

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session — Nineteenth Legislature

Wednesday, March 7, 1979.

The Assembly met at 2 p.m.

On the Orders of the Day

WELCOME TO STUDENTS

HON. E.B. SHILLINGTON (Regina Centre): — Mr. Speaker, I would like to introduce to you and through you to the House some 28 students from Pierrefonds, Quebec. They are here visiting the province and are participating in a basketball tournament. They are accompanied by their teachers, Erik Braun and Mr. Henry. On behalf of the legislature and to you, Mr. Speaker, I would like to welcome them here.

HON. MEMBERS: Hear, hear!

MR. R.N. NELSON (Yorkton): — Monsieur l'Orateur, de la part de tout le monde ici et de votre part, je voudrais souhaiter une chaleureuse bienvenue a l'equip de basketball de Pierrefonds. Nous sommes tres heureux qu'ils sont ici chez nous. Nous esperons que leur sejour chez nous sera interessant et agreable. Il y a quelques annes un de mes freres et sa famille ont demeure a Pierrefonds. Ils demeurent maintenant a Pointe Claire, pres de Pierrefonds. Mon frere et sa famille se trouveraient tres heureux a Pierrefonds. Ici nous voulons que vous vous sentiez bienvenus chez nous. Nous voulons aussi que vous vous amusiez biens ici et que vous ayez un bon voyage chez nous. Veuillez revenir nous voir bientot.

HON. MEMBERS: Hear, hear!

MR. P. ROUSSEAU (Regina South): — Monsieur l'Orateur, pour faire echo a l'accueil de deux honorable deputes il me fait plaisir de vous presenter, ainsi qu'a tous les membres de cette Assemblée, un groupe de jeunes visiteurs dans la galerie de l'Orateur. Ils nous viennent de la belle province de Quebec plus precisement de Pierrefonds. Au nombre de 28, ils sont etudiants de 9 ieme et 10 ieme annee, presentement participant au Spring Classic Basketball Tournament.

En votre nom ainsi qu'au nom de tous les membres de cette Assemblée, je leur souhaite une tres chaleureuse bienvenue. J'espere que votre sejour a Regina sera des plus agreable et votre visite a la Legislature interessante. Bonne chance et bon voyage.

HON. MEMBERS: Hear, hear!

QUESTIONS

Confidentiality of Budget

MR. R.L. COLVER (Leader of the Opposition): — Mr. Speaker, I address my question to the Premier of Saskatchewan. Is it not traditional that the budget of the province of Saskatchewan is supposed to be confidential information and not released until budget day?

HON. A.E. BLAKENEY (Premier): — Mr. Speaker, the question asked by the hon. member — the answer to that question is yes, it is traditional. This is not to suggest that there

aren't extensive consultations with respect to the budget. We have never had the degree of confidentiality associated with our budget that they have at Ottawa. But having made that qualification, it is traditional to have the budget details confidential until budget day. It is also traditional to have a briefing with the press, usually on the morning of the budget, and they to that extent, have advanced notice.

MR. COLLVER: — Supplementary question, Mr. Speaker. Would the Premier of Saskatchewan please explain to this Assembly why the Regina Leader Post is able to have a budget peek one day prior to the issuance of the budget — outlining a \$49 million deficit; a 5 per cent rebate to a maximum of \$115 for rent paid by tenants, etc., etc. Genuine specifics of the budget. Would the Premier of Saskatchewan please explain how the Leader Post could get such a peek?

HON. A.E. BLAKENEY (Premier): — Mr. Speaker, I do not know how the Leader Post got such a peek. They did not get it with the knowing assistance of the Government of Saskatchewan.

MR. COLLVER: — How in the world can the Premier possibly suggest to this Assembly that anyone could get a budget peek, as it says in the headline of the Regina Leader Post, without having the knowing compliance of some member of the Government of Saskatchewan? Would the Premier not agree that somewhere in his Treasury benches there is a leak to the press, which could conceivably mean that there is a leak to others who might take advantage of the information in the budget?

MR. BLAKENEY: — The question I take to be one asking whether or not this does not indicate that there is someone on the Treasury benches who is leaking budget information to the press. My answer to that is no; it does not indicate that to me. The budget is in the hands of a great number of people. It will be at the printers — and I am not suggesting that the information came from the print shop, but it obviously could have because it is being printed. The budget details will be known to a good number of people other than to the people on the Treasury benches and, accordingly, I do not think it is appropriate, or likely, to single out people on the Treasury benches to have passed information to the Leader Post. It does not seem to me credible.

MR. COLLVER: — Do you not request of your printer or of the other individuals who have access to the final budget, an oath of secrecy in relation to budget information?

MR. BLAKENEY: — Mr. Speaker, I do not know the precise arrangement with the printer. The understanding is most assuredly that the documents will be kept confidential. Nor do I suggest, for one moment, that anyone knowingly gave information to the press. The press are diligent, as they should be and they may have found out information because of inadvertence by someone and not because of any conscious decision by anybody.

MR. W.C. THATCHER (Thunder Creek): — Mr. Speaker, Mr. Premier, I think that those whom you have referred to are covered by some sort of an oath. I would like you, Mr. Premier, to specifically confirm that if it is true, tomorrow you will reveal a \$49 million deficit. I ask you to confirm or deny whether your revenues, your expenditures, will climb to \$1 million or \$1,856 million and etc. All the information that is in here, will you confirm or deny it?

MR. BLAKENEY: — Answer: no. I will neither confirm or deny it. We have already set, in the order of the legislature, a time — tomorrow — for the delivery of the budget and at that time the full details will be outlined to the House. I think it is not appropriate for me

to confirm or deny this provision or that provision of a budget which will have many hundreds of provisions and will be outlined in an address, which I am sure will go to 75 minutes.

MR. THATCHER: — A supplementary question, Mr. Premier, and I apologize for going to the Premier but obviously your minister has seen the story and so ducked the question period. Mr. Premier, should the figures in this story prove to be accurate which will undoubtedly prove that one member of the press somehow has had positive access to this document, are you prepared to tell this Assembly that if the Minister of Finance cannot come up with an adequate explanation that you will summarily dismiss him for incompetency?

SOME HON. MEMBERS: Hear, hear!

MR. BLAKENEY: — No, I don't think that that is necessarily evidence of incompetence on the part of the Minister of Finance. If it appears that the Minister of Finance or some of his key staff have been guilty of willful disclosure of the contents of the budget or, alternatively, have been guilty of substantial negligence then we obviously will consider that evidence in deciding what ought to be done. But until that evidence is at hand we would not, I think, take the step of summarily dismissing anyone. That does not seem to me to be an appropriate response until there is at least some suggestion that there may have been some negligence or moral turpitude on the part of the person.

Refusal of Opposition Raffle

MR. COLLVER: — A question to the Premier. I notice the Premier thought that it was particularly humorous when my desk-mate referred to the fact that it was of particular damage to the people of Saskatchewan and to this legislature to reveal budget information before budget day. I wonder if he thought it was as funny as he thought his government's attempt to negate legitimate political organizations and their activities in the province of Saskatchewan, specifically with reference to raffles. I wonder if he thought it was as funny as the Attorney General (Mr. Romanow) apparently thought it was and, as I have been informed, the Premier thought it was this morning. I refer to our bringing to the attention of the people of Saskatchewan the fact that the government of the province of Saskatchewan and, most specifically, your Minister of Consumer Affairs is either refusing one political organization permission while giving permission . . . (inaudible interjection) . . . Does the Premier of Saskatchewan believe that it is funny to refuse to allow the political opposition in Saskatchewan to have a raffle while at the same time the NDP is conducting raffles?

MR. BLAKENEY: — Mr. Speaker, the law of Canada, as I understand it, does not permit raffles to be carried on and has not permitted raffles to be carried on for decades except under specific terms and conditions. Indeed, until very recently, there were no circumstances except at an agricultural fair where you could carry on a raffle. Ever since I have been old enough to know, I have known that there have been small raffles and I find that each time I clean out my wallet I seem to have a ticket or two that I had bought for 25 cents or 50 cents somewhere. So this is a custom known to many people. With respect to whether or not the Minister of Consumer Affairs responded to anybody from the Progressive Conservative party. My information is that a request went to him to have a raffle on the grounds that the Progressive Conservative party was a charity and I understand that it has already been established that political parties are not charities, and accordingly, he cannot legally give that permission if; that was not the grounds, he would in any case, it would seem to me, deny this, and so far as I am aware (

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because I'm not aware under any particular basis for him to grant it, but perhaps there is). I am advised that he has not given any similar consents to anybody else and accordingly he is treating all the parties even handedly. I am also aware that there are opportunities to get local licenses, issued by local authorities, and it may well be for all I know that somebody has received a raffle license from some local authority.

MR. COLLVER: — Supplementary question, Mr. Speaker. Would the Premier not agree that when the Minister of Consumer Affairs rejects one party's application, or rejects it out of hand without making any suggestion at all, that the government of Saskatchewan has, in its wisdom, decided to advise organizations throughout the province of Saskatchewan to break the law. And since the NDP is holding many raffles throughout the province of Saskatchewan — including another raffle in the constituency of Redberry where they are raffling off TV sets, and 24-piece stainless steel cutlery sets (such draw to be made on March 31, 1979) — would the Premier not agree that it was a direct attempt by a minister of his government to discourage illegal activity, which is his job, on behalf of one political party while the other political party is, in fact, breaking the law?

MR. BLAKENEY: — Mr. Speaker, if I heard the question: Is the minister trying to discourage illegal activity on the part of one political party while another political party is breaking the law? The answer is yes, and I hope it continues to be yes, and you can switch the parties around as you like. If the Progressive Conservative party is holding a raffle which is illegal, and I'm not suggesting that they are, and if the Liberal party asks to have a raffle, I would assume that he would advise them that it was illegal. Notwithstanding the fact that some other party may decide that. I would assume that if you asked the police whether you can go 70 miles an hour they will write back and say it is illegal, notwithstanding the fact that anyone can observe that many motorists go 70 miles an hour. So the point that is not whether or not he advises them, but that he must give that advice. I am not for one moment conceding that anyone is breaking the law, although I suspect that if it's a political party carrying on a raffle they probably are, because there are licenses issued by local authorities. I believe that they must be limited to charitable purposes, and I do not believe a political party is a charitable purpose; but for all I know it may well be that the local people believe that they have authority to issue licenses for those raffles. I simply don't know the facts on the issue you refer to.

MR. COLLVER: — Supplementary question, Mr. Speaker.

MR. SPEAKER: — New question.

