

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Fifth Session — 17th Legislature**  
**27th Day**

**Thursday, March 27, 1975.**

**WELCOME TO STUDENTS**

**HON. W.E. SMISHEK:** (Regina North East) Mr. Speaker, I should like to introduce to you and to the Members of the Legislature a group of 30 Grade Eight students from the Dover School which is located in the Regina North East constituency. They are accompanied here by their teacher, Mr. Dolman. I would extend to them a warm welcome to the Legislature and express the hope that so far their visit has been a good experience. I do hope that during their stay in the Legislature in the next while they will find their experience even more rewarding and that this will be part of their social studies.

I hope to meet the students and their teacher after 3:00 o'clock in Room 275 where perhaps they might want to discuss some of the activities that go on in the Legislature. Again I welcome them.

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

**MR. E.C. WHELAN:** (Regina North West) Mr. Speaker, it is my pleasure to introduce to you and to all Members of the Assembly 27 adult students from Wascana Institute at St. Pats Annex in Regina North West. They are seated in the Speaker's Gallery with their teachers Debra Loewen and Jim Sauka I am sure all Members are pleased to have these visitors in attendance, wish them good luck with their studies and join me in expressing best wishes for a pleasant, informative stay at the Legislative Building.

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

**ANNOUNCEMENTS**

**PROPOSED GRASSLANDS NATIONAL PARK**

**HON. J.R. KOWALCHUK:** (Minister of Tourism and Renewable Resources) Mr. Speaker, before the Orders of the Day I should like to make an announcement regarding the Grasslands Park. Mr. Speaker, and Hon. Members of the Legislature I thought it might have been possible to have here with us today the Hon. Jud Buchanan, Minister of Federal Department of Indian Affairs and Northern Development and Minister responsible for Parks Canada, but Mr. Buchanan regrets that his time schedule would not allow him that privilege. I have just come from a media conference and luncheon at which we, the Minister of the Federal Department of Indian Affairs, Mr. Buchanan, and I, have jointly signed a letter of intent regarding the establishment of a proposed Grasslands National Park in southwest Saskatchewan, Mr. Speaker.

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

**MR. KOWALCHUK:** The letter of intent which was released at the joint media conference clarifies the federal and provincial position with respect to the proposed Grasslands Park. Mr. Speaker, I will have available in this House this afternoon that letter of intent to be distributed to all Members.

This has been a long awaited announcement as negotiations have been continued for a number of years. We have negotiated long and hard for the last three years. The result of the negotiations, particularly in the last four months, have in my opinion, been a real benefit to the people of Saskatchewan. Now we are in a position in which we can inform the people of Saskatchewan as well as the Members of the Government of the full nature of the discussions on these important matters.

The establishment of the proposed National Grasslands Park suggested for development in southwestern Saskatchewan will have a profound effect on the adjacent communities as well as the Province of Saskatchewan. I want to emphasize, however, that what we have signed today is only a letter of intent and it is not a final agreement. I can assure you, Mr. Speaker, as I have assured the people of Saskatchewan through the public announcement this afternoon, that before a park is established, local and provincial individuals and organizations will be fully informed on the proposal for the area and will be fully consulted to determine if there is support for a national park in the southwest and how widespread that support is. If, following such a consultation, a decision is made that a national park will be established, only then, Mr. Speaker, will the Province of Saskatchewan enter into an agreement with the Federal Government for the establishment of a national park. The signing of the letter of intent marked the beginning of a complete program of information for the people concerned with the proposed establishment of a national park and consultation with them. A federal-provincial committee will be set up as soon as is possible to meet with the public through a series of public hearings which we expect to have on the road by midsummer. A national park will be established within two years only if the proposals meet with the acceptance of the people of Saskatchewan.

It will be the duty of the Federal-Provincial Committee to find out how important the establishment of a proposed national park is to the people of Saskatchewan in terms of social, economic and environmental impact of such a national park. After the public hearings are completed then and only then will the decision be made by the Province of Saskatchewan whether or not the proposed national park will be established. This, however, will not be the end of public consultation. If the decision is made to go ahead with the establishment of a national park, similar consultations will be held with local, regional and national interest groups and organizations to discuss master-planning for the proposed national park. The Federal-Provincial Committee will arrange for the preparation of the necessary information, develop procedures and select locations for public hearings for continued public consultation.

