the current government is doing. We invite all hon. members to correspond with their respective MPs; we will, in fact, correspond with the federal government, and we invite you to do the same. Since it has nothing to do with our responsibilities here as a provincial government in the strict sense of the word, I'm sure all of us will share the information we gather.

SOME HON. MEMBERS: Hear, hear!

MR. TAYLOR: — A question to the Premier. It comes to mind that approximately two years ago you made a world tour to promote uranium sales; I think you stopped in Russia at that time. Would you inform the Assembly if you had any discussion or dialogue with the Russian authorities to find out what was happening to Canadian uranium which was being processed in the U.S.S.R.?

HON. MR. BLAKENEY: — The answer is no. I had no discussions of any kind in the Soviet Union with respect to uranium. At all times, when meeting officials in the Soviet Union, I was accompanied by officials of the Canadian government, which has the responsibility of dealing the international arena with respect to Canadian uranium. Doubtless they would have asked all questions which they thought appropriate by the Canadian government. In my judgment it would have been inappropriate for me to ask questions of how the federal government was discharging its responsibilities, particularly with respect to the Soviet Union.

I want to assure hon. members that when I go to the Soviet Union and talk about Canadian business, I talk about it in terms which the federal Government of Canada can thoroughly agree with. I do not think it is wise for us, when we go to the Soviet Union, to present two faces for Canada, and I do not do so.

SOME HON. MEMBERS: Hear, hear!

MR. TAYLOR: — Supplementary. Mr. Premier, as Premier of a province in Canada, which is one of the major uranium producers, would you not agree that if a fellow from the Greenpeace Foundation can find out that our uranium is being used by the Soviet Union and perhaps being used for bombs which someday might be used against us . . . Do you not feel as Premier of the province which is a major uranium producer in the

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world, that you can find out? I ask you, on behalf of the people of Saskatchewan, will you today find out what is being done with Saskatchewan uranium in the U.S.S.R.?

HON. MR. BLAKENEY: — Mr. Speaker, I will even undertake to go further. I will write to the Premier of Ontario and find out what has happened to Ontario uranium over all these years.

I'm sure this question has been fully addressed by the Government of Ontario. If it has not, presumably they are doing what Canadians have generally done — taken the view that the export of uranium and the appropriate regulation of the export of uranium fall within the purview of the federal government.

I think members should be reminded that with respect to uranium the legislative jurisdiction of the province of Saskatchewan is in no sense the same as it is with respect to, let's say, oil or potash. Uranium is a mineral the operations and mining of which have been taken into the federal domain pursuant to the provisions of section 92(10)(c) of the British North America Act, and all aspects of uranium production, processing and export are within the purview of the federal government.

Hence, the environmental impact study at Warman was a federal study. I want to remind hon. members that simply because a federal activity is carried on within the province of Saskatchewan does not justify the Government of Saskatchewan in conducting investigations on how the federal government discharges its responsibilities within the province of Saskatchewan.

MR. LANE: — A question to the Premier. The Premier begs the answer when he refers to the fact that it is federal jurisdiction. Of course, the government opposite has had the Key Lake inquiry, the Bayda inquiry, and others into the development and mining of uranium in the province of Saskatchewan.

Did the Premier not feel that he had an obligation to the people of Saskatchewan when he was in the Soviet Union to ask the federal officials accompanying him to raise with the government of the Soviet Union our concern as to the use of Saskatchewan uranium in the Soviet Union?

HON. MR. BLAKENEY: — Mr. Speaker, let me be clear. I do not believe, it is my responsibility when I go to the Soviet Union, to raise with the Soviet Union concerns of the people of Saskatchewan regarding, let's us say, the manner in which Canadian wheat moves to the Soviet Union. I am interested, but if there are genuine concerns I raise them with the federal government and not with the Soviet authorities.

Similarly with respect to uranium — which is equally under federal jurisdiction — if there are concerns, I will raise them with the federal government and not with the Soviet officials. I will not present two faces of Canada to the Soviet Union. I want to make that clear.

I want to say one other thing. While it is possible, I suppose, that Canadian uranium may be finding its way to the Soviet Union, it is rather far-fetched to suggest that Canadian uranium is staying in the Soviet Union. The Soviet Union, as will be well known to members opposite, produces perhaps 30 per cent or 35 per cent of all uranium produced in the world, and is a net exporter of uranium and not an importer. It's a little difficult to see why they would want to hang on to Canadian uranium.

MR. LANE: — A question to the Premier. I ask you a very specific question. Did you, in fact, raise on behalf of the people of Saskatchewan your concerns with the federal government officials accompanying you so that they could question the Government of the Soviet Union about the use of Saskatchewan uranium? That is what I am asking, very specifically. The Government of the Soviet Union deals only with one official – did he ask the questions on your behalf?

HON. MR. BLAKENEY: — Mr. Speaker, I have on a number of occasions discussed with the officials of the Department of External Affairs at Ottawa matters in connection with the export of Canadian uranium, the non-proliferation treaties, and other nuclear safeguards. I have done this specifically prior to the European trip to which the hon. member alludes. I have discussed this with the former undersecretary, Mr. Robinson, with the current undersecretary, Mr. Gotlieb, and I know that he will have instructed his ambassadors and other officials to raise such issues with the foreign governments, particularly the Soviet Union, as he felt were appropriate.

I have also, in a general way, (and I underline that – only in a general way) discussed this with federal ministers concerned, but I discussed it in a particular way with the undersecretary from time to time (the undersecretary who may be in place from time to time), so that they may well know the concerns of the Government of Saskatchewan. And I have emphasized one position which I have made public again and again: the Government of Saskatchewan has never advocated the sale of Saskatchewan uranium to any country that has not signed with the Government of Canada to ensure safeguards which in the opinion of the Government of Canada are thoroughly adequate.

We have never asked the Government of Canada and do not now ask the Government of Canada to lower its standards of non-proliferation or other safeguards in any way to provide a market for Saskatchewan uranium. We regard the safe use of uranium as a method of generating electric power as absolutely key to future markets for uranium, and for the future safety of the world. That is the position of the Government of Saskatchewan.

MR. ANDREW: — A new question, Mr. Premier. Would you be prepared to table in this Assembly those representations you made on behalf of the Government of Saskatchewan to the federal government with regard to the questions you just raised?

HON. MR. BLAKENEY: — Mr. Speaker, the great bulk of the representations were made face to face by me with senior government officials. They were not in writing, nor do I think they should be in writing. The dealings between us and the Department of External Affairs have been in every sense cordial; particularly, they have been close when I have been going abroad, since I am well aware that it is easy for countries that do not have a federal system of government to misconstrue the position which a provincial premier occupies.

I have therefore been particularly scrupulous in dealing with the federal government, in having a clear understanding of what our appropriate roles were ("our" meaning a provincial premier and a federal Canadian ambassador), in a capital such as Bonn or Stockholm. Those have been our practices in the past. They will continue to be our practices, and I believe they are the appropriate way to conduct our affairs, notwithstanding the contrary views of members opposite.

Follow-up of Documentation re Saskatchewan Uranium

MR. PREBBLE: — A question to the Minister of the Environment, Mr. Speaker. The question is simply this: two years ago I reported to the Minister, in a brief to the government, that Saskatchewan uranium was probably going to the Soviet Union. Last year I documented that, and provided evidence to both the province and the enquiry into the Eldorado nuclear refinery. My question is: what action has been taken by the government to follow up on this information?

HON. MR. BOWERMAN: — Mr. Speaker, I think the question as to whether or not the uranium from the province of Saskatchewan is reaching the Soviet Union has been adequately answered by the Premier. I don't think it requires any further answering by me, as to whether or not the situation is different from what the Premier outlined on behalf of the province of Saskatchewan.

MR. PREBBLE: — A supplementary, Mr. Speaker. The minister will know that any country can back out of the non-proliferation treaty with 90 days notice, and that there are no sanctions under the non-proliferation treaty for countries which violate the rules of that treaty and use Saskatchewan uranium for weapons development. Is the minister saying, on behalf of the Government of Saskatchewan, that the non-proliferation treaty is adequate, given the obvious loopholes which exist in the treaty at this time?

HON. MR. BOWERMAN: — Mr. Speaker, I think the hon. member is raising a question which I don't know why he would address to the Minister of Environment. It's a matter which deals with a federal issue. Why he believes that the Minister of the Environment for Saskatchewan should understand what the national or international implications are for the export or otherwise of uranium, misses me completely. I indicate to the hon. member that he may inform himself, if he so wishes, as to what the national or international agreements are with respect to export or use of uranium, but as far as the responsibilities of the Minister of the Environment are concerned in the province of Saskatchewan, I do not see that as my responsibility. Therefore, I am not able to answer this question directly or indirectly. Whatever assumptions he wishes to make, are assumptions that he makes on his own behalf.

Assistance to Farmers of North Battleford Area

MR. SWAN: — Question to the Minister of Agriculture. A few days ago, I asked you a question about the court case in regard to the problem which the farmers were experiencing at North Battleford. At that time, you advised me that you would be bringing in legislation to deal with future cases of the same concern, but that you were not able to do anything about what had happened up to this point. My question to you today is: are you prepared to do something to prevent these young farmers from going bankrupt at this point in time? You're putting money in to save SGI (Saskatchewan Government Insurance), and you've put money into other Crown corporations which have been in difficulty. I know that at one point in time you put \$500,000 into the operation of Intercontinental Packers in Saskatoon. Are you prepared now to do something for this group of farmers who find themselves in a position where they likely will experience bankruptcy if somebody doesn't come to their assistance?

HON. MR. MacMURCHY: — Mr. Speaker, in answer to the hon. member for Rosetown-Elrose, I indicated to him, on the day previous, that our plan was to introduce legislation in the Assembly. That is still our plan. It will obviously deal with the matter from this date on. Looking back is a difficult problem, Mr. Speaker. We make no commitment with

respect to that. The hon. member proposes that we provide some money. I think that we would want to look at all of our alternatives before providing money. On the basis of the proposals for money, which I see around now, it would go right to Guaranty Trust Company of Canada. I have some problems in regard to providing about a quarter of a million dollars, to cover the losses of the farmers, directly to Guaranty Trust Company of Canada without seriously considering all the other alternatives.

MR. SWAN: — Supplementary to the Minister of Agriculture. Perhaps if you were to provide some assistance, Mr. Minister, it would have to go to Guaranty Trust Company of Canada because that's the group which is short-changed in the whole process. But, if we don't do something to assist these farmers, then they're going to have to pay that money to Guaranty Trust Company of Canada at any rate, or else go bankrupt and lose their equipment. So, if you want it to go through the farmers' hands and have them hand it to Guaranty Trust Company of Canada, that's fine. That's where it has to end up to prevent them from going bankrupt. What are you prepared to do?

HON. MR. MacMURCHY: — Mr. Speaker, I indicated to the hon. member in my last response that we were looking at all of the alternatives. I am not encouraged, Mr. Speaker, by the hon. member's question where he says, "Poor old Guaranty Trust of Toronto is caught in this problem." "Short-changed," I think he described it as. It would seem to me, Mr. Speaker, that the people who are tasting the problem and the people who are short-changed are the some 20 producers involved in this situation. That is the area we are focussing our attention on. We are certainly not focussing it on "poor, old Guaranty Trust."

SOME HON. MEMBERS: Hear, hear!

INTRODUCTION OF BILLS

Bill No. 62 – A Bill to amend The Northern Saskatchewan Economic Development Act

HON. MR. HAMMERSMITH: — Mr. Speaker, I move that a bill to amend The Northern Saskatchewan Economic Development Act be now introduced and read a first time.

Motion agreed to and ordered to be read a second time at the next sitting.

ORDERS OF THE DAY

SECOND READINGS

Bill No. 05 – An Act to amend An Act to incorporate The Northern Saskatchewan Co-operative Stock Yards, Limited

MR. JOHNSON: — Mr. Speaker, I move that an order for second reading of Bill No. 05, An Act to amend An Act to incorporate The Northern Saskatchewan Co-operative Stock Yards, Limited, be discharged and bill withdrawn.

Motion agreed to and bill withdrawn.