MR. COLLVER: — Supplementary, Mr. Speaker, since the Premier of Saskatchewan has today announced that it is very similar to the 70 mile per hour speed limit and since there are . . . oh yes, that's what you just said . . . people drive 70. It is illegal to drive 70, but they do it anyway. Since there are penalties with reference to driving over the speed limit and since the Premier of Saskatchewan does not want his ministers or his cabinet to counsel anyone in the province of Saskatchewan to break the law, would the Premier not agree that it is incumbent upon him as the Leader of the New Democratic Party in the province of Saskatchewan to advise all of his political organizations throughout the province that it is illegal to conduct raffles, that they must not do so and that any raffles they are conducting must be stopped forthwith? Quite frankly, it is my intention to do so as the Leader of the Progressive Conservative Party because that is the stand taken by the Government of Saskatchewan. I want the Premier to know that we are not going to

counsel our members to break the law.

MR. BLAKENEY: — Well, Mr. Speaker, I think we have an organization of 30,000 or more paid up members, paid up this year (and not over a period of time I might say) and they have a surprising measure of independence. We will certainly advise them of the state of the law. I think they are aware of the nature of the law. Also with respect to driving, I can advise the 30,000 members that they shouldn't go 70 miles an hour; they still will.

I think the hon. member makes a good point. I think we should advise our parties that raffles are illegal, although it may well be that some believe they are operating under purported municipal authority. On the other hand I think there are still going to be raffles of afghans and cakes and the like and I doubt whether any people are going to get very exercised about it. Once we get into larger prizes like that I begin to share the concern of the hon. member . . . (inaudible interjection) . . . I appreciate the difficulty and this is the difficulty of all law enforcement. I am sure that everybody who enforces the law knows that if the speed limit is 65, people go 68 — nobody does very much about it — but if they go 78 quite a few things happen. I hope that our law enforcement officers will use the same good judgment in the future as they have in the past.

Cost of Rural Telephone Service

MR. G. TAYLOR (Indian Head-Wolseley): — My question is to the Minister of Telephones (Mr. Cody). In your throne speech debate you compared the costs of rural telephone service in Saskatchewan and Alberta. Does the minister realize that in rural Alberta a subscriber can have telephone contact with neighboring exchanges in a radius of 34 miles under the extended flat rate calling and this is for a very minimal cost of 4 cents to 10 cents per month. My question is, are you aware of this Mr. Minister?

HON. D. CODY (Minister of Telephones): — No I'm not.

MR. TAYLOR: — Perhaps it would be good if you looked into it Mr. Minister.

I would like to ask a supplementary question. Does the minister agree that often in father and son farming operations in rural communities concerning school, hospitals, machinery repairs and so on, people are often required to phone long distance? Therefore, would you consider implementing such a program of extended flat rate coverage for Saskatchewan, Mr. Minister?

MR. CODY: — Well, Mr. Speaker, certainly it's always nice to see the extended areas increased. However, we have to be cognizant of the fact that when you do increase extended area services that there are additional costs. There are additional costs to lay lines; there are additional costs for everything. The long distance costs are cut down and you have to be cognizant of the fact that if you are going to extend them over great areas of the province — we have vast areas in Saskatchewan — that there are bound to be more costs. I know that SaskTel is looking at the policy now but whether we ever get to 34 or 40 or 50 miles as the member wishes, I'm really not sure. I can assure him though that we are looking at the policy at the present time and I'm sure in due course there will be a new policy. Whether that will be for 10 or 15 or 20 or 30 miles, I'm not sure at this time.

MR. TAYLOR: — Supplementary question. Does the minister agree that four to ten cents a month does not appear to be a very exorbitant cost? And will the minister give

me some assurance when you say you're looking into that you think it is a worthwhile idea and that you'll be coming forth with such a plan for Saskatchewan in the near future?

MR. CODY: — Well as I said, Mr. Speaker, we are looking into the situation. We think it may well have some merit but at the same time we have to be careful of what we do in these new policies. I don't believe for one moment that anybody can get service in Alberta up to 35 miles for 46 cents; that just simply is not the case. I can assure you also that we in Saskatchewan are basically the only people in Canada who have toll rates that are as low as ten cents.

MR. TAYLOR: — Supplementary question, Mr. Speaker. Perhaps the minister should contact the Alberta Department of Telephones as I did yesterday when I found out that these figures are correct. Would you be considering this type of service in this session, Mr. Minister?

MR. CODY: — Mr. Speaker, this kind of thing is not necessarily put into this session because it's a Crown corporation and Crown corporations have boards of directors which make decisions. Of course, when the board of directors makes that decision, I will be announcing the policy.

Telephone Work Crews

MR. G. MUIRHEAD (Arm River): — A question, Mr. Speaker, to the Minister of Telephones. My question is, is it the policy of your department to have its work crews and installation crews stay in the town where they are working if suitable accommodations are available?

MR. CODY: — Mr. Speaker, of course it depends on whose crews they actually are. We do have some crews that belong to us; we have some crews that do not belong to us — they're contractors. And I don't think we in the Government of Saskatchewan or the Saskatchewan Telecommunications department would have the opportunity to tell these people exactly where they should stay. We also don't like to tell our employees where they have to stay, necessarily. We have certain guidelines on hotel costs and meals costs, so on, so forth. However we certainly don't tell them specifically where they have to stay when they're working at a certain place.

MR. MUIRHEAD: — Supplementary question, Mr. Speaker. I have certain incidents and complaints. Do you think, Mr. Minister, that in the low ebbs for the motels and hotels in this province, that it is a good idea to have your crews drive a distance of 30 to 40 miles when there are suitable accommodations? Do you think, whether it is your policy or not, this is good, Mr. Minister?

MR. CODY: — Well, Mr. Speaker, I suppose it is always reasonable to expect that government money should be spent in small communities where there is a low ebb, as the hon. member says; we could do this. However, at the same time, I think you have to realize that 30 or 40 miles in today's transportation system isn't all that many miles to be driving. I think it is only reasonable to expect that government employees, like any other kind of employee, would like to be at home for the evening. I think it is only reasonable if they are only 30 to 40 miles away from home that they may expect to want to be at home. I think if it is going to be very long distances and there is going to be a lot of cost involved with driving, I think we do expect that our employees would want to stay in those small communities.

Meetings of the Game Advisory Board this Spring.

MR. J. GARNER (Wilkie): — A question for the Minister of Tourism and Renewable Resources (Mr. Matsalla). Will the minister please tell me if I can sit in, listen to the discussions and proposals made by the Game Advisory Board at its meetings to be held this spring?

HON. A.S. MATSALLA (Minister of Tourism and Renewable Resources): — Mr. Speaker, Game Advisory Board members are appointed by the minister for the purpose of suggesting and advising the kind of policy the department, or the government, is to follow with respect to the management of game. And if we are going to provide for other members, or other people, to sit in on the boards, I do not think that it is going to be too advisable in so far as suggesting of policies are concerned. If we allow the MLA's (Member of the Legislative Assembly) to sit on this advisory committee, as observers or as committee members, I could imagine the kind of debate we might run into on a political basis. Therefore, I think at this point in time I want to suggest that it is not my intention to allow any of the MLAs to be sitting along with the advisory committee.

MR. GARNER: — Supplementary, Mr. Speaker, then can I have a copy of this report sent to my office from the Game Advisory Board proposals to the Department of Tourism and Renewable Resources before your department sets the seasons, bag limits and quotas?

MR. MATSALLA: — Mr. Speaker, I don't know what report the hon. member is referring to. Would he clarify this?

MR. GARNER: — I am under the impression, Mr. Speaker, that the Game Advisory Board makes recommendations and proposals to your department before the seasons and quotas and bag limits are set.

MR. MATSALLA: — Mr. Speaker, yes, any citizen in Saskatchewan who wishes to make any suggestions or propose any changes in the management of our game can do so very freely either through my office or directly through the department, freely, either through my office or directly to the department.

MR. GARNER: — Will the minister tell this Assembly then, what is his department trying to hide by not allowing me first of all, in my critic position of Tourism and Renewable Resources, to sit in and listen to the discussions and secondly, will not send me a report? What is your department trying to hide?

MR. MATSALLA: — Mr. Speaker, we're not attempting to hide anything. As I have indicated, this is an internal committee for the purpose of assisting the department and the government in formulating game management policies and, therefore, I don't think in anyway we're trying to hide anything. If the member has any proposals to make to the Game Advisory Committee, he may do so at any time through my office or through the department.

STATEMENT

Parliamentary Procedures

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MR. SPEAKER: — Before orders of the day, I have a statement which I wish to deal with. On Friday, March 2, 1979, before the orders of the day, the Leader of the Opposition (Mr. Collver) raised a matter arising out of the question period. As noted by the remind all members that it is a principle of parliamentary procedure that no member may speak except when there is a question before the House, with the exceptions of oral question period, questions of order or privilege, personal explanations and ministerial statements.

It is important, therefore, that the members declare the basis on which they seek the floor. General requests for clarification by the Speaker are not permissible on the floor of the House. Points of order and privilege should be raised only when specific breaches of order or privilege have just occurred. The point raised by the Leader of the Opposition should properly have been raised as a point of order.

In reply to the issue raised by the member, I would like to make the following point. References to the private business and personal affairs of members are not in themselves out of order, as long as they are not expressed in unparliamentary language and do not cast injurious reflections on the members' character and conduct. I have reviewed the comments of the Minister of Agriculture (Mr. Kaeding) during question period on March 2 and find that they cannot be considered unparliamentary or a personal attack, and therefore, the Leader of the Opposition's point is not well-taken.

However, in view of the light of the rules regarding question period, I wish to refer all members to Rule No. 35 of the Rules and Procedures of the Legislative Assembly which states:

That in putting an oral question or in replying to the same no argument or opinion shall be offered, nor any fact stated, except so far as may be necessary to explain the same; and in answering any such question, the matter to which the same refers shall not be debated.

In this light I find that the words of the minister on page 187 of the debates, March 2, which refer to the actions of a particular law firm, were in the nature of debate and argument and were extraneous to the required answer. I urge the Minister of Agriculture and all members to follow the guidelines in rule 35 more closely in the future.

MR. COLLVER: — Mr. Speaker, I specifically asked in my point of order and, since you have found that my point was incorrect but that the minister was also incorrect, I specifically ask that he withdraw those remarks. Since they were extraneous surely he can be asked to withdraw the remarks.

MR. SPEAKER: — Order. By way of explanation I will say that I considered all of the comments of the Leader of the Opposition with regard to withdrawing the remarks and I have now given my response. We have no procedural way in which we can debate my ruling. My decision has been that no withdrawal is required and I think that is implicit in the statement which I've just given.

SECOND READINGS

HON. W.A. ROBBINS (Minister of Co-operation and Co-operative Development) moved second reading of Bill No. 4 — **An Act to amend The Fuel Petroleum Products Act.**

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He said: Mr. Speaker, before presenting the motion for second reading of this particular bill I think a few brief explanatory notes are required.