I want to assure you, Mr. Speaker, and Members of this House that if the decision is made that the park be established future development of the adjacent communities and areas will be carried out in the best interests of the people of Saskatchewan.

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A letter of intent provides that the province will be involved in the joint development of a tourism and recreation plan for the southwestern area of the province including the parklands as well as an environmental assessment respecting the proposed development. I want again to emphasize, Mr. Speaker, that the formal agreement for the establishment of a national park will be subject to the concurrence of Saskatchewan and will only proceed when the two governments have consulted with local and provincial individuals and organizations and are confident that a national park should be established, and that the provisions related to the proposed park are satisfactory.

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

**MR. T.M. WEATHERALD:** (Cannington) Mr. Speaker, we welcome the announcement by the Minister that a new park will be created, if it meets the conditions of the people in that area of Saskatchewan. We welcome it.

As you will recall I think we have supported that position for some time (and we did so in the Legislature some two years ago) and had done some preliminary work with the Federal Government. When the Liberals were the provincial government in Saskatchewan, we did some preliminary work towards moving in that direction.

I should like to say though, Mr. Speaker, that the Minister in his announcement did not mention what we have understood to be the most crucial negotiating item and that was of mineral resources, whether the province is willing or has decided to relinquish their right to mineral resources, or whether under the agreement the province will continue to retain the rights of mineral resources in the proposed park? I would like to request an answer on the aspect of mineral resources.

**MR. KOWALCHUK:** Mr. Speaker, the explanations when the letter of intent is received will be quite clear as to what has happened and what will happen. Overall there are provisions made to take out mineral resources and in cases where the mineral resources are such they cannot be taken out, for instance coal, these areas will be excluded from the area taken into the park and therefore will not be included in the park. I think when you read the letter of intent it will be quite clear as to what direction we are going in that respect. In view of the fact that resources, particularly the energy resources must be taken out of the earth these days and when you view the direction we have taken, you will say that that is the right direction. That is all I want to say for now, Mr. Speaker.

## QUESTIONS

### SHUTDOWN OF OIL WELLS IN SOUTHWESTERN SASKATCHEWAN

**MR. D.G. STEUART:** (Leader of the Opposition) Mr. Speaker, before the Orders of the Day I should like to direct a question to the Premier in the absence of the Minister of Mineral Resources. I wonder if the Premier is aware of the shutdown of the oil pipeline in area No. 3, the southwest corner of Saskatchewan? There is a virtual shutdown of the industry down there because of the cancellation by the Koch Company of the United States of their nominations. They

made their nominations I am told two or three days ago for their supplies of medium crude oil from the Swift Current area. They got a better price, something like 70 cents or 75 cents a barrel cheaper, from outside Canada because of the drop in tanker prices I am informed. As a result there is a most serious situation now facing the oil industry in the Swift Current area. (a) Is the Premier aware of it, and (b) if so, what action has he taken or proposes to take?

**HON. A.E. BLAKENEY:** (Premier) Mr. Speaker, I just became aware of that this morning. As a result of the very low nominations for the month of April the South Saskatchewan Pipeline will substantially shut down its operations at least until more oil is moved. The situation is, I think, substantially as the Leader of the Opposition has described it. I wasn't aware of which purchaser in the United States had withdrawn his support, his normal purchase orders, but I am not surprised that it is the firm referred to by the Leader of the Opposition. The oil in question is medium gravity sour crude and the only refinery geared to handle that is the Koch Refinery that the Member for Prince Albert West (Mr. Steuart) referred to.

I have not yet had an opportunity to pursue this. The matter is not wholly within the control of any one group. The change in the spot price for crude has meant that some of our crude is less competitive. Particularly, less competitive, no doubt, because of provincial royalties; very much so because of the export tax. We will undoubtedly be reassessing our position and will be asking the Federal Government to make some special provisions once again, with respect to this type of crude, on the export tax. We did that last November I believe, and got some amelioration on the export tax and it looks as if some action in this regard, both by ourselves and by the Federal Government is indicated. I must say that I have not had an opportunity to pursue it any further than that and am unable therefore to give the House any additional information.