MOTIONS

Resolution No. 24 – Saskatchewan Housing Initiatives Program

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MR. PICKERING: — Mr. Speaker, it is indeed a pleasure for me to rise in the Assembly today and speak on the motion that I have placed before it — a motion that I deem very, very important. Mr. Speaker, the Premier and other members of the government spend incredible amounts of money discussing the constitution which, of course, is an important issue at this time, but they totally ignore the housing crisis which exists in this province. I find it very regrettable that the future financial security of many lower- and middle-class families is being shattered on the jagged rocks of political indifference. It is very obvious that the government of this province no longer believes in home ownership or that a man's home is his castle.

I want to put it on record today that it would be the priority of the Progressive Conservative Party in Saskatchewan to ensure that home ownership would be within the reach of all citizens in the province. That is why I have introduced a motion which reads:

That this Assembly recommends the establishment of a Saskatchewan housing initiative program to counter the impact of high interest rates by providing low-cost mortgages for first-time home-owners.

The government of this province must give a real commitment to bring about measures to dampen inflation in the housing sector, to stimulate economic growth and the creation of employment opportunities. A Saskatchewan housing initiative program would do just that. Mr. Speaker, for the record, I would like to inform this Assembly that the type of program I am advocating is similar to one that exists in British Columbia. The program in British Columbia was conceived by an NDP government, the government of Premier Barrett. It did not act on the program. The government of Premier Bennett brought the program into reality in British Columbia. It is a good program, and I find it very curious, very puzzling, that the so-called party of the people opposite rejected this plan. I implore all members on the other side not to follow their brethren in British Columbia. I ask you to consider the merits of such a plan.

Here in the province of Saskatchewan during 1979 and 1980, housing construction has been in the worst slump since the Great Depression. For the fourth consecutive year housing starts in Saskatchewan have declined. High mortgage rates have drastically reduced the number of people able to afford an average-priced home. Mr. Speaker, even though Saskatchewan does allow home-owners some tax relief for mortgage interest payments, I contend that is not enough. Last year here in Regina, for example, housing starts were down some 90 per cent over the same period for the previous year. That is not something that indicates a booming economy, Mr. Speaker. It indicates that times are tough. It is high time that we faced the challenge of making home ownership a reality instead of a dream for many. The Saskatchewan housing initiative program of which I speak would be designed to encourage home ownership, and at the same time would stimulate demand for provincial forest industry products, and would, of course, create employment in the construction industry.

In British Columbia \$200 million was made available for the program. I am sure that Saskatchewan could be in same league. The program could be funded by the province and administered by the credit unions in the province. The program would make mortgages available at an interest rate of 9.75 per cent to each eligible purchaser. A Progressive Conservative government in Saskatchewan would bring about a Saskatchewan housing initiative program because we are sincere in our commitment to help people become home-owners.

And so, Mr. Speaker, I would ask each member of the Assembly to forget partisan considerations and pass my motion so Saskatchewan can become a leader in making home ownership a priority, a reality for all citizens who aspire to own a home. Mr. Speaker, I therefore move the following resolution, seconded by the hon. member for Regina South.

That this Assembly recommends the establishment of the Saskatchewan housing initiative program to counter the impact of high interest rates by providing low-cost mortgages for first-time home-owners.

MR. ROUSSEAU: — Thank you, Mr. Speaker, I am indeed very pleased to echo some of the words of my colleague, the member for Bengough-Milestone. The members will recall that in this Assembly not too long ago (in fact just a little over a month ago in the reply to the budget speech), I made the suggestion of an injection of funds by the government through the private sector, through the credit unions or whatever financial institutions that were necessary to handle it. Inject \$100 million into this fund to get the economy going in the construction industry and to provide that low-cost mortgage money to the people of Saskatchewan, who can ill afford the 17 per cent that exists today. As of three or four days ago, as announced through the *Globe and Mail*, rates are now up between 16.5 per cent and 17.5 per cent.

Mr. Speaker, those rates are not possible in an economy such as Saskatchewan's, when we consider the average income of the people of Saskatchewan, as compared to the national average, and if we consider the average income of the farmers of Saskatchewan, as compared to the national average.

The government opposite can, and often does, talk about the great economy and the great economic boom of Saskatchewan. We have not seen any evidence of that (as the Minister of Industry and Commerce even calls it) "so-called" economic boom (if you recall your words, Mr. Minister).

Not only is \$100 million needed to shore up that industry (as my colleague for Bengough-Milestone has indicated) because of the fact that housing starts are down more than 50 per cent in the province of Saskatchewan, but it would also assist all spinoff industries. The multiplier effect of any funds injected into the economy is about 3.5, and 3.5 times would mean, if we spent the \$100 million on housing in Saskatchewan, an additional \$350 million in the economy.

The Minister of Labor yesterday proudly announced in this Assembly a 6 per cent (or 5.9 per cent, but that's pretty close to 6 per cent, Mr. Speaker) unemployment rate in Saskatchewan. I have to question the enthusiasm of the Minister of Labor in being proud of a 6 per cent unemployment rate in a province with the resources and the wealth that Saskatchewan has.

The motion, as introduced by my colleague, is certainly well worth the consideration of members on both sides of this House. Mr. Speaker, we have advocated it before; we advocated it in the reply to the budget. We are committed as a party and as a government to implement such a proposal.

Mr. Speaker, for the reasons I have outlined, for the reasons that my colleague has outlined, it is not a project that would be costly to the government. It would be borrowed funds repaid by the home-owners at reasonable interest rates, so therefore the cost would be very minimal to the government. They can blow much greater sums of

money in other sectors of government or Crown corporations, and give no serious thought to it. We have just witnessed a \$53 million loss in SGI. We have just witnessed a \$72 million injection of funds at no interest into SGI. Mr. Speaker, if we can put \$72 million of public funds into a Crown corporation that is losing and, as the president of SGI says, "hemorrhaging" money, surely we can inject \$100 million of borrowed funds (which does not affect the balance sheet of the government in any way) with almost a 10 per cent return, as was suggested by my colleague. That seems to me to make a lot more economic sense than \$72 million in a losing proposition of \$53 million in two years time (and I am referring to SGI) at no return on that money at all. Heaven knows when it will straighten around and get back on stream. Under the present administration, I doubt it ever will.

Mr. Speaker, we are talking about something which can be positive for our economy, something which can get the housing industry back on its feet and can assist the home-owners or prospective owners to buy at reasonable rates. Again, I say, put partisan politics aside and make available to the people of Saskatchewan those funds that are needed to get that industry going, and are needed to assist prospective home-owners.

With those few words, Mr. Speaker, I am indeed very pleased to second the motion introduced by the member for Bengough-Milestone.

SOME HON. MEMBERS: Hear, hear!

MR. MOSTOWAY: — Mr. Speaker, I would like to say a few words on this motion put forward by the two hon. members opposite. One thing I wanted to ask was about something I wasn't quite clear on, and perhaps he could answer from his seat. Was it some sort of subsidization plan which you wanted the provincial government to be involved in? I'll just wait for the answer; I'm sorry I really didn't hear you. Would the hon. member tell me right now, please? . . . (inaudible interjection) . . .

Mr. Speaker, what I really wanted to say is that their concern for people and their inability to buy new houses because of the high mortgage rates is certainly to be commended. It is a concern that is felt by members on this side of the House also. I am afraid that I know where your loyalties lie, and that was evidenced by a statement made by one of your members during question period where he was very concerned about Guaranty Trust.

Mr. Speaker, I would venture to say that if there is a problem you should get at the root of the problem. The problem really lies in the fact that the federal government has the power to set mortgage and interest rates. That is to whom he should be directing his ire relative to new housing starts and the inability of people to build suitable housing and pay for it. He well knows that mortgage rates, as set by banks and other financial institutions with the exception of credit unions, fall within the jurisdiction of the federal government. I would say he should be directing a request that the federal government order the various financial institutions and the banks to provide reasonable interest rates or mortgage rates so that people can buy and build new homes. But at any rate, Mr. Speaker, I would like to read what he said because there was some talking at the back here at that time and I missed some of his words. Consequently, I would like to speak on this again, probably the next time it comes up. So I beg leave to adjourn the debate.

Debate adjourned.

Resolution No. 25 — Woody Lake Fire Investigation

MR. HARDY: — Mr. Speaker, it gives me great pleasure to be able to introduce this motion into the Assembly today. This is a problem that started about a year or so ago up in our area. We had a very major fire that took a great deal of, not only timber which was merchantable at the time, but merchantable timber which will probably affect our generation at least for the next 20 years and maybe longer.

I would just maybe review a little of what really went on, the basics of what happened, and why this motion should be looked into and should be carried out. The reason the fire started was, I assume, a lightning strike in the middle of a forest area. It started on a Sunday afternoon. There was a crew sent in to retain it or put it out. They went in and looked it over, assumed that the fire was well under control, and went back out again. On a Monday afternoon, the fire blazed up in a much larger capacity, and spread over a great area. Before four days had passed, it had covered almost 100,000 acres and had burnt probably 50,000 or 60,000 acres of very merchantable timber. In the meantime, the department crews that were working, although very hard-working and knowledgeable in what they were doing, were not that knowledgeable in fighting fires. The co-ordination which was there just left much to be desired. I think the Minister of Tourism knows and realizes full well that these people, although very, very fine administrators and very fine in their arts of looking after woods, were never trained to look after major fires of this size. I think that has been one of the very, very major problems which arose while this fire was on. These people, although very well knowledgeable in the bush, were not knowledgeable in a fire the size of 100,000 acres.

AN HON. MEMBER: — You are.

MR. HARDY: — I wish I was. I hear the minister say I was. I wish I was. I would have taken over. Mr. Speaker, this fire spread over 100,00 acres, spread through a large cabin resort area, and burned it to the ground. There was loss, not only of the cabins and of the trees, but of the tourist possibilities for the future. That area was already starting to develop in a very, very tourist-oriented sense. As the minister well knows, this tourism right now is probably going to fall off for the next five to 10 years.

The one main issue, I think, which has come out of all this is one which I hope the minister would look into and be sure, maybe not to set an example, but to help co-ordinate in future times when we have a major fire like this. He should see that we not only have the men who are trained to look after such a major fire as this, but that we have the equipment and necessary utilities on stand-by.

One of the things which I noticed while this fire was on was that they sent us a lot of young conservation officers, maybe from the south or from the cities, who probably weren't even woods-oriented as much as they could have been. When the fire was burning at its highest intensity, they found themselves very allergic to it, and very susceptible to not being able to handle the situation. I think that everyone of us, Mr. Speaker, learns something from a fire such as this. This fire, after about three or four days, continued to spread. It covered about 140,000 acres, had moved on into days, continued to spread. It covered about 140,000 acres, had moved on into Manitoba and covered another considerable number of acres. Then the weather changed. We had some damp weather. The fire came under control. They pulled all the men and equipment off — all but four cats and a few men. Three days later it boiled up again and covered another 100,00 acres. That is probably the sad part of the whole

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story – not knowing when and how to take off the equipment or what to do with the fire when it was at a controllable stage. I sincerely hope from all the problems there that we learned a lot (not only the people who were fighting the fire, but all of us) that will help us in the future.

One of the things we have lost in the area is a tremendous amount of merchantable timber. Now, a lot of people can smile and laugh and think maybe that's a little on the funny side, but probably for 100 miles around people of Saskatchewan (residents of that area) could find themselves with a shortage of jobs and certainly with a tremendous loss of revenue, not only for the people within the area, but for the people of Saskatchewan. And if you were to take the loss, which was estimated earlier at 500,000 cords, and then you multiplied that by a merchantable value of \$100 a cord, that's \$0.5 billion, and that is only for the merchantable timber that was there. That has nothing to do with the timber that would have come on line in 10 to 20 years. Anyone who has lived in the North knows that in 10 to 20 years timber which is four to five inches today will become merchantable. If there is any way of establishing the value of that (I don't know how it would be done), it would be enormous.

Another thing that happened in the area is the loss of wildlife, especially small animals. Squirrels and rabbits, I'm sure, were just about completely lost. There are stories. In one place there were five bears in a pile, all burned; moose running out on fire. These are some of the things which happen with a fire of that intensity. Maybe it's not in dollars and cents, but we lose a lot in resources of the future. I think yesterday in estimates that was one of my concerns, and it will always be one of my concerns.

