

June 16, 1988

EVENING SITTING

COMMITTEE OF THE WHOLE

Bill No. 82 — An Act to amend The Litter Control Act

Hon. Mr. Swan: — I only have one official here at this time; there will be others very shortly. I have Don Elsaesser with me tonight.

Mr. Chairman: Thank you.

Clause 1

Mr. Calvert: — Thank you, Mr. Chairman. Mr. Minister, I'm looking forward to the discussion we can have on this very important piece of legislation. As I understand the legislation, it sets out the return and recycling system essentially now to deal with the aluminum cans that are on the market and perhaps with plastic containers which may be coming on the market later this year.

So we'll just, right away, I think, move into some questions that I have, and I'll appreciate your responses. Would you, Mr. Minister, give to the House your assessment of the return rate on aluminum cans that will be achieved through this legislation, through the system now in place or being put in place.

Hon. Mr. Swan: — The indications that has happened in other provinces, at least, is that in the first year they start at approximately 20 per cent and then by the end of the second year would be close to 50. So in the first year we expect a slower return rate, gradually building to 50 or above.

Mr. Calvert: — Mr. Minister, you're taking that information from the experience of other provinces. Could you indicate to me that the provinces which you have looked at to get that experience . . . And that would indicate that another province has a system very similar to ours. Which province would that be that these figures could be considered comparable?

Hon. Mr. Swan: — That would be the Alberta position as well as Manitoba, and it's sort of the national averages that have occurred in the past.

Mr. Calvert: — Mr. Minister, is it not true that the Alberta system is quite a different system than the one we have in place in Saskatchewan now?

Hon. Mr. Swan: — The system in Alberta, the universal system as it's called, will be very similar to what ours will develop into except that we will be working with the handicapped rather than a different contractor. That's the main difference.

Mr. Calvert: — Well, Mr. Minister, correct me if I'm wrong, but the system being set in place in Saskatchewan proposes to have somewhere in the neighbourhood of 40 to 50 return depots. And maybe I'm being generous; we certainly aren't anywhere near that point now. The information that I have been able to gather from the Alberta system is that they have somewhere in the

neighbourhood of 220 to 240 registered bottle and can depots. So I see that as a significant difference between the two systems.

Are you saying to me, then, that you would anticipate this level, this number of return centres, by the time the entire program is in place?

Hon. Mr. Swan: — I suppose the first thing that you would have to look at is, the population of Alberta is considerably larger than ours. We do anticipate to have a number of subdealers that will be bringing the cans into the depots. We expect to have between 30 and 40 depots and then subdepots that will be distributed around in the smaller centres, that will deliver the cans into the rehab centres, wherever those depots are set.

So we will have a number of depots. The exact number is not final yet, but SARC (Saskatchewan Association of Rehabilitation Centres) indicate that they will be subcontracting to others to act as a dealer who would bring in the cans to the depots that they will establish.

Mr. Calvert: — Mr. Minister, this is the first that I've heard of the subdepot idea. It has not been contained, I don't think, in any of your press statements or any of the releases or so on. This is the first news I've heard of it.

I take it from what you said that this not something that's being established through your department or by regulation, but through an initiative of SARC. Is that true, that they will be SARC who will be establishing the subdepots around the province?

Hon. Mr. Swan: — Yes, SARC has the contract, and they will establish the depots and they'll also establish the subdepots. It will take some time and they are negotiating with different communities now, but they haven't set up any of the subdepots at this point.

The first stage would be to put in place all of the depots themselves, then the subdealers will take place from there on out. And it will take a little time. That's the reason that only cans have been introduced at this time and that the PET bottles, or plastic bottles, will not come until a later date.

Mr. Calvert: — Well, Mr. Minister, in that comment I take it then that the plastic containers, when they arrive, will also be included in the system where they can be returned; that there would be a deposit, or a refund, or they will be included in this return system.

Hon. Mr. Swan: — Yes. The plastics will be returned as well, when they are authorized to go. We haven't set the rates that will be paid and the refunds that will be paid at this point. We want to work with other provinces to be sure that we're in line with what's happening around us before we set that rate. But there will be a deposit return system for those bottles as well.

Mr. Calvert: — So, Mr. Minister, you're assuring the House tonight — and therefore the people of Saskatchewan — that before the plastic containers are available for use that: (1) there will be the much broader

return depot network set up, the subdepots and so on; and that (2) these containers will, in fact, be a returnable container, and by that I mean that they will have a deposit on them that can be returned to reclaim the deposit just like the cans. Is that accurate?

Hon. Mr. Swan: — Yes, they will have the deposit and the refund system. I can't give you the exact number of depots that will be set up. We're aiming at November 1 as the time frame before the PET bottles will come on stream, and SARC has got a lot of work to do over the summer to be sure that they are ready to handle those bottles. So they need some time. I think they're working very hard at this point in putting equipment and people in place, and should be able to have the subcontracts in place, as well, before November.

Mr. Calvert: — Mr. Minister, I want to be sure we're talking about the same thing, and perhaps I am confused here. Are we talking about the containers that will be used to purchase draught beer, the plastic containers that will be used to purchase draught beer? Is that what you're referring to?

Hon. Mr. Swan: — No. I was talking about soft drinks. And the PET bottles are the 1- and 2-litre bottles that you see around the world that are used for soft drinks. The beer containers we have not authorized at this point and there isn't a definite date in place at this time. But probably it would be something like the other plastics. Once there's market for plastic, then that system will be set up.

(1915)

Mr. Calvert: — My question then, Mr. Minister: in terms of the plastic jugs that will be used for draught beer, will they be . . . Once authorized, will there be a system in place for their return and recycling?

Hon. Mr. Swan: — Yes, they will be the same system when they're approved, but it's not approved at this time.

Mr. Calvert: — Well, Mr. Minister, it seems to me I've seen some recent press reports that indicate they may be approved as early as the month of July. Are you saying that that's not realistic, that we're not going to see them on the market or available that soon, but not until a system has been put in place for them?

Hon. Mr. Swan: — I believe what you're seeing is advertising and press releases being made by the hotel association. We, as a department, have not approved any plastic container to handle draught beer, and the main reason that we haven't is that we have to put in place the recycling system so that it can be handled properly. And I don't feel that we're at that stage yet.

Mr. Calvert: — So, Mr. Minister, then I just want to be clear, because I think there's perhaps then some misunderstanding in the public mind about this issue. You are saying that the plastic bottles, the plastic containers for draught beer, will not be available for use in this province until a deposit and return and recycling system is in place. And my estimation would be that that certainly wouldn't be as early as July.

Hon. Mr. Swan: — I certainly have never said July, and I don't see how it would be possible by then. But I'm working with SARC, and when they're ready, that's the time that I would see it as a possibility.

I don't want to get out ahead of them, because they are just starting; it's a new industry in the province. Any industry needs some start-up time, and that's the reason that SARC were given just cans in the early stages, so that they could get established, train their people and be ready for the operation, to hunt for markets for plastic and that sort of things before we get too far down the road. So it will be some time; I can't give you a date for it.

Mr. Calvert: — So when Mr. Peter Williamson, the executive director of the Saskatchewan Hotels' Association, says, is quoted in the press as saying we are "very, very hopeful that (off-sale draft) will be in by July," that his hopes are not likely to be realized. Is that true?

Hon. Mr. Swan: — That's what I'm saying to you. He's hopeful. I don't believe that he's looking at the whole situation when he says that. I would like to see the operation able to go ahead, but I don't want it to go ahead until the depots are in place and that they can handle the return of those plastic bottles. I don't want them all over the country and in the lakes and rivers and things. So I'm afraid the hotel association is really over-anxious and they're going to have to wait a bit.

Mr. Calvert: — Mr. Minister, then can you explain to the House why it is that you did not have the return depots in place, at least much further advanced than they currently are, before the aluminum cans were put on the market.

Hon. Mr. Swan: — The Saskatchewan Association of Rehabilitation Centres assured me that in three to four weeks from the time that they were given the contract that they would have their depots up and operating. In three or four weeks most homes don't collect a large number of cans. They would collect some, but not a large number. So I believe that SARC has done a good job.

They have, I believe, about 28 at this point — it's between 25 and 28 depots running now — and they're going to open more very quickly now. So by the end of the month, I think they will pretty much have their 32 depots in place that they indicated at that time they could do.

They've done a good job, and they're working very quickly and have most of their equipment arriving on site now so that they're ready to do the whole job. And I think they're making good progress; I'm satisfied with it.

Mr. Calvert: — Mr. Minister, would it be possible for you to . . . I'm not sure you can do it now, but could you at some point provide for me a list of the 32 communities that will have the depots? Perhaps you do have that information now.

Hon. Mr. Swan: — I don't have them here tonight. It will be basically the rehabilitation centres that SARC have and the abilities council will be establishing in Yorkton and in Swift Current, but we could provide you with the list of the intended areas.

Mr. Calvert: — Well I would appreciate that, Mr. Minister, and I would also appreciate receiving the plans that SARC now have in place for the extended depot network that you described earlier. We have, by my tally, something like 515 villages, towns, and cities in the province, well over 500 communities, and if we are going to target for any kind of reasonable return of the aluminum cans, it seems to me we need a much broader depot system than 32 depots.

And, Mr. Minister, I asked even about the larger urban centres. It's my understanding there will be one depot for the city of Regina for a population of 175,000 or so people. Mr. Minister, do you feel that that will achieve the kind of return that we would hope for? Is one depot in a city this size, in your mind, sufficient to achieve the kind of return that, by your own admission, we're hoping for a 50 per cent return?

Hon. Mr. Swan: — In the city of Regina and the city of Saskatoon, SARC has indicated that in their plans there'd likely be about four depots in each of the major cities, in Saskatoon and Regina. Now they're starting with one, and they will branch out, but there'll only be one at the first initial stage. So I agree with you. I think they need more than one in cities this size.

Mr. Calvert: — So, Mr. Minister, as the Minister of Environment and as the one in our province who takes the lead responsibility for protection of our environment, will you be ensuring that in fact the network of depots expands substantially so that we might achieve a reasonable return rate? Will you be insisting that that happens and monitoring to see that it is happening?

Hon. Mr. Swan: — Yes, of course. That was the understanding at the time that the agreement was signed, and we will be monitoring very close, and the Department of Social Services are working very close as well because SARC operates under their wing, so to speak. So we'll be monitoring from both sides — from Environment side and from Social Services to see that the job is well done. And I believe you'll be pleased with it as it goes forward.

Mr. Calvert: — Well let me just say this, Mr. Minister. We've had now about a month of the cans and the system, I realize, is only coming on stream, but clearly there will be a problem if we do not quickly expand the system. I was fortunate last night to be at a banquet of members of Ducks Unlimited and talked to some individuals who have just come from the North. They've been up fishing and they tell me that some of the lake bottoms are already visibly full of cans. We will have a major environmental problem on our hands, it seems to me, if we don't act as quickly as possible.

Mr. Minister, in establishing the return rate — you've set it at 5 cents a can — can you tell me how you arrived at that figure?

Hon. Mr. Swan: — We arrived at the figure by looking at what's been happening across Canada and across other parts of the United States. In Alberta the rate is below the 5 cents; they're 2 cents. And in Manitoba there's no

deposit. So we felt that the rate that had been used for the return of beer cans in almost all provinces has been 5 cents.

We looked at what was happening in the province of Quebec, and their cans had . . . Their beer cans and their soft drink cans had 5 cents. We are going to be a little above Alberta and 5 cents above Manitoba, but we feel that's approximately the right range in order to get the cans returned. And that was the rationale for putting the 5 cents.

You indicate that there are a lot of cans in the lakes in the North. You may or may not know that the North has had cans for a number of years and that problem may be there. I hope that when people from here go fishing in the North or holidaying in the North that they will be more responsible than that so that we don't indeed see a lot of cans. It depends on you and I as individuals, how we train our families. That's the way that you control the number of cans in the ditch. It isn't simply by opening a depot here and there.

Mr. Calvert: — Well, Mr. Minister, I agree. I agree significant education needs to be undertaken, which leads me then to another question. Do you, as Minister of the Environment, through your department, do you plan an educational campaign to acquaint people with the system as it exists, and to encourage people to be responsible in saving the cans and having them returned? Do you have a plan for some kind of an educational promotion?

Hon. Mr. Swan: — Yes, we are doing an education advertising campaign, and you've likely noticed our ads in the papers, in the early stages here. We have spent considerable amount of money, and SARC will be spending money advertising.

The Retail Council of Canada and the retail merchants of Saskatchewan have indicated that they would be willing to co-operate in the education process. They're very pleased that they don't have the cans coming back into their stores, and through letters to the department, have indicated their willingness to be involved in the campaign to advertise the necessity of returning cans to keep the environment clean.

Mr. Calvert: — Well I encourage the work that you've done, Mr. Minister, and I encourage you to keep it up, because it needs that kind of educational push, I think, for all of us, for all of us.

Mr. Minister, in section, I believe it's section 14.82 of the Act, the Bill that we're now considering, there is the power given to you there to regulate the deposit rate and so on. If, Mr. Minister, in the course of, let's say, a year or perhaps over two years we haven't begun to approach the targeted return rate, would you consider raising the deposit as a means of encouraging the return of the cans?

Hon. Mr. Swan: — Well that's an issue that we haven't addressed in the department at this time. I think that we will have to monitor very closely what happens. That may be one issue that you could look at, is to raise the return. There may be a number of other things that we could do,

so we will be looking at all options, and that would certainly be one, but I wouldn't expect that it would be the first one that we would consider.