Action taken by the Alberta government to repeal their gasoline and diesel fuel tax, effective April 1, 1978, created a number of problems for us in government in Saskatchewan and a number of potential problems.

First of all, Mr. Speaker, it placed gasoline vendors who were located in an area like Lloydminster and near the border at a disadvantage, since their competitors in Alberta could sell gasoline at a price appreciably below that which would be charged at Saskatchewan service stations or bulk stations.

The second problem is that now, because of large capacity fuel tanks, operators of gasoline-powered larger trucks can travel to and return from many points in Saskatchewan with gasoline purchased in Alberta, or travel through Saskatchewan without stopping to refuel.

Thirdly, Mr. Speaker, I point out that the removal of the gasoline tax in Alberta has increased the potential for smuggling by large consumers of fuel, of petroleum products or by vendors of gasoline for resale in this province.

I might cite in the first instance that the consumer would have acquired the product at a price appreciably below the price that he could acquire gasoline in Saskatchewan.

In the second instance, the Saskatchewan vendor of smuggled fuel could charge a price that would net him a substantial profit and supply his customers at a much lower price.

To cope with these problems the following actions have been taken, and I'd like to draw these to the attention of the members of the House. First of all, last year we instituted the Gasoline Competition Assistance Grant program, authorized under The Industry and Commerce Development Act, and it was introduced effective April 1, 1978. That program provided for the payment of grants to operators of service stations and to oil company bulk agents and dealers within the affected area. I know at that time there was some criticism from the opposition benches saying it should have been applied in a wider area, but I think it's fair to say that it has worked reasonably well.

We are told by the 90 service stations that make application and receive rebates and the 35 bulk stations in that category that in many instances it was a lifesaver for them. The program provided for the payment of grants to operators of service stations and to oil company bulk agents and dealers within that affected area.

Now perhaps I should give you a bit of information with respect to the affected area just to refresh the memories of members of the legislature and those who are new to the legislature. Where a service station is in a location in relation to an Alberta supplier; — it's not strictly a line drawn down the border it must bear a relationship to the competition on the Alberta side — or where the gasoline is delivered to a purchaser's storage facility that is located in the same community as any supplier of gasoline located in Alberta — and the basic one here is Lloydminster obviously — the grant is 18 cents a gallon.

I want to make it clear to members of the Legislative Assembly that the tax of 19 cents a gallon is paid, the same as its paid by every other person in Saskatchewan, in terms of

the relationship to the sale of gasoline. But the dealer on the Saskatchewan side located at Lloydminster, and one or two other points, knows that he will get a refund of 18 cents a gallon and therefore he can adjust his price arrangements on that basis. Where the service station is less than 15 miles or 24 kilometres from the nearest Alberta supplier, or where the gasoline is delivered to a purchaser's storage facility — it's important to keep that in mind — radius located within a 15 mile or 24 kilometres of the supplier of gasoline in the province of Alberta, the grant rebate is 10 cents per gallon. In other words, they pay the 19 cents a gallon that's applicable in the province of Saskatchewan and they know that they will get a rebate of 10 cents a gallon. Service stations and purchasers located in towns like Alsask, Macklin, Marshall, Pierceland for example, qualify for the 10 cents per gallon grant.

Thirdly, where the service station is more than 24 kilometres or 15 miles from the competitor on the Alberta side but less than 48 kilometres or 30 miles from the nearest Alberta supplier, or where the gasoline is delivered to a purchaser's storage facility located within that 30 mile or 48 kilometre area from the supplier of gasoline in the province of Alberta of gasoline located in the province of Alberta, the grant is 5 cents per gallon. In other words, people living in that area have in fact paid the 19 cents a gallon but know in advance that they will be getting a 5 cents per gallon rebate. Service stations and purchasers located in Denzil, Fox Valley, Lashburn, Leader, Maple Creek, for example, qualify for the 5 cents per gallon grant. We have 90 operators of service stations and 35 bulk station dealers who apply for the grant on a regular basis. Some of these vendors have advised our department that the implementation of the program has been a factor in retaining them in business. In other words we readily admit that it created a very difficult situation for those who are close to the Alberta competition.

The proposed amendments to The Fuel Petroleum Products Act are designed to extend to operators of gasoline powered trucks and power units exactly the same conditions that have prevailed for operators of diesel vehicles for a long period of time. They will now be required to complete and file returns in the same manner as those persons who operate the same type of diesel vehicles. The returns require the transportation firms to report miles travelled, fuel consumption and fuel purchased and to remit tax with the return at the rate of 19 cents per gallon on gasoline consumed in excess of purchases made in Saskatchewan. For example, if a trucker or a truck load of fuel, whether it's diesel fuel or just gasoline, comes from Alberta, he may cross the Saskatchewan border, he may drive entirely across Saskatchewan and into Manitoba before he has to refuel his vehicle. If that should happen, he still reports in relation to the miles he's travelled, the fuel consumption. If he didn't purchase any he would have to, obviously, report that. But then he pays tax on that fuel that is consumed within the province.

I want to point out to all the members of the Legislative Assembly, Mr. Speaker, that that is the rule and it has been in effect for a very long time in relation to diesel fuel. It is now extended to fuel petroleum products that may be carried in large trucks. It is an attempt to prevent smuggling that may occur crossing the border from Alberta to Saskatchewan in relation to fuel petroleum products.

Extending the Interprovincial Transportation Tax Reporting Program to include gasoline powered trucks of similar size to the diesel vehicles will not impede the movement across provincial borders of any passenger car, of any recreational vehicle or any two-axle farm and commercial truck as these vehicles are specifically excluded from the reporting program.

Mr. Speaker, I also wish to point out that included in this bill are amendments which are

designed to discourage smuggling. Persons who import fuel petroleum products are required to have in their possession evidence that the Saskatchewan tax was paid on the product to their supplier or that they have remitted to the department the amount of the tax due on their imports.

The penalty section of the act has also been amended to provide for the payment of a fine of up to \$5,000 by persons convicted for having possession of fuel petroleum products on which the tax has not been paid.

Now, I am well aware, Mr. Speaker, that some of the members of the legislature may think that is a pretty severe penalty; but frankly, smuggling is a very serious offence. I think that it is important that we realize that it should carry severe penalties to make sure that we discourage that kind of practice.

Now, Mr. Speaker, I have covered with reasonable detail the reasoning behind the amendments to this bill and I now would like to move, seconded by my seatmate, the Hon. Gordon MacMurchy, the member for Last Mountain-Touchwood, that this bill, An Act to amend The Fuel Petroleum Products Act, be now read a second time.

MR. R. KATZMAN (Rosthern): — Mr. Speaker, it is unfortunate that the people of Saskatchewan, because of the bad methods used by the Government of Saskatchewan in looking after our oil resources, are in a situation where the tax in Saskatchewan is so burdensome upon our people that the people would even consider, and have to be considering, the problem that we are talking about today.

We talk about discounting near the Alberta border, but who caused that? — A government that tries to tax people every time they turn around. What does it cause? It causes consumer products to go up because the gas price or the tax is higher here.

We have a fine of \$5,000, I understand. Maybe it should be a little harder on the Government of Saskatchewan because they are the ones that are causing people to consider, as he says, smuggling gasoline.

In Alberta they are finding lots of gas; in Alberta they are assisting the people to make sure that they get a low price for their gas. In Saskatchewan, we are making our farmers pay more, and that reminds me of the rebate system that Mr. Kaeding talks about — he takes it away one year and gives it back another year. Do we have any guarantee that this will stay, that the discount given to the borders will remain for as long as the gas differential remains? Or is it just another ploy that you give us this year and take away next year and play more games with?

Mr. Speaker, I would like to study the minister's statements. I have very much more to say and I beg leave to adjourn debate.

Debate adjourned.

HON. W.A. ROBBINS (Minister of Co-operation) moved second reading of Bill No. 6 — **An Act to amend The Co-operative Production Associations Act.**

He said: Mr. Speaker, with respect to this particular bill I've got the wrong notes here. I think I have notes on this other one. This particular bill deals with The Co-operative Production Associations Act. Again, I think, it's necessary to give members of

the legislature a few comments with respect to this particular bill. The legislation will provide that closely held farm and machinery co-operatives may provide by bylaw that a fidelity bond will not be required where the persons involved have a substantial investment or equity in the co-operative. I repeat, Mr. Speaker, that this particular legislation will provide that closely held — in other words, you could have a co-operative with three or four members in a farm or in a machinery co-operative and they may provide, they make the choice, by bylaw that a fidelity bond will not be required where the persons involved have a substantial investment or equity in that particular organization. Unless, Mr. Speaker, members of the Assembly think this is something strange or new. I must point out that other farm corporations not organized as co-operatives already have the legal right to opt out of the audit requirement under The Business Corporations Act and that has been in effect for some time.

It will also provide that these same types of co-operatives, again I stress farm or machinery type co-operatives, may by bylaw — again I stress that point, by their own bylaw — make provision that an auditor is not required. Again I stress that other farm corporations not organized as co-operatives have that right in The Business Corporations Act. I also want to point out, Mr. Speaker, that the legislation will allow machinery in farm co-operations — again by bylaw passed by them — to distribute surplus to the best advantage of the members. They make that decision under their own bylaw and the distribution period of six months will no longer apply. There has been in the past a rule which said that they must make the distribution within six months. However, if, in the decision of six members of a machinery co-operative, they come to the conclusion that they do not wish to distribute that surplus within that six month period, they can, by bylaw, select not to do so. I again stress that that right has been available to other farm corporations under The Business Corporations Act.

Mr. Speaker, I move that this bill be now read a second time.

MR. L.W. BIRKBECK (Moosomin): — Now, Mr. Speaker, I just at this point would like to thank the member for introducing this bill and I think it holds a lot of merit and I want to look deeper into this bill and study it a little more at length. I'm going to be making some comments with regard to the bill and its specific clauses and the overall effect that it will have. Therefore, Mr. Speaker, I beg leave to adjourn debate.

Debate adjourned.

HON. G. MacMURCHY (Minister of Municipal Affairs) moved second reading of Bill No. 7 - **An Act to amend The Municipal Expropriation Act.**

He said: Mr. Speaker, the amendment before the House in Bill No. 7 - An Act to amend The Municipal Expropriation Act is to delete section 7, subsection 3 and I think that the Bill could be termed a housekeeping amendment. However, it turns out to be interesting housekeeping when you look at the background of bringing this amendment forward.

The Municipal Expropriation Act was passed in 1946 to provide for settlement, through the courts, of disputes arising from expropriation procedures, that is, municipal expropriation procedures. That Act provided that the municipal expropriation disputes would be handled in the normal way through the court system. As a matter of fact this particular section read as follows:

The decision of the judge shall be final and binding upon all persons

concerned except where leave is granted to appeal from his decision in which case the judgment of the Court of Appeal should be final and binding upon all persons concerned.