Speaking about the loss to the area and the people, just think in the next five years how many jobs could be lost because of this fire. I'm sure that SFPC (Saskatchewan Forest Products Corporation) will probably be a major sufferer; Simpson Timber will certainly be a major sufferer; as will MacMillan Bloedel. Very fortunately, the poplar will probably grow back. The spruce will not grow back in the next 100 years and I think everybody knows that. Even with the planting of trees, we are still 100 years away from having a productive pine or spruce.

I suppose the end result of this is that there are a few questions that come forward. I suppose one of the major ones is: what have we learned? I hope that is one that can be answered intelligently. You can look back and say, "no matter what has been done" or "whoever has done it" but I don't think that will help. It's what is going to happen in future. If we learn something from a fire of this size (probably the largest and most devastating fire we've ever had in the province of Saskatchewan as far as loss of value in timber goes), if we learn how to control it early, and how to handle it if it does get out of hand when it's bigger than a small fire, and how to co-ordinate our efforts and everybody co-ordinates their effects – that's what I hope will come of this. I'm sure the minister has done a lot of work toward this year's fire, and I think a lot of it is based on what has been learned from last year.

Another thing (and I suppose I have already brought it forward) is being ready. If you're ready for a fire, the personnel are trained, the equipment is on stand-by. Especially in a high-risk, potentially dry season such as we had last year, I think a lot of these major fires could be controlled much more efficiently and certainly with a lot less damage.

In controlling and fighting large fires, not only the essential loss to the people of the Hudson Bay, Pelly, Norquay and Porcupine areas, but the loss of all the revenues to the province of Saskatchewan, would be reduced. I urge all members of the Assembly to

vote with me. I would like to move the following motion, seconded by the member for Meadow Lake:

That this Assembly recommends an immediate and thorough investigation into the reporting, causes, financial losses, and damage to the woodlands and to farmers by the Woody Lake fire.

MR. McLEOD: — Mr. Deputy Speaker, I'll be very brief on this. I'm pleased to get up and second the motion brought forward by my colleague for Kelsey-Tisdale. My experience in the northwestern part of the province hasn't had to do directly with the Woody Lake fire, but I do have some experience in the forest area and I know some of the things that go on in terms of forest fires. I'll say here that the Department of Tourism and Renewable Resources which is responsible for fighting forest fires in our area, as they were in the Hudson Bay area, has a history of pretty good service, in fact, excellent service in some areas. I'll say that and I'm sure my colleague says the same thing.

But having said that, one thing which has come out of this Woody Lake fire is that if there's any question cast upon the way that particular fire was handled, certainly those questions cast aspersions on the whole department and on people involved in this.

So I would join with him, and I think it would be good for the Department of Tourism and for everybody involved in fighting fires and involved in that whole industry all across the North, that you do a thorough investigation into this particular fire, to come out of it having learned something. As we saw here last night, you have your little internal studies and you seem reluctant to release them to anybody. It seems that you're concerned with covering things in your own department. I would say that's not really the way to go about it. As a government representing all the people and all the resources of Saskatchewan, let's conduct an inquiry and come through with the answers and let them be known, so everybody knows just which direction we should go.

It gives me pleasure to second the motion brought forward by my colleague for Kelsey-Tisdale.

SOME HON. MEMBERS: Hear, hear!

HON. MR. GROSS: — Mr. Deputy Speaker, it gives me pleasure to enter this debate. I thought the member for Kelsey-Tisdale might have reserved his comments on anything in regard to fires after some of the actions that were taken in his area just recently.

I went through a number of my notes to try to put together the arguments of whether or not we require inquiries into fires, or if this is a good idea or a bad idea. When I went through those notes, I started doing a little research into the problem in regard to inquiries. I found some very interesting facts. You will note that last year, we had 791 fires. Out of the 791 fires, a total of 588, or 79 per cent of those fires were controlled within one quarter section. That is indeed a lot of fires to keep under control within one quarter section of land. Another 13 per cent were controlled within 500 acres. The ones we were not able to control were the ones that were big fires and did get away on us.

That's a fairly impressive record when you consider that last year was the worst year ever in the history of this province for forest fires. It's not a bad record. You know, Mr. Deputy Speaker, it is not a situation that is relevant only to Saskatchewan. Fires didn't

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happen just in Saskatchewan, and because of the actions we did take or didn't take, the fires got away on us. Not only did Saskatchewan suffer through a bad year last year but, indeed, the entire country suffered. For someone to suggest that something happened here in Saskatchewan that was different to what might have happened somewhere else is not really the truth. Right across the piece, the number one issue on a weekly and a daily basis (if you review what happened last year) was that it was a major year for fires everywhere, in every province of this country.

When you look at the experience we had in other parts of this country, you will find some very devastating figures. For example, in Ontario they burned 760,000 hectares; in Manitoba, they burned 604,000 hectares; in Alberta, they burned 640,000 hectares; and the total for Canada was 4.8 million hectares. It wasn't a situation that was confined to Saskatchewan only. So looking at those figures across the country, we find some very devastating figures for forests which were actually burned.

I decided I had better check to see what other provinces in this country have done in regard to inquiries and investigations. The member, in his proposed resolution no. 25, asks:

That this Assembly recommends an immediate and thorough investigation into the reporting, causes, financial losses, and damage to the woodlands and to farmers by the Woody Lake fire.

You know, Mr. Deputy Speaker, he asks in his resolution that we only examine one fire, but everyone in this House will realize and appreciate that if you examine one fire, you are going to have to examine a lot more fires, because people will want to know what happened in the other fires – the 791 fires. They will be wanting to have an inquiry.

We have a difficult situation. We have had 791 fires. If you are going to allow one inquiry to take place on the Woody Lake fire, I'm sure the members opposite will find a lot of good reasons for an inquiry into another fire, and they will find reasons for having inquiries into other fires. The list will never end. So what we will require is a bureaucracy second to none, probably even larger than the entire Department of Tourism and Renewable Resources as it presently exists, just to examine and look into every fire. Here we have the opposition that ridicules this government; we have, on occasion, been criticized for having too many bureaucrats, for having too much red tape, for not getting anything done because we're busily studying and busily looking into everything and we haven't time to act and govern the province accordingly. But now they want inquiries, and they want inquiries into forest fires.

I ask the members opposite, in all seriousness, where we would stop if we had an inquiry into every single fire, or if someone's campsite burned, or a protected area burned, or something happened that shouldn't have happened? That's what we will have.

Mr. Deputy Speaker, I looked into the record across the country. I didn't stop at the history of this province. I thought I had better take a very careful look at what goes on in other provinces, when it comes to inquiries into devastating fires.

Last year was a devastating year. If there is any evidence to indicate that the member is correct, maybe we should look at what other provinces have been doing across the country. Last year was a devastating year. When you look at what Alberta, Manitoba and Ontario did, we find some very interesting things. They had some of the worst fires in

their histories. In Alberta, they had 640,000 hectares destroyed; 604,000 hectares in Manitoba; and 560,000 hectares in Ontario. The member will appreciate knowing that the Tory provinces don't have inquiries. They act exactly as we do, for exactly the same reasons we do, in regard to inquiries into those fires.

Alberta and Manitoba have only internal reviews, and not on all fires, I might add, but only on major fires. These reviews, and I quote, "are not made public."

In Ontario, exactly the same thing has taken place. They have had no external reviews – except on one occasion, and that was because there were lives lost in a fire. Even then, the review was not into the fire but for the reason the lives were lost.

That is the only inquiry I can find anywhere across the dominion, where they have burned more acres and forests than we have, and, I might add, where there is a lot more forestry potential than we have in Saskatchewan. Anyone who knows anything about forests will tell you that we have a fairly good resource in Saskatchewan. By no means are we the kingpins or leaders of the forest industry in this province. We don't have the acres of prime timber that the other provinces have.

So, in other provinces where forestry is a prime and important resource, there is no great amount of inquiries or investigation as to whether or not the fire-fighting was conducted in a proper manner.

The member says that we should have an investigation into the Woody Lake fire. He singles out the Woody Lake fire and says there was somehow, mystically, some kind of problem with it; somehow it went out of control and our people did not act in an efficient and upright manner.

The member opposite should take some advice and stop pointing fingers at people across the way until he has looked at his own record and examined his own problems.

A fire took place in this province, in roughly the same area as the Woody Lake fire. It was a devastating fire as well. I might add that this fire burned 7,000 acres in one area of our province, the Hudson Bay area. It burned 7,000 acres of land that was under the jurisdiction of the rural municipality. There was not one acre within the provincial forest area. It burned 7,000 acres and cost a fair amount of money to extinguish. In fact, it cost this province over \$150,000 to extinguish. A lot of people in the North have become very familiar with that fire – it was the airport fire.

The member wants an inquiry into the Woody Lake fire. I suggest that if we have an inquiry into that fire, we're going to probably have an inquiry into a great number of fires. The member for Meadow Lake, when the fire season breaks out, and there is a fire in his area he may be concerned about, whether it's two acres, 50 acres, or 20,000 acres, will have every right to stand up in this House and demand a public inquiry into that fire. In fact, he will probably demand at least five or six public inquiries if we have a bad season this year. No one can guarantee that we will not have a bad season this year as we did last year. That is not only true for our province but is true for many other provinces.

We will have to have inquiries if we subject ourselves to a public investigation here. We're going to have to have a public inquiry into every request that comes from the members opposite, and a bureaucracy second to none to do it. The member wants an inquiry. I would be happy to have an inquiry if we were going to start looking at all the

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fires. I'm sure the member is not suggesting that. If he is, we'll have a real problem in this province keeping up to the list of inquiries.

Maybe we should have an inquiry, and if we have an inquiry, I would think we would have to have an inquiry on the airport fire. We would have to find out why the airport fire took so long to extinguish; why it took from April 14 to April 28 before anybody acted on behalf of the R.M. to do something about that airport fire. Maybe we should have an investigation on that. Maybe we should have a public inquiry and get it right down to the nitty gritty, and take it apart, minute by minute, hour by hour, and look at the actions of the persons responsible for retaining that fire.

The fire was brought to their attention by our department on many, many, many occasions and the people responsible for that fire did not act. If the member can make accusations about the Woody Lake fire in this House, I guess we can make accusations about the member for Hudson Bay, and why he, as reeve, did not act in the manner which is prescribed under The Prairie and Forest Fires Act. It says that the R.M. . . . (inaudible interjection) . . . We had to go and put the fire out. You know, it was not a small fire; it was a fire of some sizable magnitude. It was a fire which cost this department over \$150,000. The member wants an inquiry. Well, you know if we're going to have an inquiry into the Woody Lake fire and any other fires that the member wants to subject us to, then we'll have to have an inquiry on the airport fire. I would love to have an inquiry on the airport fire and have the member or Kelsey-Tisdale explain why nothing happened on that fire.

On April 14, he was advised there was a fire; on April 15, he was advised again. On April 18, they were advised again; on April 23, they were advised again. In fact, on April 23, they were put into a chopper which was chartered by the Department of Tourism and were flown around and shown the fire spot. On April 28 and April 29, they were again asked to look after the fire.

We can have public inquiries and we can look at every fire, fire by fire, detail by detail, minute by minute and hour by hour. We can set up a bureaucracy which would swamp a department the size of tourism in handling all the inquiries. We can handle all the requests from the member for Meadow Lake. If we have a bad season in the Meadow Lake area this year, with a good fire season, we can hire a bureaucracy and set it all up. We can have public inquiries one after another, every time there is an inquiry by the members opposite or by the general public. We'd love to go through that process, but, I think that it would be a useless exercise in every respect.

It would be a useless exercise because the cost would far outstrip the advantages which we might gain. The process which we use in our province, the process which is used in Tory Alberta, the process which was used in Tory Manitoba and the process which was used in Tory Ontario, is exactly the same process. If it's good for the Tories in those provinces, it should be good for the Tories in this province.

AN HON. MEMBER: — What process does the R.M. use?