Mr. Calvert: — Mr. Minister, can you describe for the House the monitoring system that will occur, that I assume that you've put into place now. How do you intend to monitor the progress of the system and the return rates and so on?

Hon. Mr. Swan: — All of the distributors of soft drinks and beer are required to give us the detail of how many containers they sell per month, and the SARC operation on the collections side then will give us the details of the amount that they collect. So it will be a fairly accurate monitoring of the percentage of return that we're achieving.

I believe the public will certainly be the other side of that monitoring. They're always there, and I'm sure that you'll be of assistance as well in telling me that we're doing a good job or not as good as we should do.

Mr. Calvert: — Rest assured, Mr. Minister, there'll be a number of people monitoring the system in the province — no question about that.

Mr. Minister, a quick little question, because it's been asked of me — well I'll join two of them. How is the return system to prevent the influx of cans from other provinces? You've indicated Manitoba does not have a deposit; Alberta has a lower deposit on the pop cans. The second question is, in what condition must the cans be returned to the depots?

(1930)

Hon. Mr. Swan: — Each container that's sold in the province has to be authorized by brand and by type of container. So once you do that, even if it's a distributor from outside the province, they're licensed, so you know them how much product they bring into the province and which containers then are eligible to be recycled and to get the 5 cent deposit back. The container, the condition of the containers must be recognizable; you have to be able to identify it by the brand name on the container. Like sometimes people will squeeze it like that; well you can still read it. So that's the only requirement, is that you can recognize it.

Mr. Calvert: — Some friends of mine, Mr. Minister, were worried about the squeezing part; there seems to be some enjoyment in squeezing the can when it's empty.

Mr. Minister, I'm not clear about your first answer though. I don't understand how we differentiate therefore from a Coca-Cola can that's bottled in Alberta and the Coca-Cola can that will be . . . or canned in Alberta and the can that will be done on the canning line here in the province. The beer cans, of course, are all coming from out of province.

Hon. Mr. Swan: I'm advised that it's very difficult to identify the actual can if it were Coca-Cola, but if it were Cotts and we hadn't any Cotts licensed to be sold here, then we wouldn't be refunding on that.

The other method, I guess, that you use, is the volume of Coca-Cola sold. There may be some leakage at the borders; I wouldn't expect it would be large. If somebody with an Alberta plate drives into Saskatchewan with a truck-load of cans, then they would most certainly be questioned and likely will not receive a refund. So we'll be monitoring it closely, as closely as possible, but the best control we will have is on the licensing of the product that's sold within the province.

Mr. Calvert: — Mr. Minister, who will . . . If some out-of-province cans end up in our depots, who in fact will suffer the loss? Who will suffer the loss in the money? Will it be SARC? Will it be the rehab centres?

Hon. Mr. Swan: — No, I'm afraid it will be the province, because we collect the deposit and we pay out the refund, and we pay SARC for everything that they refund. They will be our agents, and we will expect them to be responsible agents and I'm sure they will be.

Mr. Calvert: — Well either way, Mr. Minister, it's not a happy situation if we're losing any money, and clearly this province right now can't afford even small amounts of money to be lost. And is it not possible, Mr. Minister to have the cans numbered? Is it not possible to have a stamped number on the can by which they can be identified as a product that has been sold in Saskatchewan? Is that not a fairly easy solution?

Hon. Mr. Swan: — It sounded like an easy solution to me as well, but in talking to the people who run the can lines, they tell me that when they run a batch of cans through, they don't know where they're going to end up as far as selling them. They may sell them in Regina, they may sell them in Alberta, or they may sell them in the United States. So they tell me that to mark them by number of by saying Saskatchewan on them or something of that nature is very costly and likely not something they would be willing to do.

I don't believe that we're going to see all that much slippage at the borders. There will be some; there has been some cans going the other way into Alberta for a while. So we have to monitor as closely as we can and trust that it's not going to get out of hand.

As far as the beer cans are concerned, there's a 5 cent deposit in Alberta and the same 5 cents in Saskatchewan and the same 5 cents in Manitoba, so I don't see a problem on that side. It'll strictly be the soft drink side.

Mr. Hagel: — Thank you, Mr. Chairman. To the minister: Mr. Minister, as my colleague pointed out, and I think as you're already said as well, the beer cans are all coming from outside the province. And I wanted to ask you, sir, what has your department or your government been advised as to the number of jobs for brewery workers already lost since the introduction of cans in the market—place, and what are your forecasts for the numbers of jobs that will be lost over a period of time related to the introduction of cans in the market-place — beer cans?

Hon. Mr. Swan: — I haven't really been advised of any

job losses but I have been advised that they were concerned there might be job losses. I believe that the problems in the brewing industry are much larger than simply whether it's bottled or canned. They've been having trouble in the negotiations at much higher levels than Saskatchewan and many of them indicated to me, long before the decision about cans was made, that there was a possibility that they would not survive in Saskatchewan. I believe if they really want to survive in Saskatchewan they could do something like Coca-Cola did and put a can line in. You know, that's not an impossibility; it's something that they should look at. Coca-Cola at first told me they could not put a can line in, but as soon as the cans were on their doorstep they found a method, and I think the others could find a method as well if they chose to do that.

Mr. Hagel: — Mr. Minister, it seems to me that what you're very clearly saying, then, is that if the Mulroney-Reagan free trade deal is signed, the brewery industry is a dead duck. That seems to be an obvious implication of what you're saying. The fact of the matter is, Mr. Minister, that, in Saskatchewan, because of decisions of the brewery companies — which it doesn't appear to me your government has done anything about — if you want to fill a container in Saskatchewan, you've only got one option. You only put beer into a bottle; you don't put beer into a can in the province of Saskatchewan.

Mr. Minister, I'm advised that, already from Carlings in Saskatoon, there have been 14 positions lost; and I'm advised as well that it's anticipated that there will be 25 jobs lost, it would be some time between now and September, from Molson's Regina brewery. And I ask, Mr. Minister, what initiatives your government has taken, either through your department or your colleagues, as you're a member of Executive Council, to offset these job losses in both Regina and Saskatoon for breweries workers.

Hon. Mr. Swan: — As I indicated to you before, all of the job loss in the breweries cannot be attributed to cans. If there are job losses, they were having difficulty before and they may continue to have.

I think what you're forgetting is that we're replacing those jobs with something like 150 jobs for handicapped people. And I believe that's a very, very important part of this whole issue — is that we have people with disabilities of varying kinds who are, in many cases for the first time in their life, able to take on a job that they're going to find satisfaction in doing. I'm very pleased to see 1250, approximately, being employed in this industry at this point. And they indicate to me that it may very easily, with the plastics coming on stream later, double to something in the 300, 350 range.

So you have to balance one against the other. I know that I don't like to see anybody's job lost and no one does. But sometimes you have, really, little control over it in this province.

We met with the brewing industry and we met with the union that was responsible for the employees in the brewers' union. In our discussions with them, I think that we were up front in what we were saying at all times. And

there may be some jobs lost, but we will make it as minimal as possible. Much of the control that we have, as far as the numbers of cans that would be sold, would be related more to the Liquor Licensing Commission and the Saskatchewan liquor marketing commission rather than to our department because the values that are put on the cans or the bottles do make a considerable difference in what people might purchase.

In the early stages, I think you'll see a run on cans because they're a bit of a novelty in Saskatchewan. In a very short time people will be back to the point where they're going to buy responsibly, I think, and buy whichever is the more reasonably priced product to meet their marketing needs.

Mr. Hagel: — Well, Mr. Minister, I welcome those jobs . . . creation of jobs for handicapped persons, but we're really comparing apples and fish here. Obviously if you're having a . . . It's not even as close as apples and oranges, as apples and fish, Mr. Minister.

If you're creating a job activity related to collecting empty cans, that's got nothing to do with jobs that are involved in filling up containers. I mean, if your government had the political will to require that breweries in Saskatchewan who want to sell cans in this province had to fill them in this province, you'd still have created those same number of jobs related to the collection of those empty cans, Mr. Minister. So it is simply a faulty argument.

Now I accept your point that some of this has to do with your department interfacing with the liquor commission, but the fact of the matter is that it's an initiative of your department that created this scenario. And so I ask you again, Mr. Minister, is it, as a matter of fact, the case that your government made no attempt or . . . Let's deal with conclusions and not efforts because ultimately that counts. Is it, as a matter of fact, the case then that your government was not able to require that breweries who want to sell beer in Saskatchewan in cans have to fill those cans in the province? That seems to be obvious, that you weren't able to accomplish that. And I ask you again, sir, what initiatives your government has undertaken to try and preserve those jobs for brewery workers in the province of Saskatchewan.

Hon. Mr. Swan: — In the pricing of the cans of beer there was a move made that would price them a little higher in most cases than bottles at the liquor stores. Now if you go to the hotels they can set their own price, so we have very little control over that. So that part is difficult.

And I think the other side that the government has taken is that they do not allow cans to be sold on the table in beverage rooms. They can only sell bottles in the beverage rooms. And in that way they are making an effort to maintain jobs in the bottling industry.

I believe the percentage, you're going to find, is still fairly good in the hotels that people will be drinking bottled beer. Some will drink draught of course, but for the most part you will see many bottles sold to the people who are customers in the beverage rooms across the province.

Mr. Hagel: — Well, Mr. Minister, plain and simple, the

strategy that your government undertook to protect the jobs of breweries workers has been a failure. And I think that has to be admitted. And it would seem to me that your government should assume some responsibility in dealing with that and, more importantly, in dealing with a solution.

I'm advised, Mr. Minister, in this latest heat wave that we've had in Saskatchewan, in which it would be normal for Carling brewery, based on past practice, to be running two or three shifts, as a matter of fact they were still running only one shift. And so in spite of, you know, the numbers of jobs that have been lost so far, there's been potential for employment related to the heat wave in Saskatchewan that has also been lost.

(1945)

But you will know as well as I, Mr. Minister. I've been advised that just a very quick survey of hotel outlets all across the province indicates very, very clearly that it is extremely rare that you come across an off-sale outlet that is charging more for cans than bottles. And the hoteliers are saying that the vast majority, I think by a scale of 10 to one, of their off-sales are cans over bottles.

And so clearly, if there was supposed to be an incentive to purchase bottles because they were cheaper, that as a matter of fact is simply not happening. And I think, Mr. Minister, that you have to assume some responsibility with this initiative for not having thought it through and for Saskatchewan breweries workers having lost their employment because of your failure to do that.

Hon. Mr. Swan: — As I have pointed out to the member earlier, when we priced the beer or when the Liquor Board priced the beer, if you buy at the liquor outlets, government liquor stores, you can buy then . . . I think it's \$1.55 cheaper for a dozen bottles than a dozen cans but if you buy at the hotel, then it's up to the hotelier. We can't control what they sell the bottle for. That's been an open pricing for a long time. There was a price established for cans, and it's the same price that will be sold by the vendors, but it's not . . .

An Hon. Member: — When they buy them for less, they have no incentive to sell cans.

Hon. Mr. Swan: — The member may say it differently but we don't control the price of bottles, and I believe that it's up to the hotels. If they want to maintain the market share of the bottles they could price it at that price, the same as they do with the can.

Mr. Kowalsky: — I'd like to ask the minister whether or not there is a brand or two of beer that comes from the States that you are not accepting the cans for and whether you charge or you don't charge the deposit on these cans.

Hon. Mr. Swan: — It would be the Liquor Board that would control the importation of beer from outside of Canada. My department doesn't. I really don't have the detail that you're asking for.

I'm advised that any American cans that show up, we will not be paying a refund for, but I don't know how much of it is

coming or whether there are very many brands. That would be under the minister responsible for the Liquor Board. So you could ask those questions in his estimates.

Mr. Kowalsky: — Well, wouldn't it be reasonable, in view of the fact that there are quite a few cans of American beer coming across the border and expect that there will be more, that you would establish a scheme of deposit, taking a deposit, and so that the litter could be controlled? What's going to happen is we'll end up advertising all the American beer in our ditches and the lake bottoms, and there's that aluminum certainly just as unsightly as Canadian aluminum, and it just doesn't make sense that you should take the Canadian cans back and not foreign cans.

Hon. Mr. Swan: — On the information that my officials have, they say that there is no American beer imported into Saskatchewan. The only beer that comes in is when people go to the neighbouring states and bring it back in the trunk of their car. I don't know how much we have at this point — it's something that we'll have to look at — but I haven't an answer for you on that.

Mr. Kowalsky: — Do you have any prices about the salvage value of a can? do you have actually the salvage value of it with respect to . . .

Hon. Mr. Swan: — Well the value of a can depends a lot on the market value of aluminum on any given day. I'm advised that when the price of aluminum is around \$1,500 a tonne, then it's about 3 cents a can value. If it goes up to \$2,000 a tonne, then you're going to look at pretty close to 4 cents. So it's on the open market as far as aluminum prices go, and so you'd have to watch it on any given day, but that's about the ratio.

Mr. Kowalsky: — Just getting back to the first point, Mr. Minister. I would think that it would be your responsibility as the Minister of Environment to deal with the liquor commission, rather than mine. We can ask them the questions, but I think that the deal should be struck between both of you who are in cabinet to control all the litter here, and so that he would license only that which you could reclaim and have control. And we should be advancing in the direction of even getting to be able to collect all the whiskey bottles and any other bottles rather than going the other way around and expanding the amount of litter that's around. I would like to leave you with that message.