Therefore, the '46 act provided for appeal in an expropriation case from the district court to the Court of Queen's Bench as the case may be and to the Saskatchewan Court of Appeal if leave was granted by district court judge. Now that's not unusual.

You will note, Mr. Speaker, that the '46 act went on to indicate that the decision of the Saskatchewan Court of Appeal would be final and binding.

About a year ago, Mr. Speaker, the city of Saskatoon experienced a case where it wished to appeal an expropriation decision beyond the Saskatchewan Court of Appeal. It wished obviously to appeal to the Supreme Court of Canada. In making its application to the Supreme Court of Canada, the city of Saskatoon ran up against this particular section of the Municipal Expropriation Act which stated that the final court in matters dealing with their expropriation had to be the Saskatchewan Court of Appeal.

It's interesting, Mr. Speaker, that the supreme court did hear the Saskatoon City's case. It's interesting, Mr. Speaker, that in hearing the city of Saskatoon's case, the city was awarded the bulk of what it thought sought. So what happened is that the section of the act, The Municipal Expropriation Act, did not materially effect the outcome, but the question of its constitutional legality is before us — that provision restricting the appeal to a provincial court. That's the issue that was raised. Now the British North America Act states that the Parliament of Canada can provide a court of appeal for Canada and the practice has always been that the Supreme Court may hear any case of an appeal from the decision of a court at the provincial level at its own discretion. Therefore, in this case the Supreme Court, under the BNA Act, did hear the case of the city of Saskatoon at its discretion.

Therefore, Mr. Speaker, the section in the 1946 Municipal Expropriation Act which states that the decision of the provincial court is final is not proper under the circumstances. Therefore, by simply deleting the section all doubt is removed and the provincial law is in fact brought in line with what happened, which I think can be assumed to be existing practice whereby either party to a expropriation dispute has the right to appeal his case to the Supreme Court if that is his wish.

The deletion of section 7(3) is what is contained in this amendment which is before us.

Mr. Speaker, I am pleased to move that Bill 7 be now read a second time.

SOME HON. MEMBERS: Hear, hear!

MR. H. SWAN (Rosetown-Elrose): — Mr. Speaker, Mr. Minister, I have studied Bill 7 and I agree with the intent that you have expressed. I would agree with this bill proceeding through second reading and I will have more to say on it when it is in Committee of the Whole. Thank you very much.

Motion agreed to and bill read a second time.

HON. H.H. ROLFES (Minister of Continuing Education) moved second reading of Bill No. 8 — **An Act to amend The Universities Commission Act.**

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He said: Mr. Speaker, I think it should be noted that this is the first time since I have been minister (almost four and one-half years) that I am bringing either a bill into the House or amendments into the House, so I would hope that all members would treat this as sort of my maiden speech and with the respect that . . .

SOME HON. MEMBERS: Hear, hear!

MR. ROLFES: — . . . we accord to all new members who have a new experience in this House. So I expect that all members will stay during my lengthy debate and will also give me the noted applause that is required at various times.

Mr. Speaker, Bill No. 8 proposes three amendments to The Universities' Commission Act.

As a result of these amendments, some of the subsections of the act will be renumbered. In advising the hon. members of the reasons for these amendments I would like to briefly sketch the history and role of the Saskatchewan Universities' Commission.

University co-ordinating agencies have existed, Mr. Speaker, in Great Britain and in some American jurisdictions for many years. In Canada, such agencies have been created more recently. Eight of the 10 provinces now have commissions or councils all rather similar in function but with some variations in powers and responsibilities.

Our own Saskatchewan Universities' Commission was established in 1974 as the funding and co-ordinating agency for the provincial university sector or post-secondary education. The commission is responsible for advising the government regarding appropriate levels of operating and capital support for the universities and for allocating funds to them and, in consultation with the universities and interested associations, for planning and co-ordinating sector development.

Our universities' commission, like similar commissions and councils elsewhere, acts as a buffer between the government and the universities, reflecting, at the administrative level, the principle of academic freedom, of intellectual inquiry to which our government is committed.

In recent years the portion of funding for Canadian universities provided by provincial grants has grown significantly. Costs have increased rapidly and the universities' income from alternate sources has shrunk in relation to total expenditures.

The establishment of our Saskatchewan Universities' Commission in 1974 may be interpreted as a recognition of the need to keep universities at arm's length from government, particularly in a period during which the universities must rely on government for the bulk of their support. Certainly our government must wrestle with the financial problems facing our universities but, in the process of doing so, we must resist the temptation to interfere in the internal affairs of the universities or to injure the principle of academic freedom which our government holds to be the right of our universities.

This is not to say, Mr. Speaker, that our government can forever hold at bay the outside forces that do create serious pressures on our universities. Certainly the situation facing universities in the late '70s is very different from that which pertained only a few years ago. The expansionary drive of the '60s, in response to rapidly increasing

enrolments and a social climate very favorable to higher education. is clearly over, at least for the time being.

That is not a cause for pessimism, Mr. Speaker. I, rather, would like to look at it as a challenge, a challenge though that means the university world will need to sharpen its tools of analysis and program review and improve its ability to set and live by priorities, both internally and in relation to other educational and social sectors.

Our universities commission will be working directly with our universities in meeting such challenges. In turn it will advise the government regarding appropriate levels of operating and capital support for the universities. The healthy operations of the universities commission provides a rational mechanism for meeting such challenges. Without an effective universities commission, there is a danger, however remote, that our universities might divert their energies to lobbying for higher and higher levels of support, rather than devoting their energies to their roles of education, inquiry and research. Such a situation, Mr. Speaker, depending on the strengths of their respective lobbies and the will of the government of the day, could seriously damage their excellent reputations as well as their ability to serve the public.

I think it behooves us then to ensure that we have a healthy universities commission which can keep the universities and government at arms length and can properly perform its various other functions. A healthy university may be expected to search continually for new modes of expression, new programs or specialties, new directions in research, improvements to programs, facilities and equipment, all of which reflect the continuing and indeed, accelerating growth in knowledge. Governments are now expected to provide an extensive range of programs and services including a broad educational program within which universities constitute only one sector. A central role of our Saskatchewan Universities' Commission is to provide advice and make decisions which will insure the continued health of universities within a total context of optimizing the use of constrained resources.

Obviously, Mr. Speaker, I'm not about to digress into specific levels of support anticipated for the next fiscal year. I will be prepared to make public statements about that after the budget speech has been delivered to the House tomorrow.

What I have done, Mr. Speaker, is to place in context the roles and responsibilities of our universities commission and the need to ensure that it is capable of performing its functions during the time when circumstances have changed from 1974, when the commission was first established. At that time, the commission functioned with a part-time chairman. That part-time chairman, Dr. Sterling McDowell, whom all of you know, did an outstanding job. However, Mr. Speaker, with the increasing complexities brought on by changing circumstances, it became imperative that the commission have a full-time chairman. The amendments proposed in Bill No. 8 reflect the need for the appointment of a full-time chairman and facilitate the functioning of the chairman and the commission.

Let me now very briefly deal with the specific amendments proposed. Section 3 of Bill No. 8 will repeal subsection 3, paragraph 3 of the present Universities' Commission Act. In place of that subsection which is printed in the explanation papers in the possession of all hon. members, a new subsection 3, paragraph 3 will state and I quote:

One of the members of the commission shall be designated as chairman of the commission and shall hold his appointment at the pleasure of the

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Lieutenant-governor in Council.

As the commission's responsibilities grew, the need developed to have a full-time chairman. The amendment provides for an open-ended term for the full-time chairman so that his or her appointment will not be terminated or interrupted by the technicality of legislation drafted to suit different circumstances. I am confident that the hon. members will agree that continuity is important in such an important position.

Section 3 of Bill No. 8 also repeals subsection 3, paragraph 5 of the present Universities Commission Act. In place of that subsection a new subsection is proposed. It will state and I quote:

A member of the commission other than the chairman shall be appointed for a term of three years and may be re-appointed for a second term but no such member who has served two terms is eligible for further appointment for a period of at least one year from the day on which his second term expired.

The new subsection 3. paragraph 5 restates the terms of appointment of commission members but clearly establishes that these terms do not apply to the chairman.

Section 4 of Bill No. 8 provides for a new subsection to be added after subsection 5, paragraph 3. The wording for such subsection is and I quote:

For the purposes of subsection 3, the chairman of the commission is deemed to be an employee of the commission.

This new subsection provides for employment fringe benefits for the full-time chairman of the commission. Under present legislation fringe benefits are not available to the full-time chairman because he is not specifically identified as an employee of the commission. This amendment will clarify his status.

Mr. Speaker, I am pleased to move second reading of Bill No. 8, An Act to amend The Universities Commission Act.

SOME HON. MEMBERS: Hear, hear!

MR. G. TAYLOR (Indian Head-Wolseley): — Mr. Speaker, I'm interested in the minister's remarks. There's quite an implicit study and I'll have more to say on this bill in the future. I beg leave to adjourn debate.

Debate adjourned.

HON. H.H. ROLFES (Minister of Continuing Education) moved second reading of Bill No. 9 - **An Act to amend the University of Saskatchewan Act.**

He said: Mr. Speaker, I'd like to draw to the attention of the members that this is the second bill that I will be introducing in the House, and I hope that they give me the same respect they did in my maiden speech.

Mr. Speaker, Bill No. 9 proposes two amendments to The University of Saskatchewan Act, and I wish to acquaint the hon. members with the reasons for those amendments.

The existing clause 6, subsection 6, paragraph o, of The University of Saskatchewan

Act makes provision for the Board of Governors to invest sums of money belonging to the university in promissory notes, certificates of deposit, deposit receipts or other evidences of indebtedness given by a chartered bank in consideration of a deposit or deposits made with the bank.

The amendment, set out in section 3 of Bill No. 9 extends the authorization of the Board of Governors so that it may invest sums of money belonging to the university with a bank or a credit union incorporated under The Credit Union Act, or under any former credit union act.

The existing legislation clause limits the University of Saskatchewan Board of Governors to investing with a chartered bank. The proposed amendment provides a broader range of options for investment by authorizing investments in credit unions as well as in banks. As a result the Board of Governors may be able to take advantage of interest rates which may be more competitive.

The second amendment proposed by Bill No. 9 will repeal the existing subsection 74, paragraph 3, and substitute words to the effect that the owner of a vehicle is liable for traffic infractions occurring on property under the jurisdiction of the University of Saskatchewan. The owner will not be held liable if he or she proves, to the satisfaction of the judge or court trying the case, that at the time of the violation the vehicle was not have been made. A recent judgment of the Saskatoon magistrate's court has rendered the intent of subsection 74, paragraph 3, inoperable in terms of sanctions for traffic violations on campus, specifically by questioning the meaning of the phrase, 'reasonable effort'. The proposed amendment is similar in wording to section 243 of The Vehicles Act and is enforceable.