HON. MR. GROSS: — Yes, the member for P.A. asks: what process did the R.M. use? Maybe we should go into that and examine that. Maybe we should look at the problem the R.M. had, to find out why they did not act when the fire was a small fire and was easy to control, and why the R.M. did nothing in regard to it. Maybe we should have an inquiry about it; we would be happy to.

Mr. Chairman, I think that illustrates, as clearly as it can be, that it would be ridiculous. The resolution the member puts forward – item no. 6, resolution no. 25 – is a ridiculous resolution. It is a resolution that I don't even think was proposed in seriousness by the member opposite. He knows it would be totally and humanly impossible to handle the inquiries, the review boards and review panels which would be required to examine witnesses under oath, to look at records, to look at documents, to haul in people and get testimony as to whether actions happened in a proper and effective way. It's totally ridiculous and would not prove one single point. Nor would it grow one more new tree.

We can have the inquiries after the fact, after the milk is spilled and after the fires have burned. We can have the inquiries but that ain't going to grow the trees back. At the tail end of his speech, the member opposite mentioned, conveniently slipped in, a little quote saying maybe we should sit down and look at what we're going to be doing in the future. I agree with the member opposite. That's why we have internal reviews. We have one on every fire. That's exactly their purpose – to see if there wasn't something which we did in that fire which we couldn't do better in the next one. That's the process which Ontario, Manitoba and Alberta follow. Surely, if it's good enough for those provinces, it has to be good enough for our province.

When the member makes mention that we have to have inquiries because something happened wrongly in the Woody fire, I don't think that he's serious for one minute. He knows as well as we know that that isn't possible. We would run ourselves into a horrendous amount of bureaucracy and red tape, if we were to try to get the proper documentation and do the proper review. It would not solve our problems in the future. It would make things worse.

You know, there are a great many things which a person could talk about in regard to the fire season. I could talk about our preparation plans, which are long and detailed, for this year. I could talk about the number of pieces of equipment which we have available in our fleet, the pieces which we've added to the fleet this year, and the strategy and the plans which are being laid right now. I could compare Saskatchewan's fire-fighting capability to that of any other province. I could talk about our early warning detection system and compare it to those of a lot of other provinces which have much more valuable timber than we have in our province. Our system is much more advanced and much superior to anyone else's. I could talk about a lot of things regarding fire-fighting.

I could talk about the United States of America. When I was down in Montana to attend the inaugural ball for the Governor of Montana, I saw a news report – a documentary – which lasted over an hour. It was by the American Wildlife Service – the forestry service – and it complained bitterly about Ronald Reagan's budget cuts, and how they were going to affect the forestry section in the United States. I listened to stories that would curl your hair about how conservative people in the United States operate when it comes to bureaucracies. I could talk about the cutbacks which are being planned in the United States, not only in regard to protection of the forests, but also in regard to research that is going on in that area. I could talk about what has gone on in other provinces. As I said before, they are not even close, in a lot of areas, to us in regard to fire protection and fire suppression.

I have a lot more which I'd like to speak about on this matter. I'd like to review this matter again on another date, and put together, for the benefit of the member opposite (and for all members opposite) a record of what we have done in our programming and,

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particularly, what we did in the Woody fire – a documented record, hour by hour, minute by minute. It's a good record. It's a successful record as to what happened. We could go through it. Maybe I could bring up in this House, at a later date, that airport fire and talk about it in a lot more detail. I could document the day to day actions taken by the municipality so the member would appreciate the problem and its complexity. I'm serious about this. I know that it's a difficult problem. We face it every year in the department. But, for the member to stand up and criticize us for the actions which have taken place is not fair or right.

In conclusion, I would like to adjourn the debate because I have more material which I want to bring forward next week when we will again, hopefully, discuss this resolution. I know that a number of members on this side of the House want to prepare more detailed answers in regard to this very important motion put forward by the member, to show that they are particularly ridiculous in their assertion. It's not realistic in terms of being fulfilled. The member will know, as well as anybody, that this is a motion which nobody should want to support.

SOME HON. MEMBERS: Hear, hear!

Debate adjourned

Resolution No. 26 – Mandatory Retirement

MR. SHILLINGTON: — Thank you, Mr. Deputy Speaker. I'm delighted to have the opportunity to move this motion. In my remarks, I shall argue that the Government of Saskatchewan should begin to take the necessary steps to abolish mandatory retirement. The first such step would be the initiation of a study which would seek public input and would examine problems that would arise as a result of such sweeping changes.

I am opposed to mandatory retirement and I say that unequivocally. I believe our society would be well-served by its abolition. To put it another way, we should make it illegal for employers, including the Government of Saskatchewan, to have a mandatory retirement age.

The best reason for abolishing mandatory retirement is that it is discriminatory against a group of people who have long been discriminated against. For several decades, beginning in 1945, racism was outlawed as a grounds of discrimination. In the '70s we made sexism (discrimination on the basis of sex) illegal. Let us now dedicate the '80s to sweeping ageism into the same dustbin.

The right to work should be viewed as a basic human right. It is a tragedy when the unemployed are denied the right to work and it is a tragedy when the old are given a gold watch and are hustled out the door when they want to work and can continue working.

I suppose many people might say that members of this House are without gainful employment. I suppose the difference is that the idleness of the old is forced upon them.

Seriously, those who involuntarily retire quickly lose their sense of worth. For many, since personal worth is inextricably tied to work, the problem is so serious that it affects their health and even their will to live. This has been documented by a study done by the

American Medical Association, which commissioned a study for health problems incurred by those who have been forced to retire. This report makes graphic reading.

The American Medical Association found that forced retirement leads to atrophy, decay, loss of self-worth and in some cases premature death. The average life expectancy of those who retire is less than four years. It's not an exaggeration to say that forced retirement leads to mental health problems, physical health problems and in some cases death. Surely a society which prides itself on being humanitarian cannot tolerate this kind of discrimination when the consequences are so horrendous.

It is not just the elderly who lose when productive people are forced into retirement. There are solid economic arguments against mandatory retirement. Although it is difficult to quantify, I believe that our society needs a balance in the workplace. We need the freshness, the vigor and the imagination of youth, but we need the stability, the experience and the wisdom of the old.

The list of people over age 65 who have made extraordinary contributions to society is very lengthy indeed. In the world of politics, Chancellor Konrad Adenauer served as Chancellor of Germany until he was 87. Some of Bertrand Russell's most important contributions to philosophy were made late in life. Picasso continued to enrich our world with his paintings until his death. John Diefenbaker was many things great and small. Among other things, he was a deliberate, masterful, pain-in-the-neck to the Liberals and the Tories alike until the day he died.

I said that the average life expectancy of someone who is forcibly retired is less than four years. Those who escape early death may be condemned to poverty. Very few pensions which are adequate at the age of 65 will still be adequate at the age of 85 or 90. Allowing people who wish to work after age 65 to remain in the productive work force may assist us in dealing with a problem which looms larger with each passing year. The old are growing as a percentage of our population, while the young are shrinking. Activists and others interested in pensions are concerned about what will happen as a shrinking workforce has to support a growing number of retirees. Allowing those who wish to continue working after age 65 may go some distance toward alleviating this problem. But I say again, Mr. Speaker, we should not allow a discussion of this sort to degenerate into an argument over economics. This is primarily a human problem. There can be no justification for discrimination against the aged. It takes a great toll in human suffering. It's time we relegated discrimination against the elderly to the pages of history, as we have discrimination on the basis of race or sex.

It's generally not known that mandatory retirement is a relatively recent phenomenon. Policies of mandatory retirement were almost unknown as recently as 40 years ago. In the not too distant past there were no policies of mandatory retirement at a specific age. When an employee grew older, or, specifically, when he ceased to pull his load, he was given a gold watch, a thank you, and sent on his way. That was, of course, before the age of pensions. Mandatory retirement ages have grown up as an adjunct to the development of pensions. German Chancellor Otto von Bismarck bequeathed to the world two lasting innovations that have had a marked effect on everyone in the western world. By decree he established six as the age that children should start school, and indirectly, he established 65 as the retirement age.

Now as far as I'm aware he never uttered a word about mandatory retirement. What he did was to establish a government run pension plan which began at the age of 65. Other governments in Europe, and eventually North America, established similar

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schemes all commencing at the age of 65. After the second world war unions began to negotiate private pension schemes. These were inevitably integrated into the government pension schemes, and so they adopted 65 as the retirement age. As a matter of administrative simplicity it became common in larger institutions to require employees to retire at 65. Gradually 65 became the accepted retirement age in North America and most parts of Europe. Now there is no law of Saskatchewan, or any other province, or of the Dominion of Canada, which requires people to retire at 65. The statute books are silent on the issue. However, most governments and many large businesses have a policy of providing for mandatory retirement.

Just how widespread are mandatory retirement policies? There is a recent study done by the British Columbia Human Rights Commission entitled *Mandatory Retirement in British Columbia: A Review of the Issues, Practices, and Attitudes* by John P. Herzog. This survey was based on a random sample of more than 3,200 organizations drawn from private business, government, labor, and non-profit groups within the province of British Columbia. Nearly 2,200 usable replies were received, a 67 per cent response rate – extremely high for any survey of this sort. The survey found that while fewer than 40 per cent of the organizations surveyed had a policy requiring mandatory retirement, two out of three workers in the province were covered by mandatory retirement. What this means is that mandatory retirement is a phenomenon of larger organizations, and relatively unknown among small businesses and small organizations. That stands to reason because only large organizations, only large businesses, have pension schemes. As we have seen, mandatory retirement ages have grown up as an adjunct to the myth that the abolition of mandatory retirement will bedevil small businessmen by adding still more rules to a world which the inhabitants thereof feel is already too complex.

Most small businesses operate as businesses always have and as all businesses should – by keeping employees around as long as they continue to contribute to the economic enterprise and no longer. Thus abolishing mandatory retirement will largely affect bigger businesses which, I argue, with their staff of experts, are well able to cope with the consequences.

Assume they establish something else of particular interest to us in the political field. Of those surveyed, 56 per cent were in favor of a ban on mandatory retirement, as opposed to 33 per cent opposed. In other words, a ban on mandatory retirement enjoyed support by a ratio of nearly 2 to 1. One should remember this was largely a survey of employers. I'm not sure how you'd describe the trade unions, but it was largely a survey of employers. I suspect that support among the general public would be much higher. The general public, after all, is not presented with any problems, just additional options.

I look forward to the day, Mr. Speaker, when some reputable survey firm will poll the general public. Perhaps that has been done, but if it has I wasn't able to find that out.

Those of you interested in the views of trade unions might be interested to know that support among trade unions was higher – over 60 per cent in favor versus 29 per cent opposed, a ratio of over 2 to 1 in favor. Thus we know from the British Columbia survey that very significant support exists for the abolition of mandatory retirement.

Yet another finding of that survey was interesting. Employers, who are in the best position to recognize waste, by a very large majority of 73 per cent agreed that the

practice of mandatory retirement was wasteful – 73 per cent felt it was wasteful and only 17 per cent did not.

If Saskatchewan were to abolish mandatory retirement, it would not be ploughing virgin territory. The United States federal government in 1977 abolished mandatory retirement altogether within its own public service, and made mandatory retirement under the age of 70 illegal for all employees subject to the jurisdiction of the U.S. federal government. Those of you familiar with the structure of the U.S. federal and state governments will know that such a law covers almost all larger employers.

In addition to the United States federal laws, fully 37 per cent of states have abolished mandatory retirement and 15 of those states have abolished mandatory retirement with no upper age limit. They have abolished it fully.

Provincial governments in Canada, Mr. Speaker, have not been idle. Manitoba and New Brunswick have prohibited discrimination on the basis of age, without any qualifications. Courts have held that such a prohibition against discrimination on the basis of age is effective to prohibit policies of mandatory retirement unless the retirement can be justified on some other basis, such as ill health, failing productivity, etc.

Ontario very recently passed a law prohibiting mandatory retirement under the age of 70, in effect adopting the law of the U.S. federal government.