Hon. Mr. Swan: — Well, that's basically what we have done up to this point, is we approve the container and then the product is allowed in the province. I just advised you that our Liquor Board is not importing American beer. The only way it's coming in is when you and your neighbours go visiting friends and relatives or go down to gamble in the States or whatever and bring it back. So it's very, very hard for us to control that.

Mr. Calvert: — Mr. Minister, I think we're prepared to move along very quickly if I can just say this: I think some purpose has been served through our discussion tonight. I think there's some good news and some bad news. I was very pleased to hear you say tonight that the . . .

An Hon. Member: — Give us the bad news first.

Mr. Calvert: — Well, the member from Lloydminster wants the bad news first. Well let me talk about the bad news first. The bad news first is that we have a government that doesn't really seem to care a hoot about an industry in this province, and I refer to the brewing industry. And I'm surprised that the member from Lloydminster doesn't have some concern for workers in the brewing industry. We've seen that clearly tonight, Mr. Chairman.

On the good news side, Mr. Minister, I was pleased to hear you say that the plastic containers that will be used in this province at some point for the sale of draught beer will, in fact, be returnable containers; that in fact they'll not be on the scene in this province until the system is in place. And I think that's good news for the Saskatchewan environment.

I was happy to hear you say tonight that SARC will be in fact broadening the network of depots. The number that we've heard so far is simply not enough, in my judgement, and we're happy to hear that it's a broader network.

And I'm happy to know that you and your department and you should be happy to know that we on this side of the House and people concerned about the Saskatchewan environment, will be monitoring the system. And without question we'll be discussing these issues in this place again.

Clause 1 agreed to.

Clauses 2 and 3 agreed to.

Clause 4

Mr. Chairman: — Clause 4 has quite a few House amendments. Section 4 of the printed bill:

Amend section 14.1 of the Act, as being enacted by section 4 of the printed bill, by striking out clause (f) and substituting:

“‘Purchaser’ means a person who purchases a beverage in a designated container:

- (i) for his consumption;
- (ii) for the consumption by one or more persons at his expense; or
- (iii) on behalf of or as agent for a principal who desires to acquire a beverage in a designated container for consumption by the principal or by one or more persons at his expense.”

Amend subsection 14.82(1) of the Act, as being enacted by section 4 of the printed Bill, by striking out everything before clause (1) and substituting:

“14.82(1) Subject to subsection (2), every purchaser in Saskatchewan who purchases a beverage in a designated container shall pay:”

Amend section 14.83 of the Act, as being enacted

by section 4 of the printed Bill, by striking out “person” in:

- (a) subsection (1);
- (b) subsection (2); and
- (d) subsection (3);

and in each case substituting “retailer or other person.”

Amend subsection 14.85(3) of the Act, as being enacted by section 4 of the printed Bill, by adding “and not in the Consolidated Fund” after “deposited in the fund.”

Strike out section 14.87 of the Act, as being enacted by section 4 of the printed Bill, and substitute the following:

“14.87(1) There is hereby established a fund to be called the environmental protection fund, in this part referred to as the ‘fund.’

(2) The Lieutenant Governor in Council may prescribe a fiscal year for the fund.

(3) The Minister of Finance may invest any moneys in the fund that are not presently required for the purposes of the fund in any investments that are authorized in The Financial Administration Act as investments for the Consolidated Fund.

(4) The Minister of Finance may dispose of any securities in which any part of the fund has been invested pursuant to subsection (3), subject to the terms of the investment, in any manner and on any terms that the Minister of Finance considers advisable.

(5) With respect to each fiscal year of the fund, the minister shall in accordance with The Tabling of Documents Act, submit to the Lieutenant Governor in Council:

- (a) a report of the fund on its business for the immediately preceding fiscal year; and
- (b) a financial statement showing the business of the fund for the immediately preceding fiscal year, in a form that may be required by the treasury board.

(6) The minister shall, in accordance with The Tabling of Documents Act, lay before the Legislative Assembly each report and statement mentioned in subsection (5).”

Clause 4 as amended agreed to.

Clauses 5 and 6 agreed to.

The committee agreed to report the Bill as amended.

Mr. Chairman: — I would like to thank the minister and his officials.

Hon. Mr. Swan: — Mr. Chairman, I'd like to thank my

officials and thank the opposition for their questions tonight.

Mr. Calvert: — Let me join with the minister in thanking the officials for their contribution to our discussions tonight. It's much appreciated.

Bill No. 48 — An Act to amend The Department of Social Services Act

Mr. Chairman: — Would the minister please introduce his officials.

Hon. Mr. Schmidt: — Thank you, Mr. Deputy Chairman. With me is Lorelle Schoenfeld, executive director at Social Services with respect to these programs. We have so many executive directors . . . Policy and program services division is her division. We're ready to proceed with this particular Bill. It's not a lengthy Bill.

Clause 1

Mr. Tchorzewski: — We shall certainly deal with this bill expeditiously, not because of its length, because there can be some Bills pretty short that will be fairly traumatic. I regret that your official had to wait, Mr. Minister, but I think we've got all that together now.

I just have two or three questions that I want to ask. I know what the Bill does. It gives the minister the authority now, under the department Act, to pass regulations, as I understand it. If I am not correct I wish you would correct me, Mr. Minister. But what I would like to know is: what does this Bill permit you to do now, if it is passed — I suspect it will be — that you cannot already do?

(2000)

Hon. Mr. Schmidt: — Thank you. With respect to the question, first of all, it should be clarified that one of your members in second reading was speaking with regard to the SAP regulations — Saskatchewan assistance plan, the welfare regulations of these. This has nothing to do with the welfare regulations.

We were making regulations under The Statutes Act with respect to the Saskatchewan employment development plan program, and that is where people are working in lieu of welfare. Justice and the Regulations Committee indicated that the statutory authority under The Statutes Act was not as clear as it should be. Other departments have this authority within their department. And many years ago when this departmental Act was passed — maybe not even when you were government, maybe even when the Liberals were government, but before we became government — this was omitted in this particular Act, and so therefore the regulations were passed under The Statutes Act, and we have given an undertaking to the Regulations Committee of the Assembly to bring in this legislation to give clear authority under the departmental Act rather than rely on The Statutes Act.

Mr. Tchorzewski: — Mr. Minister, the reason why there has not been the authority for ministers to be able to make regulations under any legislation under the sun is because governments prior to yours have never thought that

the Executive Council should have such powers that it should be able to do anything it wishes without ever reporting to the legislature.

That's really what this is all about, Mr. Minister. I'm not going to argue with it; it's your bill and you will have it. But the point I want to make is that this Bill is like many other bills before it. It's an ongoing process, particularly in the last two years, where ministers have introduced powers in Bills where they can act, in the form of regulations, so that they don't have to come to this Assembly and justify those actions other than maybe in estimates or maybe in question period. And that is one concern I would have here.

What this Bill does is what you have said. It permits the department to make regulations under The Statutes Act or under the departmental Act. You can make regulations under all of your program Acts already. Now you say you only need it for one purpose and that's for the Saskatchewan employment development program.

Now how long has this program then existed, Mr. Minister, for which you now want to have the authority to make regulations?

Hon. Mr. Schmidt: — Well, Mr. Deputy Chairman, I was not of the view that we needed this Act, but I thought I would accommodate the Regulations Committee, accommodate the Regulations Committee of this legislature and follow their recommendations. And this program of work in lieu of welfare and community work, on-the-job training, the Saskatchewan employment development program, has been in existence for approximately three years.

In addition, the Saskatchewan skills development program has been in existence for approximately three years where people receive an education rather than be on welfare. And we haven't had any regulations under that particular program, but this Act will now allow us to make regulations.

In addition, with respect to the new community living plan where mentally retarded adults are living in the community as well as children in group homes, this will allow us to make regulations governing the community living programs with respect to the type of accommodations that these people should have and regulations to ensure that they are adequately cared for.

So we feel that under The Statutes Act there was adequate authority. The Regulations Committee of the legislature would like to have clearer authority as is in other departmental Acts, and we felt that we should have the same regulation making power under this Act as under the other Acts with respect to various government departments. So we have nothing to hide.

I do not believe that this legislation is absolutely essential; however, I am prepared to accommodate the committee of this legislature that insists that all the regulations be neatly bound and absolutely slotted into the right places, and I'm prepared to do that . . . (inaudible interjection) . . . And the member opposite says it's a very important committee. Yes, I once sat on that committee, and when

you spend all that time sitting on that committee you'd like to have your recommendations followed, so I'm following the recommendations.

Mr. Tchorzewski: — That being the case, I'll have to speak to my colleague over here who was on that Regulations Committee.

Mr. Minister, I don't argue with the fact that if the Regulations Committee has recommended this that it's probably an appropriate thing to do. What I would like to know then is: have all of those programs which you have just referred to existed without regulation?

Hon. Mr. Schmidt: — Well, Mr. Deputy Chairman, some of these regulations, as I indicated earlier, have existed under The Statutes Act for about three years. Other programs like the Saskatchewan skills development program do not now have regulations, but we are contemplating bringing in regulations with respect to that program.

Clause 1 agreed to.

Clauses 2 and 3 agreed to.

The committee agreed to report the bill.

Mr. Chairman: — I'd like to thank the minister's officials.

Bill No. 25 — An Act to amend The Occupational Health and Safety Act

Hon. Mr. Schmidt: — Thank you, Mr. Chairman. I'd like to introduce the assistant deputy minister of Human Resources, Labour and Employment, Gerry Meier; and John Alderman, director of the occupational health and safety branch.

Clause 1

Mr. Hagel: — Thank you very much, Mr. Chairman. This Bill before us is an amendment to The Occupational Health and Safety Act. And when we look at occupational health and safety, Mr. Chairman, I think there are basically two issues that are in play as we review this Bill in committee.

When we look at occupational health and safety regulations, those regulations, Mr. Chairman, are only as effective as the will of the government to enforce them. Obviously, when it comes to occupational health and safety regulations, just simply having them on paper really does not solve a great deal; it's the enforcement of them that comes to play.

Also because we have an amendment to The Occupational Health and Safety Act, which was certainly a leader Act when it was first introduced back in the '70s.

Mr. Chairman, it is also appropriate to review the very process of amending occupational health and safety regulations. And therefore it seems to me, Mr. Chairman, that tonight we need to look at two things. One is the intent of the government to enforce and to put into practice the good that can come from this Bill; and,

secondly, is to question why there are not some additional provisions when amending The Occupational Health and Safety Act.

Now as time goes by, Mr. Chairman, sometimes circumstances change. Sometimes we become more familiar with information that causes us to believe that different kinds of things are appropriate in trying to protect the occupational health and safety of workers in the province of Saskatchewan.

Now this Bill, Mr. Chairman, I quote understand, as it's written, deals essentially with one area, and that's to bring Saskatchewan up to snuff with the rest of the country in terms of introducing the work place hazardous material information system. And I certainly have no bones to pick at all with that initiative. I said in second reading that I think that is a positive initiative, and certainly there is no reason why Saskatchewan should not be doing it along with the rest of the country.

But when I look at the budget that has been passed for the Department of Human Resources, Labour and Employment, Mr. Chairman, I note that in that budget, in the budget subscribed to occupational health, indicates that there will be an increase of only two employees — from 39 to 41 — and an increase in the budget for occupational health from \$2,100,200 to \$2,203,600, which is approximately a 5 per cent increase in the total operating budget for the occupational health branch, Mr. Chairman.

Now that doesn't, I have to admit right off the bat, strike me as the kind of a budget that's associated with a department that's prepared to take a quantum leap forward in the enforcement of occupational health in the province of Saskatchewan. And so, Mr. Chairman, there are a number of questions that I would like to ask, as I said, related to the implementation of this Bill and the enforcement of this Bill. And, also, a number of questions, while the minister is amending The Occupational Health and Safety Act, that I would like to ask as to why he did not undertake initiatives to bring up to snuff the occupational health and safety protection that's necessary . . . related to other parts of the work place.

So, Mr. Minister, let me begin. Let me begin, Mr. Minister, by asking you this: what additional numbers of occupational health officers, and what related training is your department planning so as to carry out the requirements of this Bill?

Hon. Mr. Schmidt: — Mr. Chairman, first of all, a 5 per cent increase in budget, I suggest, would be significant considering the decrease in income that this provincial government and the provincial economy has received as a result of world economic conditions. To have a 5 per cent increase in occupational health and safety budget, I suggest, is significant.

(2015)

Two additional people are being hired, a toxicologist and a communications officer. In addition . . . This is not entirely new, and we have been involved in chemical safety up until now. There's some overlap with the

existing actions taken by the occupational health and safety officers. And in addition, they will be covering the area of chemicals closer than they had in the past.

So with the addition of the new staff and some economies of scale, because this is not an entirely new field, it's just an improvement in the enforcement of an existing field, we feel that the 5 per cent increase, the two additional people should be adequate, and we'll have to monitor it and see how it goes in the first year.

Mr. Hagel: — Mr. Minister, it is my information that what exists in the occupational health division right now are only nine occupational health officers, who — and I'm not talking here about the specialists such as hygienists and toxicologists and so on, but the occupational health officers themselves — that Saskatchewan has only nine occupational health officers who are responsible for covering occupational health and safety in some 60,000 work places within the province.

Mr. Minister, the work place hazardous material information system does bring a new and improved sophistication to the protection for workers on the job, and obviously what your department has a responsibility to do is to undertake a significant, not just a little bit, but a significant education of, first of all, your own officers, and then secondly, workers and employers within the province.

Now I have to admit I was quite prepared to give you the benefit of the doubt and to assume that those two additional positions were, as a matter of fact, increases to the staff of occupational health officers, which in my opinion is grossly understaffed at this point in time. I must admit I'm a bit surprised by your answer when you tell me where those two positions are going to go.