I am sure all hon. members of this House will agree that the University of Saskatchewan needs access to enforceable sanctions for traffic violations occurring on campus and will, accordingly, support the other amendment proposed in Bill No. 9, namely, to give the board of governors access to a broader range of investments.

Mr. Speaker, I am pleased to move second reading of Bill No. 9 — An Act to amend The University of Saskatchewan Act.

MR. G. TAYLOR (Indian Head-Wolseley): — Mr. Speaker, I, again, would like to study the implications of this bill and I beg leave to adjourn debate.

Debate adjourned.

HON. H.H. ROLFES (Minister of Continuing Education) moved second reading of Bill No. 10 - **An Act to amend The University of Regina Act.**

He said: Mr. Speaker, Bill No. 10 is very similar to Bill No. 9 except that it pertains to the University of Regina.

Bill No. 10 proposes one amendment only to The University of Regina Act. The existing clause 6(1). paragraph (o) of this act makes provision for the board of governors to invest sums of money, belonging to the University of Regina, in promissory notes, certificates of deposit, deposit receipts or other evidences of indebtedness given by a chartered bank in consideration of a deposit or deposits made with the bank.

The amendment set out in section 2 of Bill No. 10, extends the authorization of the

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board of governors so that it may invest sums of money with a bank or credit union incorporated under The Credit Union Act, or under any former credit union acts.

The existing legislation clause 6(1), paragraph (o) of The University of Regina Act limits the board of governors to investing with a chartered bank. The proposed amendment provided in Bill No. 10 makes available a broader range of options for investment by authorizing investments in credit unions as well as in banks. This will give the board of governors the opportunity of taking advantage of interest rates which may be more competitive.

I am hopeful, again, that the hon. members will support Bill No. 10 because it gives the board of governors access to a broader range of investment opportunities, because it gives equal opportunity to the boards of both universities, and because it expresses the faith of this House in the stability and financial expertise of credit unions as well as banks.

Mr. Speaker, it is my pleasure to move second reading of Bill No. 10 — An Act to amend The University of Regina Act.

MR. G. TAYLOR (Indian Head-Wolseley): — Although this bill is very similar to the one that the minister has just presented in Bill No. 9, I again would like to have time to study these bills and I beg leave to adjourn debate.

Debate adjourned.

HON. H.H. ROLFES (Minister of Continuing Education) moved second reading of Bill No. 11 - **An Act to amend The Department of Continuing Education Act.**

He said: Mr. Speaker, in my capacity as Minister of Continuing Education, I have now another bill to present to the House. And may I request again from the hon. members to give me the same respect as I have received on the other three bills — but I am sure that that will probably change when I put on my other hat as Minister of Social Services and introduce some bills in social service. So you will have your opportunity some other time, gentlemen.

Bill No. 11 proposes three amendments to the Department of Continuing Education Act. Two of the amendments are really of housekeeping nature. Clause 5, subsection (a) presently states that:

Subject to the approval of the Lieutenant-Governor in Council, the department may make such arrangements as the Lieutenant-Governor deems necessary for the purpose of extending to persons educational and training opportunities, other than those provided in schools administered under the School Act, or, the Secondary School Act.

Section 3 of Bill No. 11, calls for the repeal of the present wording in clause 5(a), and the substitution of a new clause. The new clause will allow the Department of Continuing Education to make any arrangements it considers necessary for the purpose of extending to persons educational and training opportunities, other than those provided in schools administered under the Education Act.

As noted in the explanation sheet distributed to the hon. members, the purpose of the

amendment is to remove an anomaly in the present text which would have the Lieutenant-Governor acting singly rather than referring matters to cabinet.

The new wording will also bring this legislation up to date by dropping references to the former School Act and the former Secondary Education Act.

As the hon. members are no doubt aware, these acts have been superseded by their proclamation of the Education Act. The new wording reflects that change.

Clause 7(1), paragraph (a) of the current Department of Continuing Education Act is to be amended by Section 4 of Bill No. 11 to drop references to the former School Act and the former Secondary Education Act. Again this reflects the proclamation of The Education Act, which consolidates and replaces former legislation regarding elementary and secondary education in Saskatchewan.

Section 5 of Bill No. 11 adds a new subsection to be referred to as subsection 9(6). This new subsection will state and I quote:

Where the department, or a principal or instructor in an institution established or operated pursuant to this section, approves or sponsors activities during school hours or at other times on school premises or elsewhere, no principal, instructor or other person responsible for the conduct of the students is liable for damage caused by students to property or for personal injury suffered by students during such activities.

This amendment will provide a degree of immunity from liability which is enjoyed by school teachers in the course of their professional duties. To date this legal immunity has not applied to the person or persons responsible for the conduct of students in an institution established or operated pursuant to this section of the act. I trust all the hon. members of this House will support this amendment which will remove some of the pressure from the dedicated professionals who serve diligently in our three technical schools. This is a right which should apply to educators in these institutions as well as in elementary and secondary schools. I am sure that the hon. member for Indian Head-Wolseley (Mr. Taylor) will agree with me on this.

I am sure that all hon. members, however, are aware, Mr. Speaker, that this is Education Week. I think that it is appropriate that this act is brought in during Education Week. I would also like to draw to the attention of the members that the theme of Education Week for 1979 is Education — a Family Affair. Education in Saskatchewan has truly become, Mr. Speaker, a family affair with the development of our unique community college system, the development of our three top-notch technical institutes and our two excellent universities.

It is a fact, Mr. Speaker, that Saskatchewan citizens have grown into a learning society and this will have a profound effect on the healthy lifestyles of our people and have a healthy influence on our social and economic development as a province and as a nation. It is a fact that 20 per cent of Saskatchewan adults were directly involved in learning experiences sponsored by a community college, a technical institute or a university in the past year. When you add the number of children and young people attending elementary and secondary schools you find that one-third of the population of Saskatchewan is directly involved in formal learning experiences. Many more are indirectly involved because members of their families are attending classes or participating in other learning activities. Education has truly become, Mr. Speaker, a

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family affair. Learning has become accepted as a lifelong experience which adds to the quality of everyday life.

I sense, Mr. Speaker, that we are experiencing in Saskatchewan a renewed respect for learning.

SOME HON. MEMBERS: Hear, hear!

MR. ROLFES: — Much of the credit, Mr. Speaker, must go to our teachers in all our educational institutions.

In conclusion, Mr. Speaker, education week is a good time to pay tribute to our educators. And it is a good time to recognize the educators in our institutes by approving an amendment which provides them with the same immunity from liability which has been enjoyed by elementary and secondary teachers.

I trust, Mr. Speaker, that all hon. members now understand the reasons for the three proposed amendments to The Department of Continuing Education Act and will, therefore, support the amendment.

Mr. Speaker, I am very pleased to move second reading to a bill to amend The Department of Continuing Education Act.

SOME HON. MEMBERS: Hear, hear!

MR. G. TAYLOR (Indian Head-Wolseley): — Mr. Speaker, I would like to congratulate the minister on his maiden presentation of the bills. He did a very commendable job. I am happy to hear him mention Education Week, being an educator myself. I join with him in congratulating the fine teachers that we have in the province of Saskatchewan. I am also very happy to see that legislation is coming forth . . . four bills in the field of education . . . but I feel as a legislator in this province it is my duty to carefully scrutinize these bills to see that they are in the best interests of all aspects of Saskatchewan education. Therefore, I beg leave to adjourn debate.

Debate adjourned.

HON. G.T. SNYDER (Minister of Labour) moved second reading of Bill No. 14 - **An Act to repeal The Industrial Standards Act.**

He said: Mr. Speaker, we have before us today a bill to repeal The Industrial Standards Act. This act, as some members may know, was introduced in 1937 and was designed to do two particular things: it was to establish a standard of wages and days and hours of work as agreed to by people in the industry and it was also to protect these industries against unfair competition. We now find, Mr. Speaker, that the provisions of this act have been overtaken by various other pieces of legislation making this piece of legislation redundant. The scope of the Minimum Wage Board has been broadened and it now includes all of the industries that were covered by schedules under The Industrial Standards Act.

The Labour Standards Act now regulates hours of work as well as other working conditions in the province. For some industries the schedules under The Industrial Standards Act specify the days of work. But having consulted with the Department of Municipal Affairs we have concluded that this is now covered by municipal by-laws

enacted under the authority of The Urban Municipality Act. In this way each urban municipality regulates the days of shop closing that suits in the most proper way the needs of their community.

So, Mr. Speaker, we have a situation where the provisions of The Industrial Standards Act have been overtaken by other pieces of legislation. We find the legislation is no longer relevant nor is it necessary. My department has met with representatives of all of the industries that are included in the schedules under The Industrial Standards Act to identify any concerns they might have had about the legislation and we have resolved all of the questions raised by these groups. The repeal of this Act will eliminate any overlap or conflict which might arise in our labor legislation as a result of having more than one piece of legislation covering conditions of work. Accordingly, Mr. Speaker, I would move second reading of this bill.

MR. R. KATZMAN (Rosthern): — Mr. Speaker, it's interesting to note that a bill that the minister wants to repeal has been covered in most cases by The Labour Standards Act, I believe. It is interesting to note that the Government of Saskatchewan has never followed The Industrial Standards Act or The Labour Standards Act as far as its own employees are concerned in the highways department and other areas. It indicates in both these acts that the union or the representative of the employees must agree to an averaging order and only then can they work over the eight hours a day or 40 hours a week without overtime. Yet the Government of Saskatchewan is the worst employer in the province for that one alone. In one case that has been brought to my attention, the employees or the representative was not even requested to agree to the averaging idea. It was just signed by the minister and that was the end of it. It is unfortunate that we have two Acts that both said the same thing, that the minister cannot sign without the representation of the employees as well as the employer. In fact last year in the House, Mr. Deputy Speaker, or the year before, I brought to the attention of the Minister of Labour another order that he did sign without the permission of the employees. Mind you the employees were in favor of it but the minister's department had, as the former member for DNS (Department of Northern Saskatchewan) said, they mucked up and they made a mistake; they forget to check that the signatures were all there. (Shellbrook is where he's from, that's right.) The minister agrees to additional muck ups and muck ups and muck ups but let's get back to The Industrial Standards Act that you want to repeal.

In checking out the act against The Labour Standards Act, it's The Industrial Standards Act which is being replaced by The Labour Standards Act which you indicated in your speech, Mr. Minister.

AN HON. MEMBER: — He knows what he's talking about.

MR. KATZMAN: — It's unfortunate if your earplug isn't working too well today. Well, you know, Mr. Minister, seeing that you brought up the point of the throne speech, it's too bad that none of your members wanted to get up and talk about the throne speech. They all sat, I guess they didn't even like the throne speech because they didn't speak on it. But let's get back on the topic, Mr. Deputy Speaker . . .