Mr. Speaker, there have been a number of studies of mandatory retirement. I've referred to one, the study by John Herzog for the Human Rights Commission of British Columbia, entitled *Mandatory Retirement in British Columbia: A Review of the Issues, Practices, and Attitudes*. Another I found useful, well researched and well analyzed, was by the Conference Board of Canada, entitled *Mandatory Retirement Policy: A Human Rights Dilemma*. Both of these prestigious bodies, the Human Rights Commission of British Columbia and the Conference Board of Canada, recommended the abolition of mandatory retirement. I shall be referring later to their studies and the reasons they made their recommendations.

A number of arguments are mounted against mandatory retirement. One is familiar enough. It complains of the additional regulation of the business community – a world which most of its inhabitants believe is already overregulated. Being a member of that community, I have some sympathy for that at times. In response to this, let me say though, that the law would be largely confined in its effect to big business. Very few small businesses have pension plans. Thus, very few have mandatory retirement ages. It is the small businesses which are most severely affected by the red tape. Large enterprises generally have an array of experts to tread the way through the red tape. Businesses which are not so fortunate are the small businesses and they are largely unaffected by this question of mandatory retirement.

Also, in answer to the concern about mandatory retirement, Mr. Speaker, we add the thought that perhaps the cure is preferable to the disease. We have intervened to protect people of different races against discrimination. We have intervened to outlaw discrimination on the basis of sex. Surely, we could extend the same helping hand to the elderly.

One myth which is both pervasive and persuasive is that abolishing mandatory retirement would aggravate our unemployment problem. As I go about talking to

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people about mandatory retirement, this is the concern I hear most. This criticism of mandatory retirement can be restated by saying that the old need to retire to make way for the young. Let me suggest that this fear is groundless. It represents bad economics. It is not borne out by those jurisdictions which have abolished mandatory retirement.

It is bad economics because those who suggest that the old need to retire to make way for the young seem to be possessed of a belief that there is a finite number of jobs and unemployment is caused by there being too many people – more people than this finite number of jobs. Nobody, of course, has ever bothered to explain where that finite number came from. Indeed, to so state the theory is to disprove it. There is, of course, no finite number of jobs. An economy is surprisingly elastic and the number of jobs will grow rather quickly, as happened when the baby boom hit the market. Unemployment, in other words, Mr. Speaker, has far more complex causes than that.

But if it represents bad economic theory, it is also contrary to experience. Those jurisdictions which have abolished mandatory retirement have unemployment rates that are undistinguishable from those who have not. Indeed, those jurisdictions which have abolished mandatory retirement have found little or no change in the average retirement age. That might strike one as being paradoxical. The average retirement age has not rocketed upward. Indeed, it hasn't crept upward. It hasn't moved appreciably. This occurs because of a number of factors, but two main factors. One reason is that the average retirement age has been falling over the last period of time as more people become more affluent; as more are covered by pensions, more people retire early. In those jurisdictions that have abolished mandatory retirement, this process leading to earlier retirement continues unabated, even after the implementation of laws which abolish or restrict mandatory retirement policies.

But a better explanation, Mr. Speaker, is that while abolition of mandatory retirement causes some people to retire later, it causes some people to retire earlier. This paradox occurs because people no longer wait to 65 to retire. Without that suggested retirement age, this group of people who retire earlier take a look at themselves and their financial positions and decide to retire earlier, or their company retires them earlier. Personnel managers can no longer sit on their duffs and excuse an action against unproductive employees on the grounds that they will retire in a couple of years, so why rock the boat?

Mr. Speaker, I will return in a moment to the problems faced by employers who no longer have mandatory retirement age as a mechanism for weeding out unproductive employees.

Statistics show that only a very small number of people are forcibly retired against their will. In the study done by the Conference Board of Canada (to which I referred earlier), it was estimated that the abolition of mandatory retirement would increase the number of people who stay at their jobs after 65 by less than 2 per cent – an increase that any economy can easily absorb, particularly an economy as vibrant as Saskatchewan's. Specifically, the Conference Board of Canada calculated that only 1.2 per cent of the employees of small enterprises and one-fifth of 1 per cent of the employees of large enterprises would work beyond the normal retirement age. In a study the conference board pointed out that:

(a) A number of employees will die before the age of 65;

(b) Some will be laid off before the age of 65 and will not find more work;

(c) The majority (over 50 per cent) will retire before the age of 65. Of those who remain, a large number will work to 65 but will not want to work longer.

This last comment is borne out by another study done by Robert M. MacDonald for the American Enterprise Institute called *Mandatory Retirement and the Law*. The study referred to the actual experience of the General Motors Corporation of the United States, which provides for retirement at full pension at 65 but allows people to stay on to 68. Only 2 per cent of their employees, in fact, stayed on beyond the age of 65. This experience of North America's second largest employer (and the largest employer in the private field) verifies the calculation of the Conference Board of Canada, which estimates that less than 2 per cent of the employees who have an option to stay on after 65 will do so. These employees will be offset by those who are retired earlier.

Others, Mr. Deputy speaker, express a different fear. They plead the case of employers who now depend on mandatory retirement age as a way of getting rid of unproductive employees. Those employers who leave unproductive employees around until after 65 will simply have to do what well-run businesses have always done. Well-managed businesses don't wait until 65 to retire someone who is unproductive. They deal with the problem as soon as it becomes apparent. To put it another way, the abolition of mandatory retirement age will simply force some employers to sharpen their personnel practices. I admit there may be exceptional cases which the above solution doesn't meet. There may be exceptional cases of employees who, by tradition or by law, have a highly productive tenure. One can think of judges, senators, academics in university and others who may form an exception to the prohibition against mandatory retirement and for whom there would have to remain a mandatory retirement.

Having made the case for mandatory retirement, Mr. Speaker, some may accuse me of pulling punches, for the resolution I am about to move does not call for the abolition of mandatory retirement; it calls for a study of mandatory retirement. It was not simply that I lacked the courage of my convictions nor that I wanted to press the issue or to diffuse the opposition. The wording of the resolution came after some agonizing. I wanted to call for the abolition of mandatory retirement outright. It has a more feeling ring and a more direct approach. But eventually I came to the conclusion that while mandatory retirement is right and just and indeed it's publicly inevitable, it shouldn't come as our first step. I felt that the first step should be a study which would be centred around a public inquiry. And a public inquiry would serve a number of useful purposes.

It would educate the public about what the abolition of mandatory retirement means and what it does not mean. It would bring to the attention of us, the legislators, any special problems. One can envision a few. Should there be exceptions to the abolition of mandatory retirement other than the ones I've mentioned: judges, senators, and academics? Are there pension plans which might have to be given special consideration? Should collective bargaining agreements be able to override the law abolishing mandatory retirement?

Another useful purpose served by such a study will be to give employers a chance to examine their business organizations and pension plans and get them in order for the introduction of voluntary retirement. And, somewhere, Mr. Speaker, I see a study in the form of a public inquiry as the first step toward the abolition of mandatory retirement, a kind of discrimination which our society shouldn't tolerate.

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Therefore, Mr. Deputy Speaker, I move, seconded by the hon. member for Saskatoon-Sutherland:

That this Assembly urge the Government of Saskatchewan to initiate a study of the abolition of mandatory retirement.

SOME HON. MEMBERS: Hear, hear!

Motion agreed to.

INTRODUCTION OF GUESTS

MR. SKOBERG: — Mr. Deputy Speaker, if I have the consent of the House, I should like to introduce some guests who just arrived.

It gives me a good deal of pleasure, on behalf of my colleague, Gordon Snyder, Moose Jaw South, and the member representing the constituency of Moose Jaw North, to welcome our guests from Valley View Centre, Moose Jaw. Mr. Snyder indicated that he would like to have been here, but he had to attend a meeting just a few moments ago. He will see you a little later on.

These guests from Valley View Centre are accompanied by their chaperone Pauline Gillis, and we welcome them to this Assembly. I am sure that each and every one of us here welcomes those visitors and we hope that they enjoy today's proceedings.

HON. MEMBERS: Hear, hear!

MOTIONS (continued)

Resolution No. 27 – Development of Heavy Oil in Saskatchewan

MR. BANDA: — Mr. Deputy Speaker, it is with a sense of urgency that I rise to address this Assembly on a matter of utmost importance to all Canadians.

Today I shall introduce a motion which will be calling on the federal government to establish programs for the accelerated development of heavy oil reserves and other potential energy sources. The future stability of our nation will, in large part, be dependent upon energy supply. Indeed, securing stable and adequate energy reserves is the greatest challenge facing Canadians in the decade of the 1980s. There is no doubt that the demand for energy will steadily increase in the decades ahead. It is equally clear that Canada cannot realistically expect to meet increasing demands by increasingly expensive foreign imports. OPEC oil prices will, no doubt, continue to rise, increasing the capital outflow from Canada. Today the world price for oil is approximately \$40 per barrel, and further increases are possible, indeed likely, at any time.

Since 1973, OPEC oil price increases have shaken western economies to their foundations. Increased imports will only serve to further weaken our national economy, which is already in a serious recession, due, in the main, to economic mismanagement by the Ottawa Liberals.

Canadians simply cannot afford to have a federal government that is unwilling or unable to put forward a rational energy policy.

Last October, Mr. Deputy Speaker, the federal Liberals unveiled their infamous national energy program. The effects of that program are well-known: a slow-down, indeed a near halt in exploration and development, declining production from existing wells and many marginal wells shut down. The program also introduced a host of new taxes which take for the federal government a full 38 per cent of revenue from our oil.

New natural gas taxes would cost Saskatchewan consumers alone some \$200 million by 1983. I do not propose to dwell at length with the provisions of the national energy program, except to say that it is yet another revenue grab for oil that may have eliminated any chance for Canadian oil self-sufficiency this decade. It is incredibly short-sighted and greedy.

Mr. Speaker, the national energy program must be scrapped because energy self-sufficiency is our only protection against erratic world conditions. Ottawa claims self-sufficiency is indeed its goal. But without specific measures such as I will propose, that goal will remain an empty platitude. Federal actions to date, particularly with regard to the national energy program, are not encouraging. In fact, they show no understanding whatever of the problem, nor is this a new phenomenon.

We all remember that in December 1979, the federal government (then a Conservative administration) announced it would allow gas exports to the U.S. to increase by nearly 50 per cent in the 1980s. Because of those exports, nearly 4 billion cubic feet of gas will flow out of the country. That was the same government which proposed to give additional revenues to the multinational oil companies of some \$33 billion, the same companies which, a seven-year study indicates, engaged in price fixing and profiteering at the expense of the Canadian people.

The Liberals, by and large, have carried on this program through the national energy program. Canadians deserve better than either the Tories or the Grits have offered. They do not deserve to have depleting resources, which could double in price over the next several years, sold off as dollar cheap exports today. They did not deserve a federal government that was determined to give the multinationals a free hand to continue their rip-offs, nor do they deserve the damaging national energy program.

One program which is genuinely needed by Canada is an accelerated development of energy resources, such as our heavy oil. We have heavy oil in the ground; we need to extract it. The heavy oil deposits in Saskatchewan, principally in the Lloydminster-Kindersley-Battleford areas, are estimated by the Department of Mineral Resources to contain some 9.6 billion barrels of oil in place. However, recovery rates for conventional heavy oil in the province averages about 8 per cent, compared with 25 per cent for medium crude, and 28 per cent for light crude.

Heavy oil production in Saskatchewan last year averaged about 32,000 barrels of oil a day. The national energy program has resulted in a production decline in Saskatchewan oil. The situation has also been aggravated by Alberta production cutbacks which lessened the demand for our so-called sour crudes.

Mr. Deputy Speaker, an acceleration in heavy oil development would be of tremendous value to our country. If, as it claims, the federal government is serious about dealing with the energy crisis it must pitch in and help. There can be no mistake about the need for action now.

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In the first week of December 1979, Gulf Canada Ltd. Manufacturing Manager Bob Scott declared:

If demand continues at its present rate, we could have problems in the future.

Mr. Deputy Speaker, demand is going to increase and Canada is going to have problems. In the short term these problems may be limited to shortages and ever higher prices, such as \$2 a gallon for gasoline. Indeed, that has been both Liberal and Tory policy. In the long run the problem may well be the preservation of our economy. There is a definite need for federal action now. If the federal government does not act immediately, it will answer to the Canadian people.