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

**MR. STEUART:** Mr. Speaker, a supplementary question. In view of the situation would the Premier not agree that this points up a basic weakness in both the Provincial Government's approach to the oil industry and the Federal Government's approach in regard, provincially, to the surtax and, federally, to the export tax? And that is the speed or the lack of speed with which it appears that both levels of government can react to a serious situation like this. I am told that if some of these wells are shut in now it could be most serious for those with low pressure that they may not be able to get them back on-stream and they are facing very serious problems. Now in view of this I would suggest to the Premier and ask if he would not agree that we should make immediate representation to the Federal Government that they be prepared to reduce again their export tax, especially on medium gravity crude? Mr. MacDonald was out here some time ago and said they were looking at that but while they are looking we are losing oil production, we are losing taxes and those people are losing their jobs or their jobs are threatened.

At the same time I think that the Provincial Government should set the example. Now I realize the surcharge has been

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reduced March 1st somewhat, but the Provincial Government, I would suggest, would be in a much stronger position if they would immediately reduce their surcharge on medium crude and then phone Ottawa and say, now move. I think we are talking about 75 cents or 80 cents a barrel here to become competitive again and if we lose this nomination for the whole month or April we could find, (a) it is very serious to that whole oil industry in the southwest corner; and (b) we could find ourselves in a very bad position competitively and possibly not get that customer back on-stream again when this crisis has passed. But I think it is something (I am sure it will be) something to be negotiated very strongly when you go to Ottawa.

**MR. BLAKENEY:** I think that much of what the Hon. Member suggested in his question is true, that the whole structure is more rigid than one would like and it is not very responsive to a downturn in the market. It worked reasonably well when the market was strong. When there is spot oil running around at cheaper prices and when this oil from Saskatchewan is less desirable than some other grades, then clearly there are some problems with any levy which is on a per barrel basis. Our own view is that the oil is certainly worth \$6.50 a barrel and that if the adjustment is going to be made it ought to be made, in principle, by the Federal Government because the arrangement is that we get the first \$6.50 and they get the rest via the export tax. However, there is not much point in arguing principle with the Federal Government in the sense that there is no point in stranding on principle when you are having an immediate problem. This is the position we took last fall – can you do something and we'll do something. We made some arrangements and these helped the situation over the winter months. I think that the situation now calls for some similar initiative and I will ask the appropriate Minister, the acting Minister of Mineral Resources, to pursue it.

#### **AD ON FAMILY INCOME PLAN**

**MR. J.G. LANE:** (Lumsden) Mr. Speaker, I should like to direct a question to the Minister of Social Services (Mr. Taylor). Assurances have been given to this Legislature, both by yourself and the Premier, in the last week that there has been no overcharging by J.A.C. Struthers, the NDP Advertising Agency. Admissions have been made that the production of the Family Income Plan ad and the placement of the ad was done by one Glen Knight before it was eventually transferred over. Is the Minister aware that instructions have now been given to the producer of the ad, one Ron Bashford to send his account to J.A.C. Struthers for payment notwithstanding that the production was done by officials of the Department of Social Services and in fact placed by the Department of Social Services?

**HON. A. TAYLOR:** (Minister Of Social Services) Mr. Speaker, I am not aware of the particular instructions but it would not, I think, be unusual to ask the producer to submit his bills through the agency being used.

**MR. LANE:** Mr. Speaker, by way of supplementary I have been advised by senior officials of the Canadian Broadcasting Corporation that the producer of the ad Mr. Ron Bashford has had his

instructions for submitting the account changed from the Department to one J.A.C. Struthers. Is the Minister now prepared, in light of the fact that J.A.C. Struthers will be billing for production cost, now prepared to table all documents, memoranda and minutes of meeting between the Minister and Struthers; between the Premier and Struthers and between the Premier's new executive assistant, Mr. Monkhouse and J.A.C. Struthers?