AN HON. MEMBER: — We noticed that you kept us right until 5 o'clock.

MR. DEPUTY SPEAKER: — Order please. I ask for decorum. It's been, I would say, very good up until now and let's try and keep it that way. I address my remarks to both sides of the House.

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MR. KATZMAN: — I will try to keep to the topic, Mr. Deputy Speaker, as long as I'm not distracted by the members over on the other side.

Now, back to the removing of The Industrial Standards Act where as I mentioned, we can find most of the provisions covered under The Labour Standards Act. But you mentioned there were other acts that cover certain portions. Well, going through the new act that supposedly covers it and going through the act that you want to repeal, I am finding some incoherent statements by the minister. So therefore, Mr. Deputy Speaker, I'm going to ask to adjourn debate so that I can check all the statements that the minister made to make sure they're right before we let him get this off. I beg leave to adjourn debate, Mr. Deputy Speaker.

Debate adjourned.

HON. G.T. SNYDER (Minister of Labour) moved second reading of Bill No. 25 - **An Act to amend The Department of Labour Act.**

He said: Mr. Deputy Speaker, I have another earth shaker for the members opposite. This is a bill which we have before us which is intended to amend The Department of Labour Act, 1972. It's a housekeeping amendment. It enables the Minister of Labour to make modest grants to various groups to carry out . . . The Hon. Attorney General (Mr. Romanow) is telling me to stretch it out. I don't know how you stretch out a nothing bill, but I'm sure we can rely on the member for Rosthern to make some very learned comments on this bill. As I indicated, Mr. Deputy Speaker, this is a housekeeping amendment. It enables the Minister of Labour to make modest grants to various groups and to carry out projects in areas of labor interest. This amendment is similar to legislation that governs other departments of government. No grant, as is the case in other legislation, is to exceed \$10,000 unless it has the approval of the Lieutenant-Governor in Council. As I said, Mr. Deputy Speaker, this is a minor housekeeping amendment and I would move second reading.

MR. R. KATZMAN (Rosthern): — Mr. Deputy Speaker, it's interesting to note that over the years, youth and culture has always been the department that had lots of money to give away and get people obliged to be, sort of, friendly to them and when they wanted their help, they could always go to them. It seems like the Minister of Labour now wants to get into the act of presenting Christmas presents the year around. He says \$10,000 isn't much money but as that government has had the habit of doing, they'll give \$10,000 to this project by one organization; they'll give another \$10,000 to the same organization for another project. They will continue this process until it is a big bit of money. I would be hoping that when the minister gets up later he'll explain what people will qualify and what the intent of this \$10,000 is for. Is it to promote the New Democratic Party or is it to promote the education of labor standards or is it to promote the occupational health? What is the \$10,000 to be used for?

Now when I ask him that question, I should at this time (seeing as I didn't say this in my throne speech) say thank you to the minister for allowing me to assist in the choosing of a new occupational health doctor. I am glad to see that when he was called in to assist you as a consultant that he stepped on your fingers . . . (inaudible interjection) . . . Ask your minister. I am glad to hear that the Attorney General said that anybody who has anything to do with the Conservatives is a marked man. He says they are finished. Is that what he intends to do within the total government of Saskatchewan?

MR. DEPUTY SPEAKER: — Order! May I ask the hon. member to please confine his remarks to the bill and expedite the work of the House.

MR. KATZMAN: — Mr. Deputy Speaker, I will try to keep myself on the context if the Attorney General will remain quiet and not get himself too excited. I will stay on the bill, Mr. Deputy Speaker.

Let's talk about these \$10,000 grants. Where are we going to give them? Well, let's refer to the statement made by the Attorney General from his seat. The minister said he is going to give them to groups promoting things that they are interested in. Well, the Attorney General from his seat was saying that anybody who supports the Conservatives is a marked man. Therefore, he seems to suggest that anybody who has anything to do with the Conservatives, because he may be a strong believer in labor standards and wants information or is a strong believer in occupational health, won't be allowed to apply for these grants to get out the knowledge but those who are supporters of the NDP, because they're not marked — the Attorney General doesn't say they're marked — just Conservatives are marked he says . . . (inaudible interjection) . . . You know I am hearing noises from the little fellow who used to be in the back row but has moved up a row. As I said to you a long time ago, if I want anything out of you I'll come over and squeeze your head but there ain't anything worthwhile there. Now back to the bill.

MR. DEPUTY SPEAKER: — Order! I address my remarks again to both sides of the House. I don't think innuendoes or anything of this from either side should be permissible and I especially address this to members that have sat in this House previously. They know the rules and the regulations. We expect better from them. Carry on.

MR. KATZMAN: — I only speak the truth when I stand on my feet — not like the members opposite. Now let's go back to this bill. He says that with the approval of the Lieutenant-Governor in Council, the grants can be above \$10,000. Now who are we going to give these grants to, Larry Brown, CUPE (Canadian Union of Public Employees), who? I noticed in the paper the other day that some interested in my own union, CUPE, said they're going to give the NDP a lot of money and maybe this is the way you're going to say thank you to them for it — grants.

Well, Mr. Minister, I want to check the words you had to say and I want to go back to a lot of people in the industry I know, and they're within the union movement, and find out what your real intentions are. Therefore, Mr. Minister, I beg leave to adjourn debate, because I think I've got a lot more to say on this bill.

Debate adjourned.

HON. D. CODY (Minister of Telephones) moved second reading of Bill No. 22 — **An Act to amend The Saskatchewan Telecommunications Act.**

He said: Mr. Deputy Speaker, my remarks today will be brief . . . (inaudible interjection) . . . they'll be brief, Mr. Deputy Speaker, because this amendment is basically one of housekeeping.

This amendment will provide SaskTel with the opportunity to take advantage of some of the higher rates of interest available on today's short-term money markets. Other

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Crown corporations and the Department of Finance have been able to avail themselves of the opportunity of investing in high-yielding, short-term investments for some years now. Sask Tel, however, has been restricted to the kind of short-term, temporary investments in which it could invest. There are at the present time many issues of high quality, higher-yielding commercial and corporate offerings in which Saskatchewan Telecommunications cannot invest, because of the existing legislation.

This amendment will change that and result in SaskTel being able to make higher-yielding investments in the short-term money market. One benefit is that the higher yields will result in extra income, with no extra cost and no extra risk. In addition, Mr. Deputy Speaker, this amendment will facilitate the administrative operations of the Department of Finance with respect to the placing of investments.

Short-term investment opportunities have been available over the past 25 years. As the market initially developed, there were some concerns with the safety of the investments. It has been only very recently that there has been a way to check out the creditworthiness of corporation paper, both quickly and inexpensively. There is now a rating agency that provides a legal opinion on each prospectus as it comes onto the market. The rating agency does the necessary search into the credit worthiness of the corporation that is offering the paper.

The point is simply that the risk factor in these investments has virtually been eliminated. Because we are concerned with public money it is of course necessary to be prudent with regard to risk. This amendment is cognizant of that fact — the fact that investments, therefore, are limited to those outlined in section 36 of the revised Department of Finance Act.

Mr. Deputy Speaker, I think it's worthy of mention at this time that the reason why we in SaskTel have a good credit rating and have money to invest on short-term markets is because of the efficiency of the corporation.

Of course, with this efficiency of the corporation, we are able, in SaskTel, to give what I term the best rates in Canada. Of course, as we heard today during question period, there is some discrepancy with regard to the rates the Leader of the Opposition — I call him the Leader of the Opposition now because I'm not really sure who is going to be the leader — or the member for Indian Head-Wolseley (Mr. Taylor) makes.

I'd like to quote a few rates for him just to set the record straight and to make sure that we all know why we need this amendment. We need the amendment so that we can invest our money in short-term investments. I also want to, at the same time, tell the hon. member that we have an efficient corporation and an effective corporation and our rates are some of the best in Canada.

If a person takes the present rates at SaskTel you can go at a business rate — I direct this particularly to the hon. member for Estevan (Mr. Larter), a businessman — from zero to 18 miles and the business rate is \$2.40 per month. For residents it's \$1.20 per month; that's an addition.

Now let me just quote a few rates that you can get with regard to the total rates the hon. member for Indian Head-Wolseley (Mr. Taylor) was telling us about. He was saying that there are rates in Alberta as low as 6 to 10 cents. I don't know if they're as low as 6 to 10 cents but I do know that in the province of Saskatchewan they're as low as 6 to 10 cents.

Let's just look at the mileage toll rates, for instance. You can go from zero to 18 miles and the rate is 10 cents per minute. However, Mr. Deputy Speaker, if you make your call in the evening or on Sundays, you get a 35 per cent discount. This brings the rate down to 6 cents per minute. That sounds very much as though the hon. member was looking at our rates rather than those of Alberta.

We can look at the toll rate from 19 to 24 miles. What do you get? 12 cents per minute. If you take the 35 per cent discount for evenings and Sundays you get a rate of 8 cents per minute.

You can go from 25 to 30 miles, Mr. Deputy Speaker, and you get a rate of 14 cents; 31 to 36 miles and you get a rate of 16 cents. And if you take a 35 per cent discount, which I'm sure applies in Meadow Lake and Swift Current as well, you get a rate of something like 10 cents per minute.

Now, Mr. Deputy Speaker, I don't think that you can compare this rate anywhere else in the Dominion of Canada.

SOME HON. MEMBERS: Hear, hear!

MR. CODY: — There's little question in my mind about that.

AN HON. MEMBER: — No way.

AN HON. MEMBER: — No doubt about it.

MR. CODY: — And, Mr. Deputy Speaker, let me tell you also that you can phone practically to Winnipeg — I don't know exactly how far it is to Winnipeg but I imagine it's somewhere around 275 to 305 miles — and that rate gives you a rate of 55 cents for a minute; 55 cents for a minute, Mr. Deputy Speaker. And if you do this and if you make your phone call in the evening or on Sunday, you get a 35 per cent discount; that rate costs you a mere 37 cents.

AN HON. MEMBER: Hear, hear!

MR. CODY: — I think that's a tremendous rate, and I don't think even the people in Alberta have a rate such as this one.

AN HON. MEMBER: — No way.

MR. CODY: — I'm very doubtful. I'm going to be checking it out because I think it's worthy of checking.

AN HON. MEMBER: Hear, hear!

MR. CODY: — And I think it's necessary to check to make sure that hon. members from time to time are checked up so that people in Saskatchewan can be sure that SaskTel is keeping the rates where they can properly afford to make telephone calls.

Not only that, Mr. Deputy Speaker, I just want to read a few of the rates and do some comparisons. I did them the other day and I think they're worthy of doing again today, because I think it's worthwhile that we keep members opposite informed at all times of what the rates in Saskatchewan are compared to those rates in other provinces.