Let me ask you again then what . . . because really the question, as I said before, is this: the change in the legislation and the improvement in the legislation is no more effective than your department's ability to educate the people involved in the work place, both employers and employees; and secondly, to enforce the legislation as required in this amendment. So let me ask you again, sir: what resources are you going to introduce . . . and I gather this work place hazardous material information system is going to go into place in October. What resources are you going to introduce before that time to train your occupational health officers and to provide training to both employers and employees around the province of Saskatchewan who are impacted by this WHMIS (work place hazardous materials information system) introduction?

Hon. Mr. Schmidt: — Mr. Chairman, we're a little bit ahead of the suggestions made by the member opposite. We've already had a one week, concentrated training course for all officers. We are holding seminars or advertising for seminars for interested employers and employees. We have scheduled workshops for occupational health and safety committees — required at all work places with 10 or more employers.

Last year, I'm pleased to announce that fatalities, work-related fatalities were down 40 per cent over

the five-year average prior to this last year, and that injuries have gone down every year over the last three years. So not only are our officers in occupational health and safety doing an excellent job, but employers and employees are also co-operating, making the work place safer. And I hope this trend continues.

Mr. Hagel: — Well, Mr. Minister, you've rarely been accused of being a man ahead of your time, but I appreciate your suggestion that, in your opinion, you are in this instance. I must admit, Mr. Minister, that you've managed to sneak this in without the rest of the world knowing about it because there is a great deal of concern around the province of Saskatchewan that both employers and employees will be adequately informed as to the requirements of the WHMIS, work place hazardous materials information system, that's required in this Bill. And I'm clearly, Mr. Minister, and correct me if I'm wrong — and I'm sure that you will — I am clearly of the opinion that what you're telling me is that you have not designated any substantial increase in resources related to training, and that's absolutely essential.

I would like to make the assumption, Mr. Minister, that the vast majority, if not all employers, and the vast majority if not all employees, welcome the introduction of the work place hazardous material information system, but they need to know and understand it and that clearly requires training.

Now let me ask you again: just exactly how are you planning to get that information out to the work place to ensure that training will take place for employees so that they will recognize the information when they see it, and also for the employers so that they can participate knowledgeably in the requirements of WHMIS.

Hon. Mr. Schmidt: — Mr. Chairman, members opposite advocate spending more money. They couch that in terms of more resources. That's the modern buzz word for spending everyone's taxes. It's called "to allocate more resources." What they really mean is "spend more money," and I can't see why we should spend more money when we are doing an adequate job at present.

We've already increased the budget by 5 per cent. Fewer people are being injured, and Saskatchewan, with 4 per cent of the population, produces only about 2 per cent of the chemicals in Canada.

There is reason here for some sensible management of government, and that's what we're doing. We are not going to spend more money if it's not necessary, and I've indicated that safety is improving. It's not necessary to simply pour money on the situation. Through good management and the measures I have indicated earlier, we have reduced the number of accidents and we expect that trend to continue.

Mr. Hagel: — Mr. Minister, it sounds like, in effect, what you're saying is that we're going to introduce this legislation and then we're going to pray.

Obviously if you're going to introduce improved protection for employees in the work place, employees and employers must be able to recognize what is required

of them and to recognize the information that they're seeing. I simply do not agree with you that there are fewer injuries on the job.

More to the point, Mr. Minister, because you are understaffed in your occupational health officers, nine occupational health officers for 60,000 work places. That works out to about . . . in excess of 6,000 per occupational health officer. It is clearly insufficient, when introducing this legislation, that you're saying, well we've been just doing a lovely job. We're going to introduce this Bill, and then we're going to hope for the best because we really don't need many more resources to make it fly.

Mr. Minister, that is totally unacceptable, and I ask you: is that, as a matter of fact, how all other provinces across Canada are dealing with the work place hazardous materials information system? Is that how they are dealing with it? And how do you justify, how do you justify being in agreement with this national program, but putting absolutely no increased resources into the education of both employers and employees in the work place?

That's the only criticism, Mr. Minister, that I've heard about WHMIS — that's the only criticism I've heard. Absolutely everybody I've talked to says it's a good idea, if people are educated and if it's enforced. If they're not, then it's not worth the paper it's printed on.

Now I ask you again, sir: will you reconsider that, and will you please advise me as to how you're going to improve safety in the work place by having your department involve itself in an education process for both the employers and employees in Saskatchewan so that the work places will become safer as a result of this legislation, rather than us simply saying, well we passed a nice bill and ain't the world hunky-dory?

Hon. Mr. Schmidt: — Mr. Chairman, the member opposite uses a term "resources" again, and I indicated earlier what he really mean is, "spend more money." And I would challenge the member opposite to tell me whose resources we should put into this. From whom should we take these resources and put them into this particular situation?

I've indicated earlier that our officers and my department are doing an adequate job with the 5 per cent increase in the budget, the hiring of the additional people. And in effect the passing of this legislation and the introduction of this system will make it easier for the officers that are now in the field to do their jobs because they will have all of the information on the chemicals available. They will also have the power of this Act, and therefore we have already started training seminars to introduce them to this new Act and we're really down to one point here. The member opposite says we should spend somebody's money on this. I don't know who these ghosts are that are going to pay for the extra money that we don't have to spend. We're not about to waste anyone's money. We are going to do the job with the money we have available and we are doing an adequate job at this time.

Mr. Hagel: Mr. Minister, if you're looking for extra resources, why don't you talk to your buddy, Peter Puck — I mean, he's got 20 million bucks of Saskatchewan

taxpayers' money and he's still doing away with jobs in this province — if you're looking for extra resources?

My goodness gracious, you've increased, you've increased your budget for occupational health this year by less than half that your good buddy, George Hill, makes as president of SaskPower! I mean, if you're looking for suggestions to find resources, we can spend a whole lot of time talking about that, but that's not the point here, Mr. Minister. The point is one of political will. The will of your government to not only pass a Bill and say, my goodness now, we have done a wonderful job, we're introduced the work place hazardous materials information system just like every other province in Canada — and we've gone along with that — but we're really not going to do anything about it; we're just going to limp along like we've done before.

I find your answers, Mr. Minister, less than encouraging, and I'm afraid that you have just reinforced the greatest fears that everyone in the province of Saskatchewan has related to the introduction of WHMIS. WHMIS has been a welcome initiative, but the greatest fear that everybody has is that you're not going to increase your resources to make it work.

Mr. Minister, I guess . . . I don't know if there's any more point in haranguing about this any longer. You and I can stand up and we can go on for hours. And I can say that you should be putting more effort into work hazardous material information system to make it work, and you can stand up and say, no, we're doing a lovely job; we don't need to. I guess we can go back and forth and do that for ever. I don't know that we win anything by doing that.

Let me ask you another question then, Mr. Minister. It is the requirement in this province that every work place that has more than 10 employees is required by law to have an occupational health committee. How many employers in Saskatchewan, Mr. Minister, have more than 10 employees and how many occupational health committees exist within the province?

Hon. Mr. Schmidt: Mr. Chairman, members opposite introduced this concept of committees where you have more than 10 employees and it's up to the employees to serve on this committee. And the members opposite, when they passed this law, made it mandatory that there be a committee at every work site where there are more than 10 employees. Our current calculations are there are about 4,000 employers in this category and that there are about 1,200 committees. The problem we're having is that there's not much interest from the employees at those other work sites to serve on these committees and keep them organized.

(2030)

And so you that you have, in the past, passed a law that we have continued that says they have to have these committees, but I don't really know how I'm going to make them serve on these committees and make them function. You certainly wouldn't expect me to get injunctions requiring the employees to serve on these committees.

So they're having a difficult time on some work sites where the employees seem to be satisfied with the safety conditions. Twelve hundred have active committees and the other 2,800 employers and employees don't seem to be very active in this field. We try to encourage them to get their committees going, but they're having a difficult time finding the employees to serve on these committees.

Mr. Hagel: — Well, Mr. Minister, if you didn't agree with the concept . . . You are bringing forth in this House a Bill to amend The Occupational Health and Safety Act. That is what we are doing here tonight. If you did not agree with this concept, it was within your authority to eliminate that requirement from the Act — you didn't. I can only therefore assume, sir, that you consider it to be a good idea.

Now, sir, you have said, we're going to bring in WHMIS, we're not going to put any extra resources into it, and you said earlier that we're going to work with the occupational health committees and safety committees. Now you've just finished telling me that in the province of Saskatchewan only about 30 per cent of those employers, those work sites that are required by your law — you're the government — are required by your law to have occupational health committees, only about 30 per cent of them actually do. You're not going to put any extra resources into educating employers and employees to introduce WHMIS, but somehow we're going to do this through the occupational health and safety committees, but only about 30 per cent of them got it.

Mr. Minister, how can you stand in your place and, with any sense of responsibility at all to both employers and employees in the province of Saskatchewan, say that that's really quite an acceptable scenario to introduce this legislation, this welcome legislation and have any hope at all that it's going to be effective for the working people in the province of Saskatchewan?

Hon. Mr. Schmidt: — Well, Mr. Chairman, I'm not going to harass employees to serve on committees when they themselves don't seem to feel an urgent need to organize their committees and sit on their committees. I'm not going to harass them to organize their committees. I'm going to encourage them to have occupational health and safety committees, but some of these employees feel that there's not a great deal of danger. They may be office workers. They may not feel that they're in a very dangerous situation. So surely you don't expect me to harass these employees to the extent that I'm always chasing them around, requiring them to sit on these committees when they'd rather be doing something else. There must still be some freedom in this country . . . (inaudible interjection). . . And yes, you passed the law, and I think the law that you have committees is a good idea. We probably should make them voluntary. But to the extent that we can get employees to participate, we will, but I'm not going to go around harassing employees if they'd rather do something else.

Mr. Hagel: — Well, Mr. Minister, I am most . . .

An Hon. Member: — Pleased.

Mr. Hagel: — Pleased, as the member opposite says. I am

most pleased to know that you are not going to be personally chasing around secretaries in the province of Saskatchewan, getting them to organize occupational health and safety committees, and I say that quite facetiously.

I simply have a difficult time understanding, just understanding how you, with the plan that you have in place, or maybe more accurately, the lack of plan that you have in place, have really carried out any kind of sense of responsibility to the benefits that can come through the work hazardous material information system here in the province of Saskatchewan.

You've said you're not going to, despite the fact that there are not occupational health committees in 70 per cent of the work places and there are other hazards, Mr. Minister. And we'll talk about those later, because you've not addressed those in making amendments to this. There are hazards in the work place besides chemicals. You and I both know that. There's lots of reason to have occupational health committees. Perhaps more than anything else the fact that only 30 per cent of the work places that should have them by law — only 30 per cent exist — says that your department is not doing its job in terms of education, education in the work place, both employers and employees, and pointing out the potential for occupational health and safety risks so that those people will be aware of them and work together, employer—employee working together for a safer work place.

Let me ask you, Mr. Minister: what plans does your department have in place to monitor, to monitor the requirement to introduce the work hazardous material information system as outlined and defined in your Act, and to enforce that? What are your plans there? You're not planning to do any education, not planning to do any education; you're not planning to work with anybody that doesn't have an occupational health and safety committee. For goodness sakes, Mr. Minister, what are your plans to enforce the WHMIS requirements as stipulated in this Act?

Hon. Mr. Schmidt: — Mr. Chairman, first of all, our communications officer and our toxicologist will provide a help line where you can call in and get instant information sort of thing and track down the necessary information on hazardous chemicals.

In addition, we're offering seminars to both employers and employees and to occupational health and safety committees doesn't mean that they have to have one functioning. But we will offer the seminar to the employers or the employees where they're interested in the seminar.

In addition, with the additional information system in place as a result of the passing of this Act, our officers will be in a better position to monitor and advise with respect to the dangerous chemicals. And we will concentrate in the high-risk areas. It certainly would be a waste of money to concentrate in an industry where there are no chemicals in the work place, so we will concentrate on the high-risk areas.

Mr. Hagel: — Mr. Minister, will it be your department's plan to provide every Saskatchewan employer a complete list of controlled products and the directions for dealing with them? And will it also be your department's intention that those lists will be required to be made available to employees, to all employees?

Hon. Mr. Schmidt: — Well, Mr. Chairman, I think the opposition is missing the whole point of this particular Bill and system. There are approximately 580,000 chemicals in use in North America under various names and solutions. That's why you need this kind of a system where they will be kept track of on a computer centrally in Canada.

And it is our intentions, first of all, they should know — the members opposite should know that the intention of this Act is to require the suppliers to put on the chemicals the nature of the chemical and the dangers involved.

Secondly, we will be preparing a booklet to deliver to employers and employees listing how this program works and what the benefits are and how this system functions and how it can be put to use. So as much as possible we're going to do this, but it's probably impossible to satisfy the opposition with respect to how much money should be spent on this whole thing.

Mr. Hagel: — Well, Mr. Minister, we could go back to your friend Peter Puck again, but I'll let the temptation pass and proceed in the interests of the people of Saskatchewan who are concerned about occupational health and safety.

Mr. Minister, what will be the consequences for employers in the province of Saskatchewan if they do not comply with the requirements in the Act? I will refer you also, in asking the question, specifically to section 32 of the Act, which starts out, "Every person who . . ." And let me ask at the same time, Mr. Minister, whether section 32 of the Act applies both to employers as well as to employees.

Hon. Mr. Schmidt: — Mr. Chairman, I think, since the member opposite isn't a lawyer, he can be excused for not knowing that "person" legally means every legal entity, which would include employers and employees, because they are all legal entities.