**MR. TAYLOR:** Mr. Speaker, he makes an assumption. Yesterday, on a similar question the Member for Lakeview (Mr. Malone) asked if there had been production costs involved in the Struthers' account, and I assured him that I would attempt to find this for him. I am in the process of doing that. The assumption that production costs have been paid to Struthers for this, is at this point a questionable assumption.

### **INCLUSION OF ABORTION REFERENCES IN CRIMINAL CODE**

**MR. J.C. RICHARDS:** (Saskatoon University) Mr. Speaker, I should like to direct a question to the Minister of Health (Mr. Smishek).

The Morgenthaler case reached its climax yesterday with a decision by the Supreme Court to uphold the appeal and Dr. Morgenthaler is going to go to prison. If Dr. Morgenthaler's imprisonment is to serve any useful purpose, I think it appropriate at this stage that responsible public officials state their position on the question of the inclusion of abortion references in the Criminal Code. Is the Minister at this juncture prepared to make a public statement with respect to that?

**HON. W.E. SMISHEK:** (Minister of Public Health) No, Mr. Speaker.

**MR. RICHARDS:** Mr. Speaker, I think it unfortunate that the Minister . . .

**MR. SPEAKER:** Order! It cannot be debated. We cannot debate questions that are not answered.

**MR. RICHARDS:** Mr. Speaker, the Minister has made statements previously. My question to the Minister is: will he reiterate the statement that he has made previously at a meeting of federal-provincial Health Ministers, as to what this Government perceives to be the appropriate interpretation of the existing legislation, with respect to legal abortions?

**MR. SMISHEK:** Mr. Speaker, I do not have the statement in front of me, but I reiterate the statement.

### **AD ON FAMILY INCOME PLAN**

**MR. A.R. GUY:** (Athabasca) Mr. Speaker, I should like to direct a question to the Minister of Social Services.

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**MR. SPEAKER:** Is the House prepared to allow a further question?

**MR. GUY:** I should like to ask the Minister if he knows who the woman was who appeared on the television advertisement for the Family Income Plan and whether she was a recipient under the Plan, as she stated very clearly on the advertisement?

**MR. TAYLOR:** Mr. Speaker, I was informed that she was a recipient but I don't know her personally.

**MR. GUY:** Is the Minister saying that he is not aware that the woman in the ad is a Mrs. Hanna from the Attorney General's Department, a well paid civil servant, who appeared in the ad and stated that she was a recipient of the Family Income Plan? Also, does the Minister not know whether she applied and received leave-of-absence in order to carry out this responsibility during her regular working hours?

**MR. TAYLOR:** The answer to all questions, Mr. Speaker, is, of course, I am not aware. I don't know the list of names of the 24,000 people benefitting from the Family Income Plan.

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

### **MOTIONS**

#### **HOUSE ADJOURNMENT**

**HON. R. ROMANOW:** (Attorney General) Mr. Speaker, I should like to move, seconded by the Hon. Premier (Mr. Blakeney) by leave of the Assembly:

That when this Assembly adjourns on Thursday, March 27, 1975, it do stand adjourned until Monday, March 31, 1975.

Motion agreed to.

### **ROYAL ASSENT**

At 3:03 o'clock p.m. His Honour the Lieutenant-Governor having entered the Chamber, took his seat upon the Throne and gave Royal Assent to the Bills presented to him.

### **SECOND READINGS**

**HON. W.E. SMISHEK** (Minister of Public Health) moved second reading of Bill No. 46 – **An Act to amend The Wascana Centre Act.**

He said: Mr. Speaker, almost 13 years ago on April 6, 1962, to be exact, the Provincial Treasurer of the day, the Hon. Allan Blakeney, addressed this Legislature by introducing the provisions of The Wascana Centre Act.

During the introduction of The Wascana Centre Act the Premier reviewed some of the history which preceded the development of the concept of Wascana Centre and he outlined the

provisions of the Act and the powers the Act would confer on the Wascana Centre Authority.

Then he went on to pay tribute to those who planned the Legislative Building and its grounds, the Scott Government who selected the site and constructed this magnificent building, the Anderson Government for its contribution to the beauty of the Legislative area.