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Let's go to the residential rates one more time: Regina and Saskatoon for a telephone one month, \$5.85; a business rate, \$14.00. Let's go to Victoria, British Columbia, where I'm not sure if they have a Tory, Liberal, Social Credit government or a Liberal government or whatever they have . . .

AN HON. MEMBER: — All three at once.

MR. CODY: — . . . they've got a combination of sorts. Up there they have the rates \$7.65 for residential; \$19.70 for business people . . . (inaudible interjection) . . . and I always thought, Mr. Deputy Speaker, it was the Conservative party, the Social Credit party, who were in favor of giving business people better rates . . . (inaudible interjection) . . . Well I don't see that when I look at \$19.70 in British Columbia, in Victoria, and \$14 in Regina or Saskatoon.

Well, it's even worse, Mr. Deputy Speaker, it even gets worse when you go to the mainland in Vancouver. If you go to Vancouver what do you see, residential rates at \$9.25 and you have a business rate of \$27.75 a month for a telephone.

AN HON. MEMBER: — Shame, shame.

MR. CODY: — There's no such a thing in Saskatchewan as a \$27.75 rate for a businessman in Saskatchewan.

Well, we can even go to the Tory rich Alberta, the place everybody says we should all move to, the place with oil riches, the place for people who want to get cheap rates. We can talk about any kind of cheap rates we want; \$6.10 is what the phone bill costs you in Alberta, \$6.10 is what a residential rate costs you. And in Saskatchewan it's \$5.85.

AN HON. MEMBER: — How much is that, Don?

MR. CODY: — \$6.10 for a residential rate in Calgary; Edmonton, it's \$6.00; for the businessman \$15.90 in Calgary, \$17.60 in Edmonton. Mr. Deputy Speaker, I can go on and on telling the members across the way exactly what the rates are in Saskatchewan compared to the rates in other provinces . . . (inaudible interjection) . . . and maybe we should just compare one more rate, one more rate just to be sure that the members opposite really know that we in Saskatchewan do have a better deal and it's because of the programs and the kind of attitude that we in Saskatchewan have, we in SaskTel have for the phoning public in this province. I can go to any number of them but I think I should go to a Tory province because the members opposite are Tories. We can go to Toronto.

MR. L.W. BIRKBECK (Moosomin): — Point of order, Mr. Deputy Speaker. I think surely you were correct in calling our member for Rosthern (Mr. Katzman) into some measure of control. At a point he was wavering from what really should be the subject and that's the bill that is before the House. You stated your reasons for that were to expedite the work of the House and I concur with that judgment. I think surely, Mr. Deputy Speaker, that the remarks of the member who is introducing this bill really are not contained to the bill. I would appreciate it very much if his remarks would come back to the bill and we could get on with the business of the House.

MR. DEPUTY SPEAKER: — I think this is the time, in second reading, when the member can substantiate the bill. The opposition has the privilege of speaking to the bill. They

have the privilege of further study on the bill by adjourning it, which we have granted. I ask both sides to be as brief as possible yet be as clear and distinct as possible and define their positions. I think this is nothing but right. I ask the member to carry on please.

MR. CODY: — Well, Mr. Deputy Speaker, I just felt it was completely necessary to tell the people of this House and the people of Saskatchewan exactly why we needed to have the amendment for this bill. It is because of the fact of the efficiency of the corporation; it's because of the fact we have such low rates in Saskatchewan; it's because of the fact that with our low rate policy and the efficiency of the corporation it is necessary to have this bill. We need the bill. Simply, we need a small amendment so that we can invest in short-term securities. I think that's only reasonable.

It seems to me, Mr. Deputy Speaker, that the member for Moosomin (Mr. Birkbeck) would rather see me introduce a piece of legislation here today which would increase rates so that we wouldn't have the kind of rates we have in Saskatchewan. He would rather not have this short-term investment amendment, so that we can't invest our money in short-term and as a result give that back to the people by way of low rates. I really think it's just one of those kinds of things that we can expect from a Tory government, from a Tory opposition and from Tory governments in other provinces, where they don't want another Government of Canada to introduce any kind of legislation which may well give that corporation an opportunity to invest funds in short-term investments and as a result of those short-term investments give them on to the consumer of this country.

SOME HON. MEMBERS: Hear, hear!

MR. CODY: — I think it is only proper, Mr. Deputy Speaker, that I was able to tell the people today why SaskTel has these kinds of rates, why SaskTel is able to have money left available to them to invest in short-term securities. I think it's only reasonable and I think it just hit a little tender spot with the member for Moosomin (Mr. Birkbeck). I don't make any apologies to the people of Saskatchewan that we in SaskTel are efficient, that we in SaskTel have money to invest and that we are trying to now amend this legislation so that we can, in fact, invest our money in short-term securities.

Just to go on, Mr. Deputy Speaker, the new areas of investment to be opened are covered by the Canadian and British Insurance Companies Act and, therefore, have the protection of the rating agency which, I said before, was necessary because a lot of people were indicating to us that we didn't have that kind of credit rating. However, there is an agency now that investigates and we are able to get that kind of rating so there is no more risk. Mr. Deputy Speaker, as I said, this amendment simply gives Saskatchewan Telecommunications the opportunity to avail itself of some of the opportunities available to other Crown corporations and the Department of Finance. It is a virtually risk-free method of receiving a high return on the short-term investments the corporation makes from time to time.

Therefore, Mr. Deputy Speaker, it gives me a great deal of pleasure today to move seconding reading of this bill.

MR. W.C. THATCHER (Thunder Creek): — Mr. Deputy Speaker, in some ways I suppose we should thank the minister who has just spoken in some small measure for adding a little bit of life into this Assembly. For some strange reason which totally mystifies us on this side of the House, the Premier went to a great deal of trouble to resurrect him back

into politics and I must say as we watch him perform, the mystery becomes even greater. But nonetheless, Mr. Deputy Speaker, I was intrigued by some of his comments. I was intrigued about the efficiency that he was extolling about that Crown corporation known as SaskTel. I was intrigued about the funds that he was making reference to. I've forgotten the exact terminology that he used but I think he used the term: the large volume of funds which we have available for short-term investments. Well, Mr. Deputy Speaker, it happens that I had occasion this past week to go through a little bit of financial data and, of course, SaskTel does appear in some of the finances of this province . . . (inaudible interjection) . . . Well, now, granted I am probably not in the same financial league as what the member for Kelsey-Tisdale (Mr. Messer) is. I can't afford my own auditor as can the member for Kelsey-Tisdale. So, after we have done the budget speech, I will probably start to compute my income tax.

Mr. Speaker, if Sask Tel has the funds available for investment that the minister has indicated . . . for short-term; what is the difference, short-term, long-term? Tell me what are you doing with the \$328 million deficit? And I think that is the current figure and that is only at the end of March 31, 1977. That was before you borrowed the money in New York; that was before you borrowed the money from the Canada Pension Plan. If you have this kind of money, what are you doing making investments like this?

Mr. Minister, if you have this kind of money, why don't you start reducing the debt that SaskTel has? Now, what does the debt mean to the average person who owns a telephone in the province of Saskatchewan?

Fortunately for you, not very much, because if it did mean anything to them and if the power rate, for that matter, meant anything — the debt on the Power Corporation meant anything — you people probably would not be there. Unfortunately, I have a great deal more to say on this on Monday so I won't pursue it too much further. But every time somebody pays a phone bill for your efficient corporation, they pay interest on that \$328 million plus debt. Every time they pay a telephone bill, every time they make a long-distance call they are paying interest on that. And you have the gall to tell us about all these funds that you have available? Mr. Minister, if you have that kind of money then you start applying it where it should be and reducing that debt.

SOME HON. MEMBERS: Hear, hear!

MR. THATCHER: — And furthermore, Mr. Minister, I have every confidence . . . (inaudible interjection) . . . to the member for Kelsey-Tisdale who can afford an accountant where the rest of us can't, I want to tell you that on Monday we will be talking a great deal on you and will be happy to answer your questions at that time.

Mr. Minister in charge of SaskTel, I will predict that tomorrow the Minister of Finance (Mr. Smishek) — on the off chance that he should happen to conjure up his courage and arrive in the Assembly to read the budget speech, and I will make another prediction that he shows up after question period tomorrow. Anyway, to get back to the point, I have a feeling that he will announce in that budget more borrowing for SaskTel. Now, of course, if the minister would care to stand up and tell me that I am totally wrong — you might as well release the rest of the budget, actually. I will make another prediction. I will make the prediction that when they borrow the money for your corporation that they even go to that epitome of capitalism again — New York City and Wall Street. As far as the efficiency aspect is concerned, Mr. Deputy Speaker, we have every confidence that the minister in charge of SaskTel will bring the same degree of expertise to SaskTel that he brought as a hack to SGIO (Saskatchewan Government

Insurance Office). Thank you.

MR. G. MUIRHEAD (Arm River): — Mr. Deputy Speaker, seeing that I'm the critic for telecommunications, I want to add a few words. I couldn't believe what I was hearing. I really couldn't. I'm only a rookie and I don't have any fancy papers in front of me. He stood exactly 12 minutes, Mr. Deputy Speaker, talking about the low rates in Saskatchewan. Hurrah, I'm glad we have the lowest rates in Canada, I really am. But if we have such low rates, Mr. Minister, tell me if we're making such a profit, why don't you just lower them some more? Lower them down to a cost level instead of making profits on this telephone. When I pick up my telephone, Mr. Minister, I do not want to be making a profit for you to be investing into something else without the people in this province having a say.

SOME HON. MEMBERS: Hear, hear!

MR. MUIRHEAD: — I didn't think before the minister started I'd have too much to say as critic but now, Mr. Deputy Speaker, I'm going to study those words that he said and I beg leave to adjourn this debate.

Debate adjourned.

HON. D.W. CODY (Minister of Telephones) moved second reading of Bill No. 23 - **An Act to amend The Saskatchewan Housing Corporation Act.**

He said: Mr. Deputy Speaker, it is my pleasure today to introduce legislation which will make three amendments to The Saskatchewan Housing Corporation Act. These amendments will:

1. Raise the borrowing limit of the corporation from \$200 million to \$300 million;
2. Clarify the corporation's power to establish subsidiaries;
3. Add the University of Regina to those agencies eligible to receive student housing assistance.

Adding the University of Regina to the act as being eligible to receive student housing assistance is simply a reflection of the establishment of the University of Regina several years ago. The current legislation makes the University of Saskatchewan, plus such other agencies as may be determined, eligible for assistance. The amendment clarifies the corporation's power to establish subsidiaries and is intended to remove any doubt that this power does exist.

As I am sure all members of the House are aware, competent lawyers can and often do disagree on the interpretation of legislation. By this amendment, we are attempting to remove any possibility of future difficulties in this regard.