There are many areas in which the federal government should involve itself. Indeed, because energy is a matter of urgent concern to the entire nation, it is the duty of the federal government to take positive action in all areas related to accelerated heavy oil production. Mr. Deputy speaker, an entire infrastructure is being built up around the development of heavy oil resources. The federal government can play an important role in speeding up the creation of that infrastructure. We call upon them to do so. Federal Liberals cannot expect to slap one tax after another on our resources and our people and expect us to continue to bear all the related costs of development. They cannot expect to continue to skim off the lion's share of revenue from development without paying their fair share of the related development costs.

Mr. Deputy Speaker, the development of heavy oil means more roads must be built. It also means increased traffic on these roads. With the now pressing need to accelerate that development, the need for more and better roads becomes more pressing. In the initial drilling stages heavy equipment must be able to move to prospective sites. Heavy service rigs must also have access to well sites and much oil is trucked away from the wells. In fact, in all the stages of development there is a great increase in the flow of traffic. The traffic itself is primarily of a heavy equipment nature requiring more durable roads than is necessary for normal traffic flows. To speed up the development of heavy oil, the federal government should provide financial assistance to speed up the construction of roads for these resources.

As long as the federal government continues to muscle in on resource revenues, it ought to muscle in on the development costs, Mr. Deputy Speaker. Surely even Tory Ontario can understand that investment in western energy development also benefits them. Further heavy oil development has meant the rapid growth in villages, towns and cities throughout the Cut Knife-Lloydminster-Battleford area. The rapid growth experienced by our centres has meant the greatly increased demand for serviced lots, expanded sewer and water facilities, speeded up street paving programs and a need for community recreation outlets, and so on. These needs are all part of the necessary infrastructure to ensure that development is orderly and not disruptive in our communities.

Again, accelerated development to decrease our reliance on unstable foreign sources of oil means the demands placed on our communities are and will be much greater. Federal assistance to meet these greatly expanded requirements would help speed up oil development in so doing would be of benefit to the nation as a whole. We would welcome federal initiatives to plow back some of the resource revenue they have appropriated from the province into the communities in the forefront of development. A slump in the oil industry, due to an irrational energy policy, is incredibly dangerous,

particularly within the context of federal-provincial brinkmanship evidenced in Canada today. Development of heavy oil also requires a labor force with skills in a host of areas. To accelerate the pace of development will mean a demand for more workers who can operate heavy equipment, more workers in the operation of service rigs, more workers to drive the trucks, more workers at the drill sites, more construction workers in our communities.

In short, we will need more skilled workers and they cannot be expected to suddenly appear from nowhere with all this suddenness of the new federal energy taxes. Here at least the federal government has some mechanisms in place through which it can act if it chooses. Manpower training programs and the assistance they provide is one way of helping. Our own budget will see new and expanded technical institutes in the province. Our own expanded system of community colleges is also attempting to meet our needs. We call upon the federal government to rapidly expand its programs and allowances for training. Such action will be as welcome as it is needed. We are concerned, however, about the likelihood of such action in view of the October 1980 federal budget. The Liberal finance minister has announced his preparedness to have high unemployment, high interest rates, double-digit inflation and high energy prices become a fact of Canadian life. If those policies are not reversed, the federal minister will himself join the unemployed and rightly so.

Mr. Deputy Speaker, a key component to a rapid expansion in the heavy oil production is the improvement of recovery technologies. As I mentioned earlier, recovery rates for conventional heavy oil in Saskatchewan average about 8 per cent. Research into improved recovery rates represent one of the best investments possible in the heavy oil industry. A 1 per cent improvement in recovery rates on existing wells in Saskatchewan would mean an extra 4,000 barrels of oil a day. Developing more wells in conjunction with improved recovery rates would present us with an invaluable opportunity to dramatically increase total heavy oil production.

Enhanced recovery research is yet another area where the federal government could play a constructive role. The federal government has said it will remain active in research, exploration and development related to oil. Perhaps this is one commitment they intend to keep. Although in the interest of being consistent, they may break this promise too. However, risky as it is, we will take them at their word and anxiously await federal initiatives in research and development. Certainly the multitude of new energy taxes levied on Canadians in the budget, and by the national energy program, could provide some money for this critical task. What better place to invest some of the new tax money than in research aimed at increasing our available reserves? I might also say the multinationals' profits gorged from Canadian consumers could also be put to this task.

Mr. Deputy Speaker, if the Liberals are being honest with Canadians when they talk of self-sufficiency in energy, then they ought to take a direct role in the importation, domestic extraction and marketing of oil. Nor should this task be overly difficult for them. The federal government has at its disposal a vehicle through which to get on with this job. It has available to it a vehicle already exploring, developing and marketing petroleum products. It has Petro-Can, just as we have SaskOil and Alberta has the Alberta energy corporation.

Petro-Can is a very logical mechanism by which the federal government could take a hand in accelerating the development of heavy oil. As long as the development of our oil and gas, and our economy generally, is dependent on multinationals, we shall never

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be masters in our land. Petro-Can can bear the cost of research, exploration and development from the revenues it generates. It could save Canadian taxpayers the needless charges levied by middlemen importing oil into Canada, if allowed to do so by Ottawa. Its profits can be kept in Canada and reinvested in Canadian energy projects. In short, Petro-Can is a significant step toward self-sufficiency. The national energy program has wiped out much of the progress which has been made.

When multinationals haul billions of dollars out of Canada in profits from all sectors, including profiteering on energy, they weaken our economy and lower the value of the Canadian dollar. Supply and demand determines the value of our dollar. Dollars flowing out of the country have created an oversupply in international money markets. Consequently the value of the dollar has dropped and we all pay the price.

The solution is not consistently high interest rates, high unemployment or tax increases for middle and low income earners, the solution is keeping those dollars at home. It is absurd to borrow money to keep out of debt, yet that is federal finance policy. A Canadianized oil industry is one way of keeping more dollars at home. The Liberals should also be expanding the role of Petro-Can. They should be investing money in all potential energy resources including solar power, wind power, tidal power and other sources, which, as the price of oil rises, will become more economically feasible.

We call on the federal government to increase its role in research and development and to participate directly in energy related ventures. Anything less than direct participation in such ventures through Crown agencies and joint ventures with the provinces are short-sighted, dangerous and hypocritical. Liberals cannot call for Canadian energy self-sufficiency and then shut down small wells by their energy policy. That's a big barrel of bull the Canadian people are not going to buy.

Mr. Deputy Speaker, we are calling on the federal government to take immediate and widespread action to accelerate the development of heavy oil. We have grounds for insisting the Liberals live up to this obligation. Even before the economically and politically dangerous budget was unveiled by the Liberals last October, Ottawa was already generating well over \$500 million a year from its taxes on Saskatchewan's resources. From every man, woman and child in Saskatchewan, Ottawa takes \$500 to subsidize eastern imports of oil. Even more money is generated through new federal refinery surcharges, federal income taxes on oil and other new taxes in the national energy program.

Last year the federal government's export surcharge on Saskatchewan oil earned it about \$500 million more than the province got from the heavy oil resource it owns. On budget night the Liberals unveiled their plans to plunder a few hundred million dollars more from Saskatchewan. As I mentioned, the natural gas tax costs Saskatchewan about \$60 million to \$70 million a year.

Oil price increases mean natural gas price increases, so this disparity can be expected to increase. It's time the federal government ended its resource rip-off and began putting some of that money into energy development projects.

Mr. Deputy Speaker, without direction from and action by the federal government, Canadians face a grim energy future. They are already facing the prospects of high taxes, higher energy costs, high interest rates, high inflation and high unemployment. The Conservatives began and the Liberals continued selling off our natural gas reserves. Fuel shortages are now a real possibility in Canada. The Liberal performance

in office has been one dreary sequence of broken promises, reversed positions, contradictory statements and abdicated responsibilities.

The most notable aspect of their performance has been their utter lack of leadership and callous disregard for the well-being of all Canadians. Mr. Deputy Speaker, the motion I wish to place before the Assembly today calls on the federal government to take some positive actions. I have outlined several areas in which it can take positive, direct action. I call upon my colleagues opposite to support the motion for they, too, have a responsibility to the people of this province. It is in their own best interests to urge positive action by the federal government.

Mr. Deputy Speaker, all those who do not support the motion I am about to put forward must answer, not only to the people of this province, but also to future generations who will be directly affected by the positions we take here today. Our energy resources are far too important to be squandered in the interest of a short-term return. The federal government cannot afford to play politics with Canada's energy future; our energy resources are rapidly dwindling. Time is short and we have a responsibility to shoulder. We must conserve what reserves we have. We must actively seek out new sources of energy and we must investigate all potential energy sources.

Mr. Deputy Speaker, in moving that this Assembly encourage the Government of Canada to give priority to establishing incentive programs to ensure accelerated development of heavy oil, its resources and potential energy resources, I urge this Assembly to support the motion and, in so doing, tell the federal government that it's time it took some constructive action to meet the energy crisis and that we are running short of time in which to act.

Mr. Deputy Speaker, I am pleased to move, seconded by the member for Turtleford:

That this Assembly urge the federal government to reinvest a significant portion of its oil export revenues in the development of heavy oil in Saskatchewan, and in the infrastructure necessary to support such development.

SOME HON. MEMBERS: Hear, hear!

MR. ANDREW: — I wish to make a few observations, Mr. Deputy Speaker, with regard to the motion by the member for Redberry. He starts out with the standard line of the NDP — criticizing the Liberal and Tory policies with regard to the export of natural gas to the United States.

I think that is the position of the member for Redberry — that he is against the export of natural gas to the United States. Obviously, that is a contrary position to that of the former minister of mineral resources in the province of Saskatchewan, Mr. Jack Messer, who clearly supports that position and also supports the pre-build . . . I suppose he's against that.

Let's look at the logic of that, Mr. Deputy Speaker. What the member for Redberry is saying is this. First, the federal government should take all the money which it is receiving from the export of Saskatchewan heavy crude into the United States and pour all that money back into Lloydminster. That's basically what his motion is saying.

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He is saying, on the other hand, that we should not export natural gas to the United States. Supposedly, the reason why we should not export natural gas to the United States is because we don't have the supply. But, let's look at the supply question.

Alberta, which is the primary producer of natural gas in Canada, has, by the National Energy Board's calculation, something like a 40 year supply of natural gas for Canada. I think anyone will admit that conventional oil in Canada, or even tertiary recovery oil in Canada, is at a premium. There's very little of it; there's not much to go around.

So, how does the member for Redberry say, on the one hand, that we should stop the export of natural gas because, of course, Saskatchewan does not export natural gas – it has to import it, because of the ill-fated policies of this government? But, how should you call on the federal government to stop the export of natural gas on the one hand, and yet, clearly advocate the export of a much more restricted resource, in this case, heavy oil?

There's no problem. We can export all we can produce. That becomes the position of the member for Redberry. We should export our oil to the United States, but we shouldn't export our gas. That's exactly what you're saying. You go on further to say that not only should the federal government not take the revenue they are receiving from the export tax to off-set what they're importing, but that they should spend that all back in Saskatchewan.

I ask the member for Redberry, "Where is your logic?" The logic you people have always advanced is this: "Well, we're really not exporting our oil. What we're doing is trading in the United States for oil. That's what we're doing. We're trading the United States for oil. We're taking the oil we produce here, shipping it down into the Chicago market, and we're bringing back a corresponding amount into the East Coast – off-setting it and trading it." That's what's happening.

So what you're saying is that we should continue the export of our heavy oil, and that the federal government should increase their activity in Lloydminster. They should speed up the production of heavy oil in Lloydminster, so that we can export it into the market in the United States. That's what the member for Redberry is saying. That is what he would have us believe.

It seems to me that the point can be made in the short run that we should be exporting oil to the United States to preserve our heavy oil fields. I don't disagree with that at all. I don't follow the logic, though, where we have a 40-year to 50-year supply of natural gas, where we have a pre-build (and bringing gas down potentially from the Beaufort and from the northern regions) and where there is proved to be a further 20-year or 30-year supply of natural gas, as to why we should restrict that. It seems to me that the member for Redberry is saying that it's okay to export any natural gas or oil produced in Saskatchewan but not to export production from any of the other regions of Canada – from Alberta, from the North, or from B.C. Then he is saying that they have to take all of this money and pour it back into Lloydminster, and that they should be doing that by Petro-Can. Now he is saying that Petro-Can should be getting into the alternative forms of energy. That's the position he has taken. He said that the federal government should have done that under the national energy program.