Mr. Hagel: — Well, Mr. Minister, I'm afraid you missed the thrust of my question. I wasn't asking you for a law lecture. What I was asking you, simply, Mr. Minister, is what will be the penalties or what will be the consequences for employers in the province of Saskatchewan who do not comply with the Act as you've laid it out here?

Hon. Mr. Schmidt: — Mr. Chairman, this Act matches up with a federal Act. So first of all, the federal Act has a maximum \$1 million fine or two years in jail or both — either or both. The provincial Act, the fines have not been changed. They remain at \$2,000 for a first offence, \$5,000 for a second offence and/or two years in jail.

Mr. Hagel: — Thank you, Mr. Minister. If we can move to some several items, Mr. Minister, that you chose not to

deal with when bringing amendments to The Occupational Health and Safety Act, and if there are, you're undertaking initiatives that don't relate to legislative requirements, I'd appreciate knowing that; if you're not, I'd also appreciate having an understanding as to why you're not as well.

Mr. Minister, related to the protection of safety of workers who work alone or in relative isolation, I understand that that is covered by regulation 62 which is being proposed by your department to be deleted. And I'm aware, Mr. Minister, that there are a good number of workers who fill into that category in the province of Saskatchewan: people who are, as I say, working alone in relative isolation; social workers who visit clients; in some circumstances, corrections workers; game wardens; highway traffic officers; gas station and convenience store operators. With your government's willy-nilly attempt to keep stores open 24 hours a day, eight days a week, Mr. Minister, there are more people working in convenience stores at all hours of the night.

Mr. Minister, can you please advise me as to why it is that your department seems to be giving serious consideration to withdrawing regulation 62? Or if you're not, then what you are intending to do in that regard to provide protection to workers who work alone or in relative isolation?

Hon. Mr. Schmidt: — Mr. Chairman, the question's out of order. It's not related to this particular Bill at all, but I will advise the member opposite that the provisions in regulation 62 will be continued in other provisions in the regulations.

Mr. Hagel: — Are you saying then, Mr. Minister, that it is not the intent of your department in any way to change the requirements in that regard? You're quite satisfied with the way it is now, and if so, why then, Mr. Minister?

Hon. Mr. Schmidt: — Mr. Chairman, we haven't amended the regulations yet, so hypothetical, I told them there was no intention to change the concept for that provision. We haven't amended the regulations yet. We're talking about a Bill here, not about regulations that we haven't even amended yet.

Mr. Hagel: — Mr. Minister, is it your intent, when you amend the regulations then, to in some way improve the protection of workers who are working in relative isolation or alone?

(2045)

Hon. Mr. Schmidt: — Mr. Chairman, we intend to continue protection for workers who work alone.

Mr. Hagel: — Well that statement, Mr. Minister, will frighten a great number of people in the province. I can just feel a shiver going down the back of a good number of people in the province of Saskatchewan.

Mr. Minister, let's move to another area, then, and that's the . . . You will recognize that it's a basic principle of The Occupational Health and Safety Act that workers do have the right to refuse work that they consider to be

dangerous. You will be as well aware, Mr. Minister, that standards do exist for some occupations which can be described as unusually dangerous, but that there are a whole lot of occupations which — I think we would all admit — do have some risks or dangers about them for which it seems that your department is either having a difficult time defining when danger exists, largely because, I think, there are not criteria or standards that are written down to which people can refer in trying to make decisions. I refer to people again such as health care workers or social workers or corrections, workers, Mr. Minister, for which there really are no standards at all.

Is it the intent of your department, either through this — well obviously not through this legislation . . . Let me put the question this way: why, through this legislation, was there no addressing of that particular issue, or do you have plans through regulation again to make some improvements for workers?

Hon. Mr. Schmidt: — Well again, Mr. Chairman, the question is out of order. I'll give a general answer, but the answer will be out of order as well. But if we're going to go off on a tangent that has nothing to do with this Bill I can say that we will do everything possible to protect workers in all situations. There has to be a balance between service to the public and protection of workers, and it's always a matter of someone has to decide what's dangerous and what isn't.

When you talk about health care workers and prison guards I would say, you know, some occupations are more dangerous than others. Being a police officer may be more dangerous than being a secretary. On the other hand, being a truck driver may led to more deaths than being a police officer. So you have to weigh all these things. That's why we have boards; and that's why we have courts to make those decisions; and I can't make a decision here on every hypothetical question that the member opposite asks. So his question again is out of order. I've tried to answer his hypothetical out-of-order question as best possible.

Mr. Hagel: — Well, Mr. Minister, I would admit that your answer is out of order, but perhaps not in the same context that you suggest.

Mr. Minister, why is your department therefore not attempting to more clearly define the standards for making the decision about when work is dangerous in other than the traditional categories that already exist such as forestry and so on? Why is your department not undertaking the initiative to more clearly define dangerous work in other areas?

Hon. Mr. Schmidt: — Mr. Chairman, we will make amendments as occupations change, as society changes. Some of these dangers, for example, the danger of AIDS (acquired immune deficiency syndrome) in the health care system, where I've had a few phone calls from concerned people, some of these dangers are not fully understood yet scientifically. So when we get all of the scientific information and the degree of danger and some of these new types of dangers even in the health care system, we will make amendments accordingly.

Mr. Hagel: — Mr. Minister, you will be aware that the department provides for an employer the right to appeal a notice of contravention. But there is, as a matter of fact, no right to appeal a decision made by your department when the original issue brought to your attention, for example, the refusal of work on the ground it is believed to be dangerous.

Mr. Minister, why is it that you did not, in bringing forth these amendments to the act, bring forth an initiative which would provide for employees or for workers an opportunity to appeal a decision made by your department?

Hon. Mr. Schmidt: — This particular amendment deals with WHMIS. We haven't reviewed all of the possibilities with respect to the Act, but every worker knows that every occupation has some degree of danger. You try to minimize that as much as possible, but somebody still has to go down manholes to clean out sewers; somebody still has to mine coal. You try to make these occupations as safe as possible, but you can't say simply because something is dangerous that the job will not be done. If it's dangerous to go down into a sewer because there's sometimes sewer gas; if it's dangerous to go into a trench, yes, you try to limit the risk. You limit it as much as possible, but certainly you cannot stop society because some things are dangerous. Farming is dangerous. We're not going to stop farming and we're not going to stop eating. So there has to be some balance between what's dangerous and what's practical for life. And we try to make things as safe as possible and we will continue to do that.

Mr. Hagel: — Well, Mr. Minister, some of my colleagues are suggesting that I should get danger pay for serving as critic for yourself, here.

But setting that aside, Mr. Minister, the issue I was asking you, very simply, is why you did not, when making amendments to this Act, introduce a mechanism by which workers who bring an issue to your department and have a ruling do not have the right to appeal. That does not exist today and I ask again why you didn't do that; why you didn't provide for that opportunity for workers to appeal to some other authority when a decision is made by your department with which they do not agree — to be able to appeal to another party?

You're a lawyer, and I think you'll agree that's a basic principle of justice when dealing with governments. And why did you not do that here?

Hon. Mr. Schmidt: — Well, Mr. Chairman, if the member opposite could confer with his House Leader or his leader and tell us what the logic was for not putting it in there in the first place, then I will consider that logic and decide whether their logic — not putting in those appeal procedures initially — was proper logic. And if I disagree with their logic, then I will make the amendment.

Mr. Hagel: — Well, Mr. Minister, you happen to be member of Executive Council of a government that has the responsibility — and I won't say any more than that — but has the responsibility of governing this province for the last six years. You were the Minister of Labour. This is

your department. This is your Bill. I'm asking you why you didn't do it.

Hon. Mr. Schmidt: — Probably for the same reason that they didn't do it. So we'll give it some thought.

Mr. Hagel: — Well, Mr. Minister, I encourage you to give it more than thought and I would be most happy to consult with you regarding suggestion for improving occupational health and safety in this area and others.

Mr. Minister, there is another area of concern to a large number of people in Saskatchewan today and this comes back to your somewhat facetious remark earlier this evening that there aren't occupational health committees in a lot of places that employ only people who are working in offices.

Mr. Minister, you will be aware that over the recent years many, many people in our society have become much more concerned about the potential negative impact of video display terminals. And again, that's another issue that is not addressed in this amendment to the Occupational Health and Safety Act. Mr. Minister, could you please explain to me why not and what you are doing to attempt to provide protection from the risks of exposure to video display terminals, particularly for women who may be pregnant, Mr. Minister.

Hon. Mr. Schmidt: — Mr. Chairman, with respect to video display terminals, we have searched the world literature and the world research on these articles. There are 3.5, I believe, million video display terminals in operation in Canada, 20 million in the United States, probably another 15 million in Japan and there's probably in the world in excess of 100 million video display terminals. So there's considerable research done in this area.

We've searched that research and we've examined all of the arguments made in that regard and we have come to the conclusion that the research does not indicate that these terminals are dangerous to health. The terminals, though, do strain eyes to some extent. There are some problems with comfort and location of the terminals, and when we are preparing the new regulations we will take into account in the regulations, video display terminals and make some provisions.

Mr. Hagel: — Well I encourage you to do so, Mr. Minister. You've made the point very well, that there are a large number of people — largely predominated by women, Mr. Minister — who are exposed to video display terminals. And it is certainly an area that does require some updating by your department.

Mr. Minister, before moving off of item 1, just one last question I'd like to ask you. It's stimulated by the fact that on occasion — it is not a frequent occurrence but, Mr. Minister, every now and then in this province one does pass a crew that is doing some work on the highways in this province. It's a rare but welcome experience, Mr. Minister, when that happens. But I am advised, Mr. Minister, that your director has eliminated or substantially reduced the requirements of road construction crews to put flag persons at appropriate

distances around those construction crews.

I'm asking you, Mr. Minister, in light of the great hyperbole with which the Minister of Highway likes to tell us that we are to anticipate construction over the months to come — although I must admit I've missed a great deal of that activity so far — what are you intending to do by way of requiring flag persons to be located at both ends of that construction and intermittently throughout?

Hon. Mr. Schmidt: — Mr. Chairman, we'll be addressing those questions in the regulations. We find that too many flag persons have been injured in the past. And you'll notice the initiatives of our government with respect to reducing speeds to 60 kilometres and having a safe zone. I thought I saw the notorious government advertising that the members opposite complain about all the time. The notorious government advertising which they complain was advertising to slow down, watch for highway workers, to slow down in the orange zone I believe it was.

The members opposite complain. The members opposite hoot and holler and complain about government advertising, but they can't realize that informational advertising is necessary.

I might also remind the member that we will try and get the systems where you don't need flag persons standing out there, but you have automatic lights and things of that nature. But I have not noticed any shortage of flag people nor have I noticed any shortage of safety devices for them. They are in coloured suits — orange, I might say, bright orange. They are well equipped. They have radios.

There's the bridge being constructed on No. 10 and the Trans-Canada Highway at Balgonie. I go over there regularly. There are people flagging at both ends of it. They are communicating with two-way radios. There are large electric signs powered by portable generators with arrows flashing that are about 8 feet wide. There are orange markers of all sorts all over the place. And I noticed that one or two people still did get lost and not get into the proper lane. But you cannot provide for every eventuality, but as much as possible.

You members of the opposition should drive out of Regina once in a while and should probably drive out to Balgonie and look at the safety precautions being taken at that bridge construction site. And I can see that, you know, you would have to be in a position of not being allowed to be on the road before you missed the signs, the flag people, and all the flashing lights. And that is another example of safety.

And we will continue with the government advertising, advertising the safe zone where you must slow down. We will continue with other government advertising directed at safety. So the members opposite, when they talk about government advertising, should watch the content and take note that informational advertising, with respect to the safety of workers and the safety of the public, is taking place every day.

(2100)

Mr. Hagel: — Well, Mr. Minister, if I belonged to a government that does as little road construction work as yours, I'd put great big signs and flashing lights in front of every project that I undertook as well.

You know, Mr. Minister, I'm sometimes inclined to think when I see the ads on TV to slow down when you're entering the orange zone as you described them, which I quite agree with that initiative, but it sometimes, I must admit, causes me to chuckle because it seems to me that that is also intended to encourage people to slow down and notice these things, because quite frankly highway construction workers in Saskatchewan have become a tourist sight. They're right in there with historical sights and historical events because we don't see a lot of them in recent times.

And I would encourage you, Mr. Minister, I would encourage you to try and do something about the fact that people across Saskatchewan are saying that if your government believed in honest advertising they'd take down the signs that say "Lights On For Life", and they'd put up new ones that say "hang on for life", if you are going to ride on the roads in Saskatchewan.

So, Mr. Minister, with having had our exchange here in terms of our opinions about the frequency with which it's appropriate to have highway construction workers protected by flag persons, may I simply encourage that as you're reviewing the regulations, that you will give some consideration to improving the safety of those workers by improving the requirement for flag persons on the sight.

Hon. Mr. Schmidt: — Mr. Chairman, at least this government spends money on highways — that government spent \$600 million building potash mines in New Brunswick to compete with our own mines. For \$600 million we could have built a lot of highways, I tell you, Mr. Chairman. They built potash mines in New Brunswick; we build highways in Saskatchewan — that's the difference.