The Premier suggested that part of the debt we owe to those early pioneers could be repaid by carrying on their good work of continuing to develop the grounds around the Legislative Building and around Wascana Lake.

At that time the late W. Ross Thatcher was Leader of the Opposition. He joined Premier Blakeney in supporting Wascana Centre legislation and the Act was passed without dissent. That spirit of co-operation which marked the passage of the Act reflected the co-operation which grew between the province, the city of Regina and the University as they worked together to develop the Wascana Centre.

Although the concept of Wascana Centre is viewed as a 100 year development, after only little more than a decade the Centre has progressed to the stage where it really exceeds the expectations of those who conceived the idea originally.

Wascana Centre is already the object of praise and appreciation from visitors and residents alike. A letter which appeared in the March 25 issue of the Leader-Post is typical and let me quote:

Thanks to the Wascana Centre Authority for making the Centre such a delightful place, both summer and winter. Our family has spent a number of happy Sunday afternoons skating, tobogganing and the like, and it was all topped off beautifully on March 9th with hockey, ringette, tin can curling and all the rest. Keep up the good work. Signed: Don Lawrence.

That simple tribute by one of the citizens of Regina is typical of the way Regina people have come to feel about the Wascana Centre. Acclaim for the Centre has come from near and far.

You may be interested to know that the Province of Newfoundland passed an Act in 1968 for a Legislative University Park complex which, in most instances, follows word for word The Wascana Centre Act.

Mr. Speaker, we recently received word that the Province of Alberta, together with the city of Edmonton, are also looking at our Act, trying to copy it for the development of the Legislative area in the Province of Alberta. I am not sure whether the University of Edmonton is going to be included in that development as well.

Recently a letter in the Winnipeg Tribune was received in the office of the Executive Director of the Wascana Centre Authority. He passed it on to me. It was from a Mr. Robert W. Page of Winnipeg. In the letter he cites Regina's Wascana Centre as an example of man living in harmony with nature. Let me quote from this letter.



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Regina an oasis in the flat, dry wheat country of Saskatchewan has taken the tiny creek and created the beautiful Wascana Lake right in the centre of town. Around Wascana's bank, is Regina's Legislative Buildings, Regina Campus, fountains, dazzling formal gardens on the lake, one can catch the antics of countless ducks and Canada geese now the unofficial symbol of Regina.

Mr. Page's letter then says how his thoughts are saddened by the lack of success in following that example in downtown Winnipeg. He then goes on to say:

If Regina, surrounded by an endless horizon of grain fields can create Canada's largest urban lake, surround it with grass, trees and flowers and fill the lake with water fowl, surely the minds of Winnipeg could create something like it for our city. Regina has done wonders with a creek. In the future, people that propose high-rise development at the junction of Winnipeg is two rivers should take the time to visit Regina and see a city that has done something to keep man in harmony with nature.

Mr. Speaker, Mr. Page's letter to the editor of the Winnipeg Tribune, in citing Wascana Centre as an example to follow, is the most sincere kind of praise that one can find. It is typical of how visitors have responded to our oasis. Coupled with the inquiries which have been received from other jurisdictions all the way from Alaska to New Brunswick and even from across the seas, such praise witnesses to the wisdom of this co-operative venture.

I am sure that all Members of the House share my pride as chairman of the Wascana Centre Authority in what has been created in this centre. Much of the success of the Centre to date can be attributed to the dedication of those who have been members of the authority as well as the devoted staff under the guidance of Joe Moran, the executive director of the Authority. I should also like to pay tribute to some of my predecessors in the office of chairman of the Authority. One thinks of the leadership and dedication of our Premier, Allan Blakeney, the former Attorney General, Darrel Heald and Ross Barrie.

The operations of Wascana Centre have been subject to the same kinds of inflationary pressures as experienced by all private and public agencies in recent years. Unless steps are taken to relieve that pressure, the Authority will be faced with an operating deficit in the 1975-76 fiscal year. Some measures must be taken to increase the financial grant to the Authority if the development of the Centre is to continue.

Currently the Centre is financed jointly by the Provincial Government, the city Regina and the University.