If the member had read the national energy program, which I suspect he didn't, he would know that clearly the federal government is moving (and I'm not here to defend the federal government) under the national energy program into alternative forms of

energy. In fact, they have created a new Crown corporation, which I'm sure the member for Redberry was unaware of. They have created another Crown corporation to deal with the questions of alternative forms of energy. So, I suppose they are already doing what he is saying.

The second thing is that the most active player right now in the Lloydminster field is Petro-Can. Petro-Can is the company which has done the exploration, and developed Cactus Lake, which is most active. Petro-Can is comprised of the money people, with regard to the building of the upgrader. So I think that Petro-Can is pouring a fair amount of money into the Lloydminster field.

I think that the more logical alternative is to address the entire question of tertiary recovery in the heavy oil. That's the big question which the federal government has failed to recognize. I suggest that probably the provincial government has failed to recognize it as well.

The member made quite a to-do in his speech with regard to the infrastructure required in heavy oil in the tertiary recovery and its development. The problem that the industry is voicing (including SaskOil, I think) is that there is not enough money in the national energy program. And there probably wouldn't be enough money, even if we moved to world prices, on our blended price formula. We have to at least move to world prices. I believe that SaskOil has even gone to the point of saying that the cost of lifting tertiary recovery heavy oil in the Meota field, in which they are a partner with Texas Gulf, is in excess of \$40.

But the problem in the industry, as it relates to heavy oil, is that there is also a royalty tax imposed by both the federal and the provincial governments. And they are taking a goodly part of \$30 or \$40, whichever figure you're going to use on that. Therefore, it's not economical, whether it's SaskOil, Petro-Can, any of the multinational or local corporations, or the Canadian-owned independents. There is no money to develop that. That's the question you have to address, which the member for Redberry completely fails to see. He has to look at building the infrastructures.

The other question is that of the upgrader. I thought the member for Redberry (being in the location of Redberry) might have commented with regard to the Saskatchewan position, or with regard to his position as to the location of the upgrader . . . (inaudible interjection) . . . Sure, he says that he's all for it. He is all for the location; where?

Now, we asked a question of the Premier, or the Minister of Mineral Resources, as to where that upgrader should be located. The answer was, "Well, it's not in the public interest to tell you that." It seems strange that Shell Oil and Gulf Oil advocated, in their addresses to the chamber of commerce in North Battleford, that they favor the location of the upgrader in the region of North Battleford. It's interesting to note that Husky Oil, in its presentation to the National Energy Board, suggested that it favors the location of the upgrader plant in the Lloydminster area of Saskatchewan. It is prepared to state its position. The only other two players in that consortia are SaskOil and Petro-Can. They are the only two public companies involved in that consortia. They don't seem to want to indicate where the location is going to be. I suspect that the reason for that is that SaskOil is using that vehicle – the Premier of this province – because it's pushing for the location of that heavy oil upgrader near the city of Regina. I suspect that that's the concern which we're looking at. I don't believe that the people of western Saskatchewan, North Battleford and Lloydminster are prepared to accept that. Perhaps the people opposite are aware of that fact as well.

It seems to me that the member for Redberry, with a constituency bordering the city of North Battleford, should maybe stand up and say where he stands on the location of the heavy oil upgrader: North Battleford, the vicinity of North Battleford, into the Lloydminster fields, or wherever. Perhaps he wants it in Regina. It seems to me that those are the decisions which he has to address here. He has absolutely missed the entire point of this motion. He hasn't addressed the question of export of heavy oil: how far it should go and when it should be cut off. He's obviously against the export of natural gas. Yet, he has never addressed the question of how we can stimulate, look for, and find natural gas, which many geologists and a lot of companies seem to indicate is here in Saskatchewan. They are optimistic about it being here in Saskatchewan. But, how do they go looking for it with a short budget situation?

If they find it, they can't produce it, thanks to the minister responsible for Sask Power. He doesn't want it right now because he's buying it from Alberta under contract. So, there's no incentive for the oil industry to look for natural gas in this province. That's an unfortunate policy, I think. I think even the minister responsible for Sask Power is prepared to agree to that.

He always comes back with the typical NDP line: "the problem is the dirty, rotten multinational corporations." They are an awful bunch of guys, until we have to go into joint venture with them. Then, they're a pretty good bunch of fellows. That's basically what you're saying: "They're a good bunch of fellows when we're dealing with them in uranium; they're a good bunch of guys to work with on the heavy oil upgrader; they're good guys to have as partners in the heavy oil development." Gulf Oil has been a partner of SaskOil for some time. "Dirty, lousy, rotten multinational corporations! But they're not bad guys to enter into contracts with and to work with."

He's also talking about the question with regard to the multinational corporations draining their profits off. Yet, the former minister of mineral resources, in this very House, basically said that the big concern which we have, with regard to multinationals, is that the revenues are coming from the refining of the product and the marketing of the product. That's perhaps a fair statement by the former minister of mineral resources. Certainly, because of the money which is being made, multinational oil companies such as Gulf, Imperial, Texaco, and Hudson Bay Oil and Gas are pretty welcome in Saskatchewan, according to the Minister of Mineral Resources. They like to see those people here developing our oil . . . (inaudible interjection) . . . Oh, but not him. He wants to get rid of all the multinational corporations. He want Imperial out; he wants Gulf out; he wants Mobile Oil and Hudson's Bay Oil and Gas out. He wants all those people to pick up and get out of the province.

I might ask the member for Redberry: who discovered the oil in Saskatchewan? Who developed that? Was it SaskOil? Was it Petro-Can? Were those the people who found and developed the oil in Saskatchewan? He might also answer the representations by the member concerning the amount of money that has been drained out of this country. Yet the industry and the Department of Energy, Mines and Resources in Ottawa advises that in fact 105 per cent of all the profits after royalties, operating costs and taxes is in fact being ploughed back into Canadian development of oil. So that means they are not only putting their profits back into further development, but they are taking equity from the shareholders or from the United States, and putting that back in. That isn't just the money they received from exploration and development or from crude oil supplies. It also relates to the profits they are receiving from refined products; the profits they are receiving from the retail operations are going back into development.

I think also that the energy, mines and resources department is suggesting that the amount of capital needed to develop energy self-sufficiency in this country by 1980 is in the area of \$200 billion to \$300 billion. Now, if you listen to the member for Redberry, you will hear that we don't want the multinationals here. The national energy program has driven many of the Canadian independents into the United States. The member for Redberry is suggesting that the people of Saskatchewan and the people of Canada, through Petro-Can and SaskOil, should do \$300 billion worth of development. I might ask the member for Redberry where he would propose that that \$300 billion would come from. You can't just wave a magic wand and the capital is there. You can't go to New York or London and simply say that we want \$200 billion or \$300 billion over the next few years to develop heavy oil or to develop our oil resource in Canada. I hope he is not suggesting that.

I have further things to say with regard to this. I think other members want to get into another question. At this point in time, I beg leave to adjourn debate.

Debate adjourned.

SECOND READINGS

Bill No. 61 – An Act to prohibit advertising of Tobacco and Tobacco Products in Saskatchewan

MR. PREBBLE: — Mr. Speaker, it is my pleasure to move second reading of the bill before you now, An Act to prohibit advertising of Tobacco and Tobacco Products in Saskatchewan.

I believe, Mr. Speaker, that a great many members of the public are becoming increasingly frustrated with the nature of much of the advertising in our society, an increasing amount of which seems to be wasteful, uninformative and sometimes exploitive in nature.

This bill, Mr. Speaker, seeks to greatly reduce the amount of tobacco advertising in the province of Saskatchewan. Tobacco advertising is, in my view, one of the most unnecessary types of advertising we have. Beyond that, however, it is a form of advertising which promotes the use of the product which contributes more to cancer than any other commonly used product in our society. To me, Mr. Speaker, it makes no sense for our society to continue to allow the promotion of tobacco products knowing what the health consequences of their use are.

Members of this legislature and members of the public are, of course, aware of the general health consequences of tobacco and its use, but I want to make a few specific references in this area which I think are important.

The use of tobacco is known to cause increased cancer of the lip, of the lung, of the mouth, of the esophagus, of the trachea and increased cancer of the bladder. It is estimated that 20 to 40 per cent of all cancer in our society is caused primarily by tobacco smoking. Excluding cancer of the skin, there were 3,169 new cases of cancer in Saskatchewan in the year 1979 alone. I emphasize that those are new cases and those figures do not take into account cancers prior to that time. I think it is fair to say that approximately 1,000 of these new cases of cancer were related to tobacco

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smoking.

Smoking is also known to be closely related to other respiratory problems and to heart disease. Several studies at the University of California have clearly demonstrated that cigarette smoking on the part of young people leads in later life to substantial increases in a number of chronic diseases, including coronary heart disease, strokes, peptic ulcers and myeloid leukemia. The 1978 United States estimates are that tobacco smoking caused up to 225,000 deaths from cardiovascular disease and more than 19,000 deaths from chronic pulmonary disease. We can conservatively estimate, in a Canadian context, that tobacco smoking in Canada causes at least 20,000 deaths a year from cardiovascular disease alone.

The negative health effects of smoking are known to cause or contribute to many other health problems, Mr. Speaker. A mother's smoking habits during pregnancy are known to have potentially negative effects on the health of her new-born child. Tobacco smoking is also known to significantly decrease the bone-mineral content of persons as they age. These are just two other examples of the many negative health consequences of tobacco use. It therefore seems to me that it is not in the public interest to continue promoting the use of tobacco products as our society currently permits.

I now want to turn to a second important argument in support of taking action to greatly restrict tobacco advertising, and that is that the Government of Saskatchewan, through the health promotion branch, is planning to spend approximately \$186,00 this year on an anti-smoking campaign encouraging people to give up smoking. Obviously, Mr. Speaker, the effectiveness of this government initiative will greatly be reduced if regular tobacco advertising is allowed to continue. Under present circumstances, resources will at least be partly wasted in what will be two conflicting advertising campaigns. In addition, an anti-smoking campaign will be likely to be much more effective if advertising which encourages people to use tobacco products is reduced substantially.

Mr. Speaker, before dealing with the specifics of the bill I'm proposing, I want to touch on one other important area, which is the effectiveness of a ban on tobacco advertising in actually decreasing the number of people who smoke in our society. Many of us like to think that we are not affected by advertising and perhaps some of us are not. But the effectiveness of advertising is often subtle and I essentially believe that the tobacco industry would not have spent at least \$11 million advertising its products last year in Canada if it did not believe that such advertising was essential to maintaining and building its market.

The fact that tobacco advertising is not only aimed at encouraging smokers to switch brands but is also aimed at encouraging people, particularly young people, to start smoking is clear in my view. The R.J. Reynolds Tobacco Company ad "When Your Taste Grows Up, Winston Outtastes Them All" is just one of the many examples of tobacco advertisements which I believe are aimed at encouraging young people to identify smoking with adulthood. Tobacco ads picture strong, healthy people in picturesque circumstances, a frame of reference which has had remarkable success in blunting the health warnings the ads themselves must carry. It's a frame of reference which bears no relationship at all with the health effects of tobacco smoking.

Mr. Speaker, I believe that prohibiting tobacco advertising is one of the many steps required in discouraging our young people from starting to smoke. Obviously, there are a great many other sources of encouragement other than advertising. However

research does demonstrate that advertising clearly contributes to non-smokers starting to smoke. In a recent survey conducted between January and December 1979 by the Institute for Social and Preventive Medicine in Zurich, Switzerland, 13 per cent of those surveyed recalled that advertising had a most important influence in their adopting the smoking habit. In that same survey, 78 per cent approved of a prohibition of tobacco advertising.