Mr. Hagel: — Well, Mr. Minister, I just can't resist one final response. Any year now, when you increase your Highways budget, you're going to come up to the level of the Highways budget of the New Democrat government in 1982, and maybe the people of Saskatchewan will have the pleasure of driving on roads that are both safe and comfortable. It was at one time in this province a matter of pride, I would say, Mr. Minister, and has become anything like that now. You can tell when you're entering the province of Saskatchewan from any other jurisdiction because the road gets pretty rocky, and the car starts bouncing as soon as you hit that borderline.

Hon. Mr. Schmidt: — Mr. Chairman, if you drive in Manitoba you will note that the Socialist highways don't have shoulders, and that's the kind of base they're built on.

Clause 1 agreed to.

Clause 2 agreed to.

Clause 3

Mr. Hagel: — Mr. Chairman, to the minister. Just a brief explanation, if you would, item (e) in the definitions, adding the definitions to the words "sell" and "supplier". It's unclear to me as to why these additions are necessary. Is there an intent here that they somehow fill cracks between the former definitions of employer and self-employed? In order to understand your Bill, I'd just appreciate a very brief explanation on that point.

Hon. Mr. Schmidt: — Mr. Chairman, we're trying to make our legislation consistent with the federal legislation, and that's the terminology they use.

Mr. Hagel: — Mr. Chairman, also just in the definition section. Mr. Minister, I'll refer you to — it's at the top of page 3, the phrase, "A reference in this Act to an Act of . . . Parliament" and so on. Now I notice, Mr. Minister, in the explanatory notes that that refers to the definition of discriminatory action. I wish that if you would please simply clarify for me whether this definition at this particular point in the Bill, does that mean that the only recourse of workers to discrimination is to appeal to the enforcement of an Act of the Parliament of Canada?

In other words, does there have to be a federal enforcement of discrimination? What is this, I guess, basically is the question, and does it require that workers in Saskatchewan will somehow have to make appeal to federal legislation for some kind of protection? This is quite unclear to me.

Hon. Mr. Schmidt: — Which subsection were you referring to there? Was it (e)? Was that subsection (e) you were referring to?

Mr. Hagel: — Mr. Minister, I'm referring to . . . Your numbering of your Bill is difficult to follow. It's section 3, the last item in section 3.

It says, "A reference in this Act . . ." and so on. It's at the top of page 3. And when I look at your explanatory notes, it's linked in to the phrase, to the definition of discriminatory action. That is unclear to me as to why that is being done in the Bill or what it means.

Hon. Mr. Schmidt: — Well, Mr. Chairman, because this Act follows a federal Act and refers to it, we have to have that subsection. If the federal Act were amended, then this Act would still be in force and in effect and would not necessarily be invalid just because of an amendment to the federal Act. The federal amendment would be incorporated into this Act.

Clause 3 agreed to.

Clause 4

Mr. Hagel: — Mr. Minister, I refer you in clause 4, if you will look at page 4 of your Bill, what in your Bill is described as (e)(iii). It says:

the chemical or biological identity of any ingredient of the controlled product that (and I underline this part) the employer has reasonable grounds to believe may be harmful . . .

Mr. Minister, would you please describe for me what criteria are used to determine whether the employer has reasonable grounds to believe that the material may be harmful. What are reasonable grounds? Has your department laid out any standards in that regard?

Hon. Mr. Schmidt: — Mr. Chairman, section 5.1 is a rather lengthy section and you have to read it in its entirety, and 5.1 refers to (a), (b), (c), (d), and (e). It has, I believe, six categories that are requirements. And the (e)(iii) on the top of page 4 of the printed Bill is what we call a catch-all clause, and you will note that it goes beyond those chemicals that are automatically covered by WHMIS and can cover anything that would fit into that category, but that is not on the computer database. And if you see . . . if you read the wording carefully, you will see that the criteria there is not whether the employer believes it to be harmful to a worker, but whether the employer has reasonable grounds to believe. So that it's not a question of the employer deciding. It's if the employer had reasonable grounds to believe and should have believed, then it's a requirement. It's not subjective but objective. So with that respect it's a more stringent requirement than the member possibly anticipated.

Mr. Hagel: — Well thank you for that explanation, Mr. Minister. And it simply reinforces the importance of the resources necessary to enforce the Act if you want to get the true safety effects that you're intending in the Act.

Just one final question on item 4, Mr. Minister. It's referred to in your printed Bill as item 5.2, and let me just read the phrases here that I would like an explanation from you on:

An employer shall, with respect to any controlled product in a place of employment controlled by him, provide, (and this is the phrase I would like explained) as soon as is practicable in the circumstances, any information (etc.) . . .

And then it ends up, Mr. Minister, at the end of that by saying:

. . . information (that's necessary for) . . . making a medical diagnosis of, or rendering medical treatment to, a worker in a emergency.

You may want to introduce an amendment here to bring this up to snuff with the Queen's English, here, Mr. Minister. But my questions are this: again, what are the criteria for determining whether the information is made available by an employer as soon as is practicable in the circumstances? How does your department determine that? And, also, related to only "in an emergency," what about long-term exposure to substances, Mr. Minister?

Hon. Mr. Schmidt: — Well, Mr. Chairman, the labels, by law, are required to have the emergency telephone number on them, so that this section simply indicates that, as soon as possible, the employer is to get that information and turn it over, and practical is a . . . or practicable is a term that is objective, and it means as soon as possible under the circumstances.

I would, though, on that topic, take the member's

recommendation that we add an "n," and it would move the House amendment. I'm sure the member opposite will agree by consent the House amendment without any further technicalities. With respect to the last . . . before the word "emergency" in the last line of 5.2(1), that there be a House amendment to say "in an emergency" rather than "in a emergency."

An Hon. Member: What about long-term exposure . . . (inaudible) . . .

Hon. Mr. Schmidt: —The member asks if information with respect to a long-term exposure can be got out of the system by phoning the telephone number and getting it out of the computer database, and it will be available to virtually everyone. It's in the emergency that you need it quickly.

I do move the House amendment, I think I have consent from the members opposite.

Mr. Chairman: — Minister officially move the amendment, verbally.

Hon. Mr. Schmidt: —Mr. Chairman, I officially move the amendment in the last line of 5.2(1):

amending the word "a" to "an," the second-last word of the last line.

Clause 4 as amended agreed to.

Clauses 5 to 8 inclusive agreed to.

The committee agreed to report the Bill as amended.

Mr. Chairman: — I'd like to thank the minister's officials.

Hon. Mr. Schmidt: — Mr. Chairman, I would like to thank my officials for their assistance on this particular Bill and, in particular, for their many months of diligence in putting this system together in co-operation with the federal government and other provinces. I am certain that employees will benefit greatly from this Bill.

Mr. Hagel: — Mr. Chairman, I too would like to thank the officials for the information that they assisted in providing to this Assembly this evening, and I would want to wish them every success, Mr. chairman, in enforcing the WHMIS to make the Saskatchewan work place a safer place for all Saskatchewan workers. I wish for you that you will be able to do that as effectively as possible with the limited resources available to you.

(2115)

Bill No. 43 — An Act to amend The Tobacco Tax Act

Mr. Chairman: — Would the minister introduce his officials.

Hon. Mr. Lane: — Thank you, Mr. Chairman. With me is Art Wakabayashi, deputy minister of Finance; Len Rog, the executive director, revenue division; Gerry Kraus, the provincial comptroller; and Bob Blackwell, associate deputy minister, treasury board division.

Clause 1

Mr. Koskie: — Yes, thank you, Mr. Chairman. I just want to ask a few questions in respect to the tobacco tax, but I want to make a couple comments initially, Mr. Minister, and that is the general concern that the public has had since you became the Finance minister. And it has been taxes, taxes, and more taxes. We'll be getting into the massiveness of the tax increase that has been levied against the people of this province. And even in this last budget you increased the flat tax and you increased the tobacco tax, but at the same time what you found convenient to do is to cut the corporate income tax. And the people of Saskatchewan, I may say, Mr. Minister, are getting sick and tired of the increase in taxes — more taxes.

You promised to eliminate the E&H tax in the first term of your office, but what did you do? You increased it massively — 40 per cent increase. And that has been the history of your tenure as Minister of Finance. We have the flat tax — another Bill that is going to be increased yet another \$50 million from the pockets of the people of Saskatchewan. In 1987-88 there was over \$263 million of increased taxes. You cut the property improvement grant, and still you are gnawing away at the consumer in Saskatchewan, the ordinary people of Saskatchewan. And constantly we hear: but we got everything moving; things are booming; we're privatizing; we're building Saskatchewan; we're creating jobs; and things are moving ahead.

The question that one has to ask here . . . (inaudible) . . . Yes, well let's see the buffoon from Souris-Cannington, the Deputy Premier. Well I'll tell you, the people of Saskatchewan are sick and tired of more increases. While we're not going to vote against the increase in taxation here, I'll tell you this, that the people of Saskatchewan are sick and tired of more increases in taxation, and at the same time, the same time, while you start giving to the corporate friends — the friends of the Tory party — concessions.

And I say to you, Mr. Deputy Chairman, that here again is another consumer tax. If you look at the taxation that was charged here in this budget, you find, first of all, that there was the flat tax increase up to 2 per cent. What other tax did they increase? Yet another consumer tax. And what did they do in respect to the corporation income tax? They decided to cut it 2 per cent. They wanted a level playing field, as the Minister of Finance said.

Well what I want to ask the Minister of Finance in respect to the tobacco tax: you're raising somewhere in the neighbourhood of \$18 million with this addition of taxation on the consumer. It has, all will know that in respect to tobacco and the use of tobacco, that is, first of all, that they've indicated that it's addictive; and secondly, they have indicated that in respect to health costs that tobacco is probably increases the health costs more than any other product that is sold on the market.

And therefore if you are, in fact, increasing the taxation as a deterrent to the purchasing of tobacco products, that's one thing. And secondly, if you are, in fact, serious about

the concerns in respect to tobacco, the question that I want to ask you: are you allocating any of the \$18 million that you are collecting in the increase in the tobacco tax towards any form of campaign against smoking or any educational program for young people.

And in society today it is generally accepted that the group that is using cigarettes the most is young teenage girls, more than any other group in society. And I was wondering what percentage of the \$18 million that you are raising in the extra taxation here that you will be allocating specifically to a campaign against the use of smoking.

Hon. Mr. Lane: — Mr. Speaker, let me first correct when the hon. member makes some comments about taxes and very pointedly ignores the rather significant tax increase to large corporations through the corporate capital tax surcharge, and, of course, does not take into account that any reductions in the business tax do not take place until 1989.

Having said that, Mr. Speaker, I would like the people of this province to be aware that the New Democratic Party voted against the tobacco tax increase. And I would just like to read into the record some comments. And this is a letter from the Canadian Medical Association, Athol L. Roberts, M.D., president:

I am sure that you will agree that it is rare indeed for someone to thank you for a tax increase. On behalf of Canadian physicians, that is precisely what I wish to do.

I'm going to refer to a letter from the Canadian Cancer Society, Saskatchewan Division, Mr. George Thomas, executive director:

Dear Mr. Minister: On behalf of the volunteers and staff of the Saskatchewan division of the Canadian Cancer Society, I wish to thank you most sincerely for the 25-cent a package increase in the tobacco tax in your recent budget.

Mr. Speaker, I'd like to refer to the Non-smokers' Rights Association, letter to myself, dated April 29:

As an organization deeply concerned about the tremendous economic and human costs associated with tobacco use, we wish to thank you for your timely decision to raise your provincial tobacco tax.

I have a brief, Mr. Speaker, that was forwarded to me by the Saskatchewan Interagency Council on Smoking & Health, and their logo has the phrase "healthy life-styles." And many of the members of this, or the allergy foundation, the Canadian Cancer Society, the Continuing Medical and Nursing Education, Department of Social & Preventive Medicine, Manitoba and Saskatchewan conference of the Seventh Day Adventists, Saskatchewan Lung Association, Saskatchewan Medical Association, Saskatchewan occupational health association, Saskatchewan Health Care Association, and I can go on and on, Saskatchewan registered nurses, Saskatchewan community health clinic — all, Mr. Speaker, urging me in

a brief to increase the tobacco tax. And, Mr. Speaker, I want all of these organizations to know, for whatever reason, and I don't think there is a valid reason, the New Democratic opposition voted against the tobacco tax increase.

The hon. member asks what moneys are being spent to discourage people from smoking. Let me advise the hon. member the very program referred to in question period the other day, about a winning life-styles which the public will see in the not too distance future, will deal with that question and the broader question as to healthy life-styles. And I refer to the broader question referred to in the Saskatchewan Inter-agency Council on Smoking and Health.

So, Mr. Speaker, the public will see in the very near future, where certainly a portion of the tobacco tax revenues are going to — and yes, I did say a portion, Mr. Chairman — because historically tobacco tax revenues have gone into general revenues and we should very much keep in mind that approximately a third of the total budget is for health and health-related activities.

So I suggest to the hon. member, you will see some results. I know you're opposed to it but you will see some results in the very near future on health styles and where some of this money is going.

Mr. Koskie: — I would like to ask the minister: can you indicate whether the tobacco tax revenue is going into a general revenue of consolidated fund, or whether you have designated a specific amount towards the educational process encouraging young people particularly not to engage in the use of tobacco products?

Can you indicate . . . You talked that there will be some future plans made, some apportionment, and maybe one-third. But I'm asking you today: is it the policy of the government, out of the \$18 million that you're taking as additional funds, is there any specific allocation in respect to programs?

Hon. Mr. Lane: — No, Mr. Speaker, the tobacco tax revenues have never been a targeted tax nor have the revenues from the Liquor Board. They have flowed through to the Consolidated Fund, that's been the case for certainly through the past administration and certainly this administration. It's not a targeted tax, but I can suggest to the hon. member, as I have indicated as was evidenced in question period the other day, that there will very soon be a promotional campaign certain using revenues flowing from the Consolidated Fund to deal with healthier life-styles.