The formula used in determining the joint grant is based on the assessed value of one mill from the city of Regina in the calendar year preceding the Authority's fiscal year. This means that the grant to the Authority for its 1974-75 fiscal year's operation was based on the assessed value of one mill for the city of Regina based on the 1973 value. I am sure that Members of this House will recognize that the assessed value of the mill in our urban areas, such as Regina, has not kept pace with inflation over the past 13 years. In fact, Mr. Speaker, the assessed value of the city of Regina mill has increased by

an average of slightly less than 3 per cent per year over a period of the last 13 years. In concrete terms, the \$250,000 out of the statutory grant which is designated for landscape construction in the Centre will pay for only about 50 per cent of what it would in 1962. One must also keep in mind that the area of Wascana Centre in 1962 was conceived as encompassing 1,340 acres of water and land. The area of the Centre now has extended to include 2,270 acres of land and water.

There has also been more development in the Centre and as a result more landscaping as development takes place. The maintenance costs increase accordingly. Clearly the Authority faces a financial squeeze. I should mention here that the cost of the additional land acquired in the Centre has been borne solely by the Provincial Government.

The three participants in the Authority currently contribute to the Authority the equivalent of three and one-third city of Regina mills, which is valued at a little over \$782,000 for the current fiscal year. The contributions of the three parties are: Provincial Government - 55 per cent, city of Regina - 30 per cent, and the University of Regina - 15 per cent.

The Authority has discussed this question with all three participants and they are unanimous in their opinion that the grant should be increased. In other words the Province, the City and the University all agree that the money is needed and should be increased.

The major amendment to The Wascana Centre Act, which I am placing before you, provides for the statutory grant to be increased by 50 per cent - from the current three and one-third Regina mills to five mills, Mr. Speaker. The percentage which each of the three participants would contribute would remain the same, that is the Province 55 per cent, the city of Regina 30 per cent, the University 15 per cent. This would result in a total grant of \$1.17 million, an increase of just over \$390,000.

It is also proposed in the amendment that out of this increase, the statutory expenditure for landscape construction be increased from the current minimum of \$250,000 annually to not less than \$475,000 annually. The other amendments in this Bill are simply housekeeping changes intended to make the operations of the Authority consistent with the legislative changes in other statutes.

Mr. Speaker, in my opening remarks, I emphasized that Wascana Centre has come to mean a great deal to those who spend time in its grounds. For many visitors and residents of Regina, it is a rare experience to spend a quiet moment close to nature. For others, it has become an outdoor recreation centre, both summer and winter. For children it is a library of nature right on their doorstep, Mr. Speaker. It is the seat of government, a place to pursue educational opportunities and a place where the cultural arts are advanced. It is a place where we have built memorials to some of the prominent figures in our legislative history, such as the memorials to the late Woodrow S. Lloyd and W. Ross Thatcher.

I should add that the cost of these memorials has been borne solely by the Provincial Government, which I think is appropriate.

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Wascana Centre is indeed a place for all seasons and for all ages. In the Wascana Waterfowl Park we have a natural habitat virtually within a stone's throw of the heart of our capital city. The Authority has devoted a good deal of energy towards encouraging public participation in winter recreation sports, particularly this winter, Mr. Speaker.

This past winter has seen a blossoming of such sports as skating, ice boating, cross-country skiing, snowshoeing and the like, in the Centre.

This development is contributing to the physical well-being of our people and helps people to enjoy the winter.

When the Western Canada Summer Games are held, the Centre will thrill to the finest in competitive sports.

In addition to the sum of \$1 million provided in grants by the Provincial Government which will contribute towards the construction of an all weather track and marina facilities within the Centre, \$350,000 has also been provided towards the construction of public change rooms and washroom renovations.

Indeed the Wascana Centre has become all things to all men. Mr. Speaker, I think that the Wascana Centre has made a rich contribution to the life of our people. I have, therefore, no hesitation in asking this House to support this Bill which will make it possible for the fine work of the Authority to continue.

Just as we are grateful to those who had the foresight to acquire that first 168 acres for the Legislative Buildings, future generations will be grateful to us for continuing and expanding the development of Wascana Centre, a place which has rightfully been called the "Emerald Centre of our Capital City"

Mr. Speaker, I move second reading of Bill 46, an Act to amend The Wascana Centre Act.