The fact that the advertising of tobacco is effective in encouraging non-smokers to start smoking is also implied in the fact that anti-smoking advertising campaigns have been effective in reducing the number of people who do smoke. The School of Public Health at the University of Michigan estimated on the basis of a study between 1979 and 1981 that anti-smoking campaigns over the past several years have kept cigarette consumption from being roughly 40 per cent greater than it is now.

The *Montreal Gazette* noted last year that the 1980 surgeon general's report warns of an emerging epidemic of smoking-related diseases, especially among women, Mr. Speaker. The report found, with alarm, that female smokers now outnumber male smokers in the 17 to 19 year age group. A great deal of tobacco advertising is clearly aimed at younger women, and campaign has been successful. The fact that tobacco advertising is clearly aimed at encouraging non-smokers to start smoking is supported in other research work, such as that by Dr. Ronald Shore(?) a psychologist at the University of New Hampshire, who has done an analysis of the themes of tobacco advertising dating back to 1931. A former advertising specialist for the American Tobacco Company has made similar public comments. Emerson Foote, who joined the anti-smoking campaign in the 1960s, has stated on several occasions that the advertising strategy of the tobacco industry is reflected in the original strategy as enunciated by George Washington Hill, the president of American Tobacco and the dean of cigarette advertisers, who used to constantly emphasize the double purpose of advertising, namely to increase sales of your own brand and to build up the market for cigarettes.

Before leaving the question of the effectiveness of tobacco advertising and the need, therefore, to greatly restrict its use, I want to touch on the effect which I believe such advertising has on younger children. Research on the effects of television advertising on children clearly demonstrates that children do not begin to understand the selling intent of commercials until they have reached grade school. While tobacco advertising no longer takes place on television in Canada, I think there is a strong likelihood that young children have great difficulty understanding the persuasive nature of any advertisement. Rather, they tend to accept the advertisements as statements of fact. I feel, Mr. Speaker, that through the widespread advertising of tobacco products on the streets, in newspapers, in stores, in drug stores (which children, in fact, come to see as places that are supposed to be concerned for your health), children must be left with the message that tobacco and its use is somehow all right from society's point of view.

Therefore, while I feel that the restrictions this bill will impose on tobacco advertising will have little effect on the adult population, I think it will have an effect on children and on our younger people in changing their perception of tobacco and of the consequences of its use. Prohibitions on tobacco advertising are just one step in that process, but I believe it is a necessary and important step.

I want to turn now to the specifics of the bill itself. As members can clearly see from section 2 of the bill, its intent is:

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That no person shall advertise, promote or encourage the use of tobacco or tobacco products within the province of Saskatchewan by advertising on billboards, by advertising in publications originating in the province of Saskatchewan, by advertising in window displays or by advertising outside or on the exterior of a building.

Therefore, the bill, in the event that it becomes law, would not restrict advertising in publications originating outside the province. The reason this is omitted is because to take such action is clearly outside the jurisdiction of the legislature of Saskatchewan. Secondly, the bill does not propose to restrict tobacco advertising inside buildings. Therefore, stores will still be allowed to advertise their tobacco products inside the store, except through window displays. Hockey rinks and curling rinks will not have to take down their score clocks or repaint their bleachers. While I would like to have seen the restrictions on tobacco advertising more widespread than is in this bill, I have modified the legislation to make sure that the bill is not onerous in its effects upon community facilities and upon small store owners.

Section 4 attempts to ensure that someone who operates a tobacco shop or who owns a tobacco company will not be prevented from putting up a sign indicating the name of the company or the nature of the company's business. However, the store will not be permitted to advertise its products outside or in the window.

Sections 5 and 6 of the bill deal with fines in the event of an offence under this act. Members will clearly see that while the fines are intended to be a disincentive for violating the law, they are clearly not intended to be onerous.

The proclamation date of the legislation is to be set by the Lieutenant-Governor rather than a specific date being named in the bill. This is to provide for sufficient time to finalize arrangements for administering the legislation and to ensure that people affected are aware of the new law.

Mr. Speaker, I want to comment on three other matters relating to this bill before concluding my remarks. First of all, Mr. Speaker, some may argue that this bill will reduce revenues to the advertising industry. While much of the money spent in tobacco advertising ends up going outside the province, there will still be some reduction that will affect the province. However, there are two counteracting factors that members will want to take into consideration in terms of the impact of this bill on the economy. The first is that any reduction in smoking that results from this legislation will reduce expenses in medical care, absenteeism, decreased work productivity and accidents that are directly attributable to the use of tobacco.

In 1980, cigarette smoking cost the United States \$27 billion in medical care, absenteeism and other factors just referred to. In Canada, using the same figures applied to a smaller population, our cost probably exceeded \$2 billion. Thus there are clearly positive economic consequences that result from any steps that contribute toward a reduction in tobacco use.

A second important area of economic savings is with respect to publicly paid tax reductions which the tobacco companies now get since they are allowed to deduct their advertising expenditures as expenses before paying income taxes. In the future, if this bill becomes law, the tobacco companies will not have nearly as much advertising

money to deduct in the form of an expense.

If this legislation has any significant impact on reducing smoking (and I believe it is highly likely that it will), then the economic benefits may well even outweigh the lost revenues. A study undertaken in 1976 and 1977 by the Silesian medical school in Poland showed that in that country (just considering absenteeism alone) money lost from absenteeism resulting from tobacco-related illness was double the net profits of the tobacco industry from sales in the Silesian population. We would have no reason to think that the economic results in Saskatchewan would be any less positive if smoking were reduced here.

But the economic savings are not my reason for introducing this bill, Mr. Speaker. My reasons are primarily related to my concern about health and the need to take a more preventive approach to health in our society rather than simply treating people when they are sick. Prohibitions on tobacco advertising is one small step in that preventive health approach.

With the increasing public concerns related to the health consequences of the use of tobacco, I believe there will be widespread public support for this bill from smokers and non-smokers alike. There has already been growing demand for restrictions on smoking in public places. This bill is far less onerous in its restrictions and moderate in its approach than the municipal by-laws restricting the actual use of tobacco. Therefore this bill is a measure that I hope all member of this legislature will be able to support.

I want to make one more comment in concluding, Mr. Speaker. Members will know that tobacco advertising has already been taken off radio and television. This was as a result of an agreement reached between the federal government and the tobacco companies resulting in the companies withdrawing tobacco advertising from radio and TV when the federal government threatened, six years ago, to bring legislation that would prohibit such advertising. This bill is, therefore, a logical extension of the concept that tobacco advertising is not in the public interest – a concept which the federal government clearly recognized in the mid-1970s and was prepared to act on it. I hope that all members of this legislature will support the adoption of the proposals in this bill before you today which would restrict most other forms of advertising by the tobacco industry.

Mr. Speaker, I move second reading of Bill No. 61.

INTRODUCTION OF GUESTS

MR. PREBBLE: — I beg leave of the House for a moment to introduce some guests who just arrived in the gallery. It is my pleasure, Mr. Speaker, to introduce to you today a special guest visiting with us today from Nicaragua. Her name is . . . (inaudible) . . . I fear that I may not have pronounced that name correctly. She's standing right now. She heads the health campaigns for the Sadino Foundation (a non-governmental organization). She is visiting with us in Regina today. She's a former social worker, is a mother of two sons and is a graduate of California State University. She was born in Nicaragua. We're very happy to have her visiting with us today.

She is joined in the gallery, Mr. Speaker, by the head of the occupational health and safety division for our province, Mr. Bob Sass, and two representatives from Oxfam. We're very happy to have them all visiting with us today. I'm sure that all members in the

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House will want to join with me in making them welcome.

HON. MEMBERS: Hear, hear!

SECOND READINGS

Bill No. 61 (continued)

MR. TAYLOR: — Well, Mr. Speaker, I listened with interest to the member for Saskatoon-Sutherland describing his bill. We would certainly agree on the dangers of smoking. I think that we, on this side of the House, and many members on the other side, agree that if smoking could be curtailed in our society, that perhaps the incidence of cancer (and many of these things) would be somewhat reduced. However, if one looks at the medical research I think you can see that there are many other things that are cancer-causing. When you were speaking, one of my colleagues mentioned that there seems to be some evidence about coffee too. And, you know very well, that if you're looking at the causes of cancer, I don't think we've come down yet to say that it is this or that. There are many things that do it. I don't argue that smoking isn't one of them.

However, I'm of the belief that the way to curb the consumption of cigarettes, especially for young people (and you made reference to young people), is through the medium of education. We must educate people about the possible dangers that come to them from smoking.

You mentioned the surgeon general's report. I think it is that type of thing that has had the impact upon many young people to not smoke in our society. I agree with you that the young ladies seem to find smoking more attractive than the young males. I know many young boys. I saw, as a teacher in school, that the number of young boys taking up smoking was decreasing. I think that is because of the interest in athletics and things of this nature.

So I think it is incumbent that we look at a form of public education as the avenue through which we would attack this problem.

I take it that the member opposite is sincere and concerned. I believe he is. However, I think it would have been better had you come forward, urging the government (and you are a member of that government) to present an educational campaign advertising the dangers of smoking, perhaps.

I see that you are a very capable government at advertising many of your philosophies, and many of the things concerning your Crown corporations. You see that advertising is a medium by which you can affect people's outlooks; therefore, I thought that would probably be the way in which you would approach this problem.

I also sometimes see (and I must say this to you, and I hope you don't take it as a personal comment) you stand up on issues on that side of the House which you would sometimes find agreement with, and then I see you turn around and vote with the government against your personal stand. I have seen that happen, and I just wonder in this situation — getting down to the basics of your bill — if really all you are attempting to do, or are able to do by this bill, is limit the advertising of cigarettes or tobacco products in publications within the province of Saskatchewan.

I would think that if you really analysed where the impact on the people regarding the advertising of cigarettes is, you would see that it is in the nationally produced magazines, where they have the glossy ads, with the Marlborough country and all of those things. I see a lot of weekly newspapers and I don't know if I have ever seen a cigarette ad in a weekly newspaper in Saskatchewan. I see a lot of Crown corporation ads, yes. I'll be honest and say that I have seen them in the two major dailies in our province – the *Saskatoon Star-Phoenix*, and the *Regina Leader-Post*. On the same hand, the *Toronto Globe and Mail* comes into Saskatchewan every day, and is in a number of homes and places. With your bill, what you're going to do is limit the two major newspapers here, but allow the *Calgary Herald* or any of these newspapers to come in full of these ads, with this bill not being able to do anything about it.

However, I think where you really fell down in your argument (I think that was pressure from some of your colleagues, and I feel sorry for you in some situations because I think you have ideas which have to be tempered and honed and smoothed over by some of the colleagues on the other side, who are into more entrepreneurial thinking) was where you said, "But I wouldn't want to limit community facilities." I know where that came from. When you were thinking of the bill someone over there said, "Well, Mr. Member, you have to watch the rinks. They pay for the clocks and they put up the time boards in the rinks, and if you come out with that, then the rinks are going to be mad at you." I know that's what you do to that man's bills over on the other side, you see.

So what do you do? You say, "Well, I don't want to interfere, so it's okay in this community's facilities." My goodness, that's where the kids are! They're in the community facilities, and you're going to allow cigarette ads in there, but you're not going to allow them in the weekly newspapers where they never were in the first place. You all know that as well as I do.

Next, you're going to say to the guy who is running a business, "You can't put a sign on your window." And that is just typical of you fellows over there. You wouldn't let a businessman advertise what he wants to advertise. You would like to curtail his business, so he can't put up a sign. But then you come down to what happened to this poor man's bill. Some of the other caucus members said, "Yes, but we receive some contributions from some of the big manufacturers, and you're not going to put that in, Mr. Member from Saskatoon-Sutherland." So we changed the bill a little further down, and it says:

Nothing in this act applies to prohibit a tobacco company from placing a corporate sign on a building that it owns.

What nonsense! The poor little guy down in the corner store can't put up a sign that pertains to cigarettes at all, but because a tobacco company might make some contributions to the NDP, let them paint the whole wall. That's okay.

So, Mr. Speaker, I see that we have almost reached the closing time. As you can see, my colleagues here would like to comment further on this bill so I beg leave to adjourn debate.

Debate adjourned.

The Assembly recessed until 7 p.m.