Mr. Koskie: — Well do you have any objections, Mr. Minister, to specifically targeting some of the revenues which you receive in respect to the tax on tobacco directly and making a commitment to the people and all the associations that you were talking about that have written to you encouraging you to continue to increase the taxation on tobacco? Are you in a position to further support them in the effort of getting people to quit smoking and using tobacco products? Are you prepared at this time to indicate a specific designation, and if not, why not?

Hon. Mr. Lane: — Well if you're asking me generally on targeted taxing, in principle, I don't object to it.

(2130)

Historically the tobacco tax and liquor tax revenues have not been targeted, but certainly the increase in expenditures, for example, on liquor or alcohol-related activities — we've got Whitespruce and major increases to SADAC (Saskatchewan Alcohol and Drug Abuse Commission) in the province, so they have flowed through the Consolidated Fund into a specific target.

Having said that, the overall revenues from tobacco will be in the range of some \$99 million. I suppose we could debate for some time what would be an adequate amount from that to the direct prevention of smoking or discouragement of smoking.

I'm more inclined to accept the Saskatchewan Interagency Council on Smoking & Health when it would like to see, first of all, the increase, and then certainly it would like to see the money spent, not targeted, but for public health education. And I suggest to the hon. member that they are looking at the broader question, as we are, in terms of our life-style promotions that we'll soon be beginning.

Mr. Koskie: — Well you're indicating, Mr. Minister, about \$99 million is the total revenue from the tax on tobacco products. I'm wondering whether you could indicate whether you have a ballpark figure as to the amount that you are intending to spend towards preventative use of tobacco this year. You're not prepared to use it, target a certain percentage of the 99 million. Can you indicate, and can you give me a breakdown of the specific programs that you have in place, and the designated amount that you propose to spend this year in respect to decreasing the use of tobacco products.

Hon. Mr. Lane: — No, I don't have that for the hon. member, and I would hate to take the thunder from the Minister of Health. I know the hon. member will have an appropriate opportunity to ask those specific details of the Minister of Health.

I should advise the hon. member, as all groups concerned about the issue of smoking, are very much aware that an increase in the tax itself is now becoming a deterrent to smoking. And our indication is that although we will increase revenues, that consumption will probably drop in 1988-89 — and this is an estimate — roughly 7.7 per cent.

So it's one of those situations, and I think many can make the argument. I know a former member of this Assembly, Mr. Faris, very much made the argument that increasing the price of alcohol would reduce consumption. So we have the very fact of the tax increase itself having some, I think, significant impact in reducing the use of tobacco.

Mr. Koskie: — Well it's pretty obvious, Mr. Minister, that you don't have a direct commitment in respect to decreasing the use of tobacco products, because as you have indicated . . . and you use the legislative committee

that was set up in the '70s, Mr. Faris, where strong evidence was indicated: one, that pricing would — and I agree with you — pricing would help to discourage the use of the product, either liquor or tobacco products; and secondly, what was urged in respect to the use of alcohol at that time and during that legislative committee, all-party committee, was that a percentage of that raised from either liquor, or tobacco in this case, should in fact be designated.

What I'm indicating to you here is that I would prefer, and I think that the people of Saskatchewan would be encouraged that if you would, in fact, target some percentage of the revenue that you receive in respect the taxation on the tobacco products towards a campaign against smoking the use of tobacco products. But I want to . . .

An Hon. Member: — Murray, let's you and I quit voluntary.

Mr. Koskie: — Well, pretty soon we'll have to, Jack.

I just want to ask the minister whether or not there is any particular problem relative to the taxation problems of cigarettes, other tobacco products here in Saskatchewan, relative to the two neighbouring provinces in so far as any, for a better word, a black market infiltration of quantities of tobacco products from Alberta or from Manitoba.

Certainly I can indicate to you, Mr. Minister, that the price of cigarettes and cigarette products in Manitoba — and I had an opportunity to check that tonight — are considerably less than they are here in Saskatchewan, in Alberta. And I was just wondering whether or not there is . . . while you may be increasing the taxes, one, for revenue, and two, as you say, as a potential deterrent to the use of tobacco, I was wondering whether or not . . . whether it's being circumvented from the standpoint of large quantities being brought in from Alberta where the price of tobacco commodities are considerably lower.

Hon. Mr. Lane: — I suppose, if I can refer to your first comments on whether the government would be prepared to target, I've indicated my personal views that conceptually I don't have difficulty with targeted taxing. I do think we do have the history on both tobacco and liquor that it does flow through the Consolidated Fund.

I suppose I could throw the question back to the hon. member and . . . Would you tell me how much higher the tax has to go and what type of program it would take to cause you quit smoking? And I suppose I could use that as some type of reference point to see what I need to continue to have some success.

We don't have a problem because on the eastern side, and I think the hon. member understands that, because the rates are fairly close — Manitoba and Saskatchewan.

With regard to Alberta, there is a problem that we can't quantify obviously, but there's some indication that perhaps the problem is less than it was, say, three years ago. You may recall that a year ago Alberta had significant increases in its tobacco taxes and liquor taxes

which brought it much closer to Saskatchewan and British Columbia, for example. So certainly there is a problem. It's difficult to quantify. I don't believe it's as great as it was a couple of years ago before Alberta had significant increases in its tobacco and liquor taxes.

Mr. Koskie: — Just in respect to that, is there any legal restrictions for transporting liquor or tobacco from an adjacent province? Is there anything legally that restricts it?

Hon. Mr. Lane: — The Act itself provides penalties, and these are long-standing, of fines up to \$5,000 for individuals and up to \$10,000 for retailers who are convicted of unlawfully importing cigarettes.

In addition, a person caught in the act of smuggling may have those cigarettes seized and held until the tax and penalty equal to the amount of taxes paid. In order to bring cigarettes and other tobacco products into Saskatchewan for resale, the person or business importing or exporting the cigarettes must be licensed to collect the Saskatchewan tax.

An individual can legally bring in one carton of cigarettes from another jurisdiction for his or her own use without having to account for the tax. So it's the Act itself that establishes the penalties.

Mr. Koskie: — Just in respect to the imposition of this tax, is there any consideration made, for instance, with Lloydminster where they have the joint borders?

Hon. Mr. Lane: — In 1982 the tobacco competition assistance program was introduced to assist the retailers along the Alberta—Saskatchewan borders. Now I can go on at some length as to the details. I don't know how much detail the hon. member wants.

There are three zones: A, B and C. Zone A is comprised of those retailers located in Lloydminster and Onion Lake, and they receive a commission of 100 per cent of the tax, a differential on tobacco products between Alberta and Saskatchewan. Zone B are located within 24 kilometres of the nearest Alberta competition — for example, Alsask, Burstall, Macklin, and Marshall. They receive a commission of 50 per cent of the tax differential. And Zone C are located between 25 and 48 kilometres of the nearest Alberta competition, and they receive a commission of 25 per cent of the tax differential. Currently there are 87 retail outlets in the program.

Mr. Koskie: — Could you just indicate from '82 to '88 what is the total increase that you had? I notice here today in this Bill that you've increased every cigarette by 1 cent per cigarette, and there's a schedule for the other tobacco products. But just in respect to cigarettes, what has been the overall increase from '82 to '88?

Hon. Mr. Lane: — Basically since 1982 it's gone up \$1 a package.

Clause 1 agreed to.

Clauses 2 and 3 agreed to.

The committee agreed to report the Bill.

Bill No. 44 — An Act to amend the Department of Finance, 1983

Clause 1

Mr. Koskie: — I wasn't here when the minister introduced this Bill. I've read his notes in respect to it, but just for clarification purposes, I want to ask, one, why the intended amendment to The Department of Finance Act as indicated here, and is it necessary?

Hon. Mr. Lane: — The advice we have is that the amendment simply brings into law the practice, the long-standing practice of the Assembly. Is it necessary? The officials believe that it's advisable. But certainly the practice has been going on for a long period of time. So from that point of view, I suppose you could make the argument that it's not vitally necessary. But there was a view of the officials that to make effective, legally, what has been a long-standing practice, that the amendments were advisable.

Mr. Koskie: — That in effect clarifies what position? What the Act previously said and what was being done, what is the clarification?

(2145)

Hon. Mr. Lane: — Well the practice has always been to put the special warrants in the supplementary estimates and dealt with in the final Appropriation Bill. Technically, I guess, the special warrants should have been in the first Appropriation Act, which is interim supply. And this simply corrects and brings the Act in line with what has been the long-standing practice of the Assembly.

Mr. Koskie: — I think that going with the long-standing practice, or what the Act provided previously, gives a better opportunity of accountability or following the practice that has been done. Which would give better accountability of the government's expenditures?

Hon. Mr. Lane: — The view is that there would be far better debate with the change, in that you have the opportunity of full debate, of course, when we're dealing with supplementary estimates, as opposed to the normal debate on interim supply. So I think that there is a better opportunity, certainly, for debate with the long-standing practice.

Mr. Koskie: — Which would give to the members the first opportunity to look at special warrants, following the practice and amending the Act to what you are doing now, or leaving it as it was?

Hon. Mr. Lane: Special warrants are passed — they're public anyway — with order in council. I mean, as part of supplementary estimates they are all listed at that time, so I'm sure that you will have the full opportunity to debate them at that time. And again, I assure the hon. member that this does simply bring the Act in compliance with the long-standing practice of the Assembly.

Clause 1 agreed to.

Clauses 2 and 3 agreed to.

Hon. Mr. Lane: — Mr. Chairman, I move the committee report the Bill and thank my officials.

The committee agreed to report the Bill.

Bill No. 42 — An Act to amend The Controverted Municipal Elections Act

Hon. Mr. Klein: — Mr. Chairman, I'd like to introduce my officials for this evening. To my right, Mr. Jim Anderson, policy analyst with the Department of Urban Affairs; to your right, Susan Amrud, Crown solicitor with the Department of Justice.

Clause 1

Mr. Tchorzewski: Almost — as I said in the second reading comments that I made when we let this Bill go to the committee, I would not have many questions; in fact, I may just have one. Certainly I supported the principle of the Bill. Who would oppose the influencing — a Bill that would prevent the influencing of election inappropriately?

The one item that I'm concerned about, and maybe the minister can explain, is how is it going to be determined whether somebody has influenced an election at a municipal level or anywhere else — in this case we're dealing at municipal election levels. What is the criteria? I know the minister is going to say the court will do it, but I'm not sure that's sufficient. Can you give us some explanation of this, Mr. Minister?

Hon. Mr. Klein: — Mr. Chairman, my critic is right. For instance, by example, a judge who looked at the Ferland problems in 1985 was absolutely convinced that quite a number of non-residents did, in fact, buy land simply to influence the outcome of an election.

I can quote from Justice MacLeod's judgement of March 4, 1986, wherein he stated the only reasonable inference from the evidence is indeed that that occurred. I'll just paraphrase: there's no other reasonable inference for the mayor transferring a \$50 piece of land to 26 people. It was argued forcefully by the respondents that it was conjecture or speculation, but he rejected that argument overwhelmingly. It's crystal clear that the judge was convinced, Mr. Chairman, that this questionable practice was going on.

And it's not unusual for courts to make judgement on the intention of the accused. It's not uncommon for the courts to be given authority to make judgements. And judges are often asked to determine the intentions, that's their role. For example, the difference between the charge of murder or manslaughter is one of intention. And I believe that that's where it would rest.

Clause 1 agreed to.

Clauses 2 to 6 inclusive agreed to.

The committee agreed to report the Bill.

Bill No. 41 — An Act to amend The Teachers' Dental Plan Act

Hon. Mrs. Smith: — Thank you, Mr. Chairman. On behalf of the Minister of Education I have with me tonight Mr. Mike Benson, the executive director of finance and administration of the Department of Education, and Mr. Michael Littlewood, the assistant director of education and teacher services.

Clause 1

Mr. Kowalsky: — It is my understanding, Mr. Chairman, that this Bill is a consequence of the negotiations with the STF (Saskatchewan Teachers' Federation) where the teacher dental plan is extended now to teachers who are in part-time teaching and also teachers of private schools, in addition to the teachers that originally had it.

This is a good move, I feel, and I think our members on my side feel it's a good move because it extends the dental plan to more and more people in the province. It strikes me as being rather odd that you extend it on one hand, which is a good move, but contract accessibility in dental services by removing the children's dental plan.

What I wanted to ask the minister specifically was: what is the utilization rate amongst teachers on the dental plan for the last two years? And could you give me that utilization breakdown by age and, that is . . . and if possible, by family, age, right down to, say, toddlers, who would be children of teachers.

Hon. Mrs. Smith: — The figures that the department has for the year 1986-87 is a total of 17,143. They inform me that the commission does not keep any kind of a data base on breakdown of age or family, as you've requested. But they also suggest that they might be able to get it from the carrier, but they would have to consult with them and, in fact, find out if that's so. And I could undertake tonight to have the department indeed do that with the carrier and then get back to you with it.

Mr. Kowalsky: — Thank you very much. Is there a figure for the year previous to '86-87?

Hon. Mrs. Smith: — I'm sorry, I should have given that to you. They don't have an exact figure with them tonight, but the department informs me that it is probably close to the figures for '86-87.

Mr. Kowalsky: — Thank you very much; I will accept your offer to give us . . . attempt to get us a breakdown by mail.

Clause 1 agreed to.

Clauses 2 to 5 inclusive agreed to.