In 1977, the Saskatchewan Housing Corporation established a non-profit subsidiary known as Prairie Housing Development for the purpose of owning and managing non-profit rental accommodation for moderate income families throughout the province. As I am sure all members are aware, there was at that time a major shortage of rental housing at reasonable prices in Saskatchewan. While this situation has been alleviated to some extent by high levels of activity by the private sector, there continues

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to be a significant need for more rental accommodation in various areas. And let me say that the Prairie Housing Development Corporation is doing a very, very good job with regard to getting housing in areas where you can't necessarily use public housing. You don't necessarily have the private sector which wishes to go into small communities where there's development — communities such as the member for Shaunavon has in his area, that's Frontier where Frigstad have a plant — in those areas Prairie Housing Development Corporation will go in. And they're doing a tremendous job in that area.

In addition to the immediate objective of increasing the supply of rental accommodation, Prairie Housing Development was also founded with the intention of having a significant, long-term impact on the rental market. The non-profit nature of Prairie Housing Development means that rents in their projects will only increase as operating costs increase. Over the long term, Mr. Deputy Speaker, this will mean that tenants in these projects will experience relatively stable rents. It is our expectation that as the number of units built under this program increases, pressures will be felt in the private sector as well, to limit rent increases due to competition from the Prairie Housing Development Corporation.

The rapid increases in rent which required the introduction of rent controls several years ago, have now begun to moderate as vacancy rates increase. It is our hope that a significant, non-profit rental sector will help prevent any such situations from developing in the future. With the introduction of the new federal interest write-down subsidy, negotiations for which were successfully completed last year, Prairie Housing Development will be in an excellent position to provide non-profit rental accommodation at rents which are affordable by moderate income families. The new federal subsidy will be about equal to that necessary to reduce the effective interest rate on capital funding, from the market rate to just around two per cent. This subsidy, Mr. Deputy Speaker, when combined with other assistance from the Saskatchewan Housing Corporation, including design and project management services, will make it possible for good quality rental accommodation to be produced at rents in the lower end of the market range. Prairie Housing Development, because of the broad base that it is establishing throughout the province, will be able to meet the needs, not only in the larger urban centres, but also in smaller towns where a limited amount of rental accommodation is needed.

The increase in the Saskatchewan Housing Corporation's borrowing limit from \$200 million to \$300 million is required due to the high level of activity and investments by the corporation over the past few years. In addition to providing capital funding to the Prairie Housing Development Corporation, the Saskatchewan Housing Corporation has made major investments in land assembly and housing for low and moderate income families and senior citizens. As you know, in Saskatchewan, we have one of the highest levels of non-profit housing of senior citizens low-profit housing, of senior citizens low-rental housing, and . . .

SOME HON. MEMBERS: Hear, hear!

MR. CODY: — . . . of land assembly in Canada. And of course with our share of investments, we have to have additional borrowings so that we can further invest in these small communities.

The corporation's land assembly program, Mr. Deputy Speaker, has succeeded in making reasonably priced residential building lots available in centres throughout the province, including many of the smaller centres which are experiencing significant

growth. A major program of land acquisition in Saskatoon has assisted that city in its program of land development. In Regina, the corporation, in conjunction with Cairns Homes Limited, has undertaken the very successful development in the northwest sector of the city.

Another major area of investment by the corporation has been in construction of low-rental housing for senior citizens under the public housing program. Since 1971, Mr. Deputy Speaker, construction has been started on over 5,000 units throughout the province. This program has been so successful that in many of the smaller centres we are now beginning to meet the need for this type of housing, allowing greater concentration on the needs of senior citizens in urban centres, and also on the needs of families for lower rental housing. It won't be too long before I'll be able to announce many, many of the projects which we are now working on. We are sad to say that our budget has not been finalized with CMHC (Central Mortgage and Housing Corporation). And, of course, as everyone knows, you cannot announce public housing, senior citizens low-rental housing, or any amount of housing under the Prairie Housing Development Corporation without having a budget from CMHC. Until such time as federal government sees fit to tell us what that budget will be and what program level we are able to be at, we are not able to tell the people of Saskatchewan exactly the amount of housing units they will get.

Mr. Deputy Speaker, I take great pleasure today in moving Bill No. 20, second reading, to amend The Saskatchewan Housing Corporation Act.

SOME HON. MEMBERS: Hear, hear!

MR. H. SWAN (Rosetown-Elrose): — Mr. Minister, I've taken note of the comments that you've made with regard to this bill. We don't find that all the things you're saying about this bill are quite plausible. We are finding difficulty in agreeing with it. We would like to study it further. For that reason, I beg leave to adjourn debate.

Debate adjourned.

HON. A. MATSALLA (Minister of Tourism and Renewable Resources) moved second I reading of Bill No. 26 — **An Act respecting Regional Parks.**

He said: Mr. Deputy Speaker, I'm very pleased indeed to introduce the new Regional Parks Act for consideration of this legislature. This act will continue to be the authority under which the regional parks program assists local governments to provide outdoor recreational facilities for the enjoyment of local residents and tourists alike.

The regional parks program, Mr. Deputy Speaker, was introduced in 1960. The objective of the program at that time was to assist in developing a network of regional facilities within easy driving distance of the province's many small communities. Considerable progress has been made toward meeting that objective. And for the foreseeable future we will continue to assist in developing recreational opportunities.

SOME HON. MEMBERS: Hear, hear!

MR. MATSALLA: — Mr. Deputy Speaker, we are committed to helping local governments meet changing recreational needs, as well as the needs created by increasing tourist use. Much of the administration of our 99 regional parks is accomplished by local volunteers who serve on park authorities in a variety of ways, in

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park development as well as in day-to-day administration. I believe that these individuals deserve a great vote of thanks for their dedication and hard work.

SOME HON. MEMBERS: Hear, hear!

MR. MATSALLA: — The success of the program depended, and depends, on the local people. Initially, local people recognized need for recreation facilities within easy driving distance, and local people displayed willingness and demonstrated co-operation in the program. Their sincere interest and involvement in the program made development of local parks a reality. It is because of this generous attitude of local people that The Regional Parks program is a tremendous success. I want to say tribute and commend local municipalities and park authorities for their many contributions, moral support, financial and manual support towards developing facilities and providing for administration of local regional parks.

The regional park authorities did and are doing a good job, and I have confidence that with additional funding from this government, the park authorities will be in a better position to provide for better recreational facilities in their local communities. Mr. Deputy Speaker, many in this House will recall my announcement last October of substantial increases in maintenance and capital grants to regional parks. The new Regional Parks Act facilitates the establishment of this new funding formula, though the actual schedule of grants will be included in new regulations under the act.

Let me remind the House of the details of those funding increases.

1. There will be an increase in the provincial share of capital grants from 60 per cent to 66.66 per cent.

SOME HON. MEMBERS: Hear, hear!

MR. MATSALLA: — And I want to refer to the section in the act that will provide for this, and that's section 10 a and b. Now this section clarifies the power of the minister to establish the conditions governing the payment of, pardon me, it's section 12 a and b. I'm sorry, that refers to the maintenance grant, it will be section 9 where it provides for the minister to prepare a capital grant schedule according to the regulations. The next part of the funding is an increase in the provincial share of maintenance grants from 50 to 75 per cent. This is covered under section 10, subsections (a) and (b). It clarifies the power of the minister to establish the conditions governing the payment of the maintenance grants, as well as sections A and B which provide for a limit on the payment of maintenance grants to one year previous to when the maintenance costs were incurred. Mr. Deputy Speaker, you will note that this is a fulfillment of a promise made by this New Democratic government.

My department is aware of the increasing costs of the construction of recreational facilities and of purchasing recreational equipment. We are also aware that it is costly to maintain these facilities in good condition. I believe that these changes through grant programs are demonstrated proof that we are prepared to shoulder a proportion of those costs rather than leaving them for municipal governments to bear.

The new Regional Parks Act will deal with other areas relating primarily to improving park management. Specifically, provisions related to the following areas are included:

1. A procedure covering the adoption of by-laws and constitution by regional park authorities;
2. A clear procedure by which the financial commitments by the municipality and the province can be re-negotiated; here I would like to refer to section 5 of the bill. This deletes the requirement for municipalities to enter into a joint municipal agreement and application and to approve in its stead a by-law which would approve of the financial commitment for a stated period, a development plan for up to five years and a formal application for regional park assistance. This is the major change in procedure to establish the park authority.
3. A procedure governing the disposal of assets of a regional park authority should it ever be required; here I would like to refer the hon. members to sections 16 and 20 of the bill. Section 16 provides for restriction on disposal of land. The wording here is intended to restrict the disposal of land leased to a park authority without the mutual consent of the minister and the municipalities.

Then I would like to refer to one other section in the act and that is section 22 which provides for the appointment of an auditor. Now this section is amended to require park authorities to appoint an auditor one month earlier than stated in a former act to alleviate the difficulty in obtaining audited statements.

I think we could refer to section 23 as well because it also refers to the audit. Here, what it does is to advance the required deadline for preparation of audited statements, from March 1 to no later than December 31 of any year.

Mr. Deputy Speaker, the regional parks program has been well accepted throughout Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

MR. MATSALLA: — Saskatchewan's utilization of regional parks is constantly increasing. There also appears to be little doubt that the escalating costs of energy and other increasing expenses may soon make recreation, at places distant from home, prohibitive for many people. These people will almost certainly turn to regional parks to provide recreational opportunities closer to home.

I believe that the new grant formula, Mr. Deputy Speaker, and the other provisions of this bill are aimed at the changing roll of the regional park system and will assist the province's regional parks in meeting the increasing demand for recreational facilities close to home. I believe this legislation will be well accepted by the citizens of Saskatchewan and ask all members of the House to give this bill their full support. I suggest we agree to second reading of this bill this afternoon so that we can proceed with the beneficial changes provided in this legislation.

Mr. Deputy Speaker, I take great pleasure in moving second reading of Bill No. 26, A Bill to amend the Regional Parks Act.

MR. L.W. BIRKBECK (Moosomin): — Mr. Deputy Speaker, I can appreciate the Minister for Tourism and Renewable Resources wanting to proceed with quick passage of this bill and I can appreciate that the legislation is going to be beneficial to the people of Saskatchewan. We thank the minister for introducing the legislation. At this point we do not anticipate any problems with it and I would like to assure the minister that we will

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be working with him and helping him to assist in getting quick passage of this bill but I'm sure that our critic for the Department of Tourism and Renewable Resources, the member for Wilkie (Mr. Garner) will want to have a few words to say on this bill and I may have too. Accordingly Mr. Deputy Speaker, I beg leave to adjourn debate.

Debate adjourned.

The Assembly adjourned at 4:24 p.m.