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

**MR. J. WIEBE:** (Morse) Mr. Speaker, just a few brief comments. I think that we have just witnessed one of the finest speeches that has ever been delivered by the Minister of Health, it was one speech in which there were a few kind words involved in it. One almost could hear the violins and the girls singing in the background as he spoke.

I don't think there is any difficulty on our side of the House to support a piece of legislation such as this because successive governments in the past and I'm sure in the future, will express their desire to maintain and expand the functions of the Wascana Centre. It would have been nice, had this Bill been brought in last year or the year before as the cost of inflation was certainly there. I think that a good job has been done by the Wascana Centre and any money that can be advanced to them will certainly be to the benefit not only of Wascana Centre but Regina and the province as a whole.

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

Motion agreed to and Bill read a second time.

HON. W.A. ROBBINS (Minister of Finance) moved second reading of Bill No. 47 - **An Act to Amend the Department of Finance Act.**

He said: Mr. Speaker, I should like to make a few brief remarks with respect to Bill No. 47.

I'm sure, Mr. Speaker, that everyone in this Assembly and people generally are well aware of the spiralling inflation which is evident throughout Canada and indeed throughout the world. We are also well aware of the fact that inflation has reduced the spending power of individuals and creates severe problems, not only for individuals but all organizations and governments. As a result of the inflationary trends, Mr. Speaker, the government provided civil servants with a cost of living allowance and because the Provincial Auditor's salary can only be adjusted by this Legislature, it is necessary to amend The Department of Finance Act, to provide the Provincial Auditor with a similar cost of living allowance. In addition, the first portion of the Bill provides the Provincial Auditor with a salary adjustment of 9 per cent retroactive to October 1 of last year (1974) and this is in accordance with the average increase approved for all other members of the public service.

The initial part of the Bill, of course, deals with that specific item. The other major portion of the Bill in terms of amendment, Section 34, deals with the fact that we have more funds available to government and its agencies and a lot of this money must be invested in short term investments. A lot of money is on hand temporarily before it is needed in terms of programs and expenditures which are incurred by government and this amount of money has grown very, very substantially in recent years. The existing authorized classes of securities in which this money may be invested, are we feel, too limited to provide for an investment program in which the risk is distributed over a larger number of securities.

Mr. Speaker, the amendment to Section 34 of this Act will have the effect of broadening the class of security in which the Government and its agencies may invest funds. The amendment will permit the investment of money, not presently required for expenditure, in securities which pass the qualifying tests outlined in the Canadian and British Insurance Companies Act.

I want to assure the Assembly, Mr. Speaker, it is the intent of the Government and the department to limit such investments to high-grade securities in the commercial field. This amendment will allow us to upgrade our short term investment portfolio by purchasing high-grade commercial issues paying greater income and reducing risks through greater diversification.

I might add, Mr. Speaker, that I'm certain that Members of the Assembly are aware of the fact that very large sums of money are available for short term investment at the present time and reference has been made in the House previously to the effect that in terms of our budgetary revenues, we are now looking at some \$20 to \$24 million a year in terms of interest earned on investments.

I stress again that the limitations of the Canadian-British Insurance Companies Act will be adhered to and that the investment board will follow very strictly the rules and regulations listed therein and on the basis of those few words I ask the

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Assembly to grant approval to second reading of this Bill.

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

**MR. E.C. MALONE:** (Regina Lakeview) Mr. Speaker, just one of the increase in salary to the Provincial Auditor. I think he does a fine job, perhaps too fine on many occasions for the Members opposite, I don't know.

However, I do question the cost of living allowance of \$420 a month. I don't question that he's entitled to it but I wonder why it is being given to him in this form. Perhaps the Minister can advise me when he closes debate. He may have mentioned it earlier, but I didn't hear him.

Mr. Speaker, the finance critic is not in his chair. He may wish to have something further to say about the Bill and accordingly I would ask leave to adjourn the debate at this time.

Debate adjourned.

The Assembly adjourned at 4:50 o'clock p.m.