The committee agreed to report the Bill.

The committee reported progress.

THIRD READINGS

Bill No. 24 — An Act to amend The Saskatchewan Agricultural Returns Stabilization Act

Hon. Mr. Hodgins: — Mr. Speaker, I move that this Bill be now read a third time and passed under its title.

Motion agreed to, Bill read a third time and passed under its title.

Bill No. 26 — An Act to amend The Oil and Gas Conservation Act

Hon. Mr. Hodgins: — Mr. Speaker, I move that the amendments be now read a first and second time.

Motion agreed to.

Hon. Mr. Hodgins: — Mr. Speaker, I move, with leave, that the Bill be now read a third time and passed under its title.

Motion agreed to on division, the Bill read a third time and passed under its title.

(2200)

Bill No. 82 — An Act to amend The Litter Control Act

Hon. Mr. Hodgins: — Mr. Speaker, I move that the amendments be now read a first and second time.

Motion agreed to.

Hon. Mr. Hodgins: — Mr. Speaker, with leave, I move that the Bill be now read a third time and passed under its title.

Motion agreed to, Bill read a third time and passed under its title.

Bill No. 48 — An Act to amend The Department of Social Services Act

Hon. Mr. Hodgins: — I move that the Bill be now read a third time and passed under its title.

Motion agreed to, Bill read a third time and passed under its title.

Bill No. 25 — An Act to amend The Occupational Health and Safety Act

Hon. Mr. Hodgins: — Mr. Speaker, I move that the amendments be now read the first and second time.

Motion agreed to.

Hon. Mr. Hodgins: — With leave, Mr. Speaker, I move that the Bill be now read a third time and passed under its title.

Motion agreed to, Bill read a third time and passed under its title.

Bill No. 43 — An Act to amend The Tobacco Tax Act

Hon. Mr. Hodgins: — Mr. Speaker, I move that the Bill be now read a third time and passed under its title.

Motion agreed to, Bill read a third time and passed under its title.

Bill No. 44 — An Act to amend The Department of Finance Act, 1983

Hon. Mr. Hodgins: — Mr. Speaker, I move that the Bill be now read a third time and passed under its title.

Motion agreed to, Bill read a third time and passed under its title.

Bill No. 42 — An Act to amend The Controverted Municipal Elections Act

Hon. Mr. Hodgins: — Mr. Speaker, I move that the Bill be now read a third time and passed under its title.

Motion agreed to, Bill read a third time and passed under its title.

Bill No. 41 — An Act to amend The Teachers' Dental Plan Act

Hon. Mr. Hodgins: — Mr. Speaker, I move that the Bill be now read a third time and passed under its title.

Motion agreed to, Bill read a third time and passed under its title.

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Taylor that Bill No. 50 — **An Act respecting the Control of Distribution and the Consumption of Beverage Alcohol in Saskatchewan** be now read a second time.

Mr. Koenker: — Thank you, Mr. Speaker. Mr. Speaker, I'm grateful for the opportunity to speak to this Bill No. 50 — An Act respecting the Control of Distribution and the Consumption of Beverage Alcohol in Saskatchewan, to explain what it means to the people of Saskatchewan and to speak against it in the strongest possible terms, because this legislation, Mr. Speaker, will change the face of Saskatchewan with respect to alcohol. It will flood the province with alcohol, it will threaten Saskatchewan families and young people, and it will turn liquor stores in this province over into private hands and the profit motive.

Now I want to begin, Mr. Speaker, by saying that as a Lutheran clergyman I have seen firsthand the heartache and the problems that alcohol abuse has brought to Saskatchewan families and young people. Having lived and served congregations in rural Saskatchewan communities in Bruno and in Humboldt, in the Aberdeen area, and now in the Laird area, I know what it is like to have alcohol problems in small town rural communities. I know what it is like from firsthand experience to visit homes that are broken financially and emotionally and

spiritually by too much alcohol; and to console people whose marriages are on the rocks, and whose children are abused or ignored because of alcohol problems, or to comfort families who have lost a son or a daughter because of the problems involved with drinking and driving.

And one can only wonder then, Mr. Speaker, why the Progressive Conservative members of this Assembly, members like the member from Rosthern, for example, or Morse, or Moosomin, or Rosetown-Elrose don't stand up and speak against this legislation; why they don't stand up to the Premier of this province and tell him that this legislation is wrong for Saskatchewan families and Saskatchewan communities. But these members don't have the courage of their own convictions to give expression to their strong religious beliefs and to stand up and speak against this legislation. We have not heard one word from them yet.

People across Saskatchewan know only too well what I'm talking about when I talk about the problems of alcohol, Mr. Speaker. It's now estimated that some 46,000 people in Saskatchewan have chronic, perpetual, problem drinking problems.

And it's estimated, even more importantly, Mr. Speaker, that half of these, some 23,000 Saskatchewan young people between the ages of 15 and 24 have problems with alcohol. And I can only say, regrettably, that this legislation will do nothing to deal with these young people or these people who have problems with alcohol. On the contrary, this legislation will do everything to increase consumption of alcohol and its spread of its problems across this province.

This legislation, in a word, is a disservice to the people of Saskatchewan. It is the betrayal of Saskatchewan families by the very Premier who purports to be so concerned about alcohol and drug abuse.

Yes, well on Wednesday, June 1, the Premier of this province officially opened the Whitespruce Drug and Alcohol Treatment Centre for youth, outside Yorkton, with much pomp and officiousness. What does this same Premier do only two days later . . . or earlier, Mr. Speaker? On Monday, May 30, he introduces this legislation, Bill 50, to: (1) remove controls on the accessibility of alcohol from public consultation or scrutiny by this Legislative Assembly and into the closed secrecy of cabinet; and (2) to privatize or franchise retail liquor stores across this province. In every city, town, and village, to open up sale of alcohol to privately-owned stores. One step removed from government regulation and responsible control; one step closer to profiteering and liquor stores competing for the sale of booze.

And so I ask the people of Saskatchewan: is this what you want for your families and for your children? Is this what you want for your community? Is this what you want from your provincial government? I think not. Indeed, I know Saskatchewan people don't want the sale of alcohol for private profit here in Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Koenker: I know, Mr. Speaker, that Saskatchewan people don't want this province drowning in a sea of booze.

Now it's very important to point out, Mr. Speaker, that what this government says and what this government does are really two very different things. The Premier simply can't be trusted to tell the truth. He promised not to attack medicare, and what did he do? He cut the prescription drug program for seniors, and the dental program for people in rural Saskatchewan. He promised to eliminate the sales tax and he increased it from 5 to 7 per cent — a 40 per cent increase. He promised to eliminate 10 per cent of the income tax and he didn't live up to that promise. He promised that Saskatchewan would never again see a gas tax after the Progressive Conservatives were elected. And yet he slapped it on again last year.

And the same is true, the very same is true when it comes to liquor control. The Premier talks about protecting Saskatchewan families, but as we have seen, his actions speak louder than his words. Already I've mentioned the hypocrisy of the Premier opening the doors to liquor stores in every corner of every Saskatchewan town, and then two days later opening the doors to an alcohol treatment centre outside Yorkton.

Well, he'd better do that, Mr. Speaker, because with this liquor legislation, his liquor legislation, that centre is surely going to be busy treating Saskatchewan young people victimized by their own Progressive Conservative government.

Some Hon. Members: Hear, hear!

Mr. Koenker: — And I also want to note that this same Premier, this is the same Premier who introduced alcohol advertising into the province of Saskatchewan — alcohol advertising, against the wishes of churches and families and local school boards. And even as recently — yes, even as recently as this last provincial budget, this Premier, this Progressive Conservative government, increased the flat tax, increased the sales tax, even increased the tax on cigarettes. But do you think this Premier touched the tax on alcohol? Not a chance; not a chance. Virtually the only tax left untouched and not increased was the tax on liquor.

Now why would this be? We all know why. The sale of booze is big business, and it means big bucks for this Progressive Conservative government that is hard strapped for cash, that has mismanaged this province, that runs a \$3.5 billion deficit that at a 10 per cent interest rate will cost Saskatchewan people in the neighbourhood of \$1 million a day just to pay the interest on this deficit for their mismanagement — \$1 million a day in interest for nothing, every day, because of PC mismanagement. And so where do they look for money? To the sale of alcohol.

And I want to refer to revenues from the Saskatchewan Liquor Board, so that the people of Saskatchewan can see very clearly what's at stake.

(2215)

In 1982, \$48 million was added to the Saskatchewan treasury by the sale of alcohol. In '83, \$10 million; in '84, \$79 million; in '85, \$71 million; in '86, \$84 million; in '87, \$140 million; in '88, it's predicted that that contribution of alcohol sales to the treasury of Saskatchewan will be one \$122.5 million. And for 1989, it's estimated \$150 million. There's big bucks in the sale of alcohol — an eight-year total of \$805 million, approaching a billion dollars in revenue for the provincial government.

But this is only half the story. The other half is that this government faces a problem with respect to alcohol sales, and it's not the problem that we on this side of the House are talking about, the problem of alcohol abuse; this government faces a problem with declining alcohol sales.

And I'd like to quote from a 1986-87 annual report of the Saskatchewan Liquor Board, the most recent report, that notes:

1986-87 marks the fifth straight year of declining sales volume. More specifically, spirit sales were down 5.7 per cent in volume from last year, and 17.1 per cent (over) . . . since (19)82-'83. Beer sales were down by 3 per cent over last year. Wine sales, which include cooler sales, were down 3.2 per cent from the previous year.

So what's the Progressive Conservative solution to the problem of the fifth straight year of declining liquor sales volume? Don't consult the public about changes to the legislation. Don't stop to think about the impact on young people in rural communities. Don't consider the concerns of clergy and teachers. Change the legislation to open up sales. Relax the regulations. Put a liquor store in every corner of Saskatchewan. Open up the number of licenses. Franchise out, privatize stores to your profit-oriented friends. And you know what? The government can make money too, at the expense of Saskatchewan youth.

So why does this Progressive Conservative government want to deregulate liquor sales? Why would it want to betray Saskatchewan families and young people? To reward their friends with lucrative patronage plums across the province with liquor stores. It's hard to understand otherwise.

Anyone who's gone to the United States of America has seen liquor stores that are making money. You don't see liquor stores in the United States that are losing money; they simply don't exist. Booze is big bucks, and what this government wants to do is to have a proliferation of liquor stores across the province so that it can make money at the expense . . . that it can victimize its own citizens. Because under this legislation, Mr. Speaker, liquor stores and liquor profits will flow to the friends of the Progressive Conservative Party. It's that simple.

And that is exactly what we have seen with past PC patronage: the give-away of \$10 million to Peter Pocklington; the giving of Paul Schoenhals the chairmanship of the Potash Corporation of Saskatchewan

at \$100,000 a year; George Hill becoming the chairperson of SaskPower — a former sidekick of the Premier of this province — at \$200,000 a year; and virtually every defeated PC candidate given a government patronage job at taxpayers' expense.

Here we see the real reason behind the Progressive Conservative move to change the liquor legislation: to reward their friends, to bring in the bucks for the \$3.5 billion deficit that the taxpayers have to pay for — their mismanagement.

And, Mr. Speaker, I say that is unacceptable. Decent people across Saskatchewan, people concerned about alcohol abuse, clergy who work with families, teachers who work with teenagers say that is totally unacceptable for the Government of Saskatchewan to push alcohol on its own citizens. This government is the institutional equivalent of a drug pusher — pushing alcohol at the people of Saskatchewan, franchising and privatizing out the sale of alcohol for profit, calling, come and get it — let's have alcohol for sale in grocery stores; let's have liquor stores with price wards like in the U.S.A.; let's get organized crime into supplying alcohol.

I'm shocked that members of this Assembly, like members from Rosthern and Morse and Moosomin and Rosetown and Elrose don't oppose this Premier and this legislation.

Some Hon. Members: Hear, hear!

Mr. Koenker: — Any responsible government would try to curb alcohol consumption. Any responsible government would try to bring in controls when it brought in legislation. It would not turn liquor stores over to their friends. It would not turn the sale of alcohol over to the profit motive, as this PC government does — it worships the profit motive. It would not move to allow the sale of alcohol in every street corner across Saskatchewan.

So I say, Mr. Speaker, make no mistake about it; I say to the people of Saskatchewan, make no mistake about it, this New Democratic caucus is concerned about alcohol abuse and fundamentally opposed to this legislation which will result in the proliferation of alcohol abuse across Saskatchewan and affecting Saskatchewan young people.

Some Hon. Members: Hear, hear!

Mr. Koenker: This legislation borders on a crime for the people of Saskatchewan, perpetrated by its own government. And I conclude by saying then, Mr. Speaker, that I invite the good people of Saskatchewan to contact New Democratic members of this legislature in this caucus to express their concerns, to share their opinions with the Leader of the Opposition, because we are pledged to oppose this legislation and to fight the spread of alcohol abuse in this province.

And I would like to conclude by saying that I would be pleased and honoured to share information on this important issue with anyone who would contact me or write me. It's too important for our young people, for our

churches, for our schools, for our families, for our communities, for the whole of our province, not to oppose this legislation. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Kowalsky: — Thank you, Mr. Chairman. I want to take a moment to commend the member from Saskatoon Sutherland for making this delivery on this very, very controversial topic. I want to say that the things that he said bear repeating, and I want to take some time and repeat some of those things, but not tonight. I move that the debate adjourn on this motion.

Some Hon. Members: Hear, hear!

Debate adjourned.

The Assembly adjourned at 10:23 p.m.