

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

**Friday, April 20, 1979.**

The Assembly met at 10 a.m.

On the Orders of the Day

**QUESTIONS**

**Sale of Golden Acres Motel**

**MR. W.C. THATCHER (Thunder Creek):** — Mr. Speaker, a question to the minister in charge of SEDCO (Saskatchewan Economic Development Corporation). Mr. Minister, April 29 has come and gone and this is now April 20. Would you expand further on your announcement of some time ago regarding the sale of the Golden Acres Motel, and would you inform this Assembly of the terms and conditions, since April 19 was your own date that you chose? It is now April 20 and we are waiting with baited breath.

**HON. N. VICKAR (Minister of Industry and Commerce):** — Mr. Speaker, I am glad to note that the hon. member is still waiting. Yes, I made the statement in the House that the date was the 19th of April. I've found out that that was an error on my part and I am sorry for that. However, Mr. Speaker, the date is April 30 and I will have an announcement to make immediately after that.

**MR. THATCHER:** — Mr. Minister, you have used that April 19th date on more than one occasion and when questioned about it on prior occasions in this Assembly, I heard no correction at that time. Is the minister prepared to stake his reputation in his constituency on the line, that Golden Acres will be sold by April 30? I won't say reputation because you have none, but will you stake your constituency on that April 30th date?

**MR. VICKAR:** — Mr. Speaker, if the hon. member would refrain from making public statements and if the hon. member would refrain from making press statements with regard to Fairview Developments, we might have had it sold a long time ago. Furthermore, this does not help the sale of that property, and if you will just abide a little bit of time, we will sell that property and you will get all the information that you are requiring.

**MR. THATCHER:** — A supplementary question, Mr. Speaker. Mr. Minister, isn't it true that you have not, in fact, sold that property? Isn't it true that you have been misleading this House all the way along and isn't it true that you are again deliberately misleading it this morning?

**MR. VICKAR:** — Mr. Speaker, no it is not true.

**Conflict of Interest Bill**

**MRS. J. DUNCAN (Maple Creek):** — Mr. Speaker, question to the Attorney General. The term male chauvinist pig is a widely used and widely accepted term in today's society. In response to the conflict of interest bill introduced in this legislature the other day, how dare you make MLA's wives nothing more than second class citizens by forcing them to disclose?

**HON. R.J. ROMANOW (Attorney General):** — I'm not sure whether I have to answer for male chauvinism or for why male spouses of female MLA's have to disclose. I'm not sure that I understand the question, but I am going to interpret the question as being, why is the principle one that involves disclosure of spouse's holdings, in addition to MLA's. The obvious answer, I think, among other reasons is that there is here an obvious escape route (if I can put it that way) for an MLA to divest certain holdings and put them in the hands of a spouse and thereby avoid the question of revelation or perhaps even get herself or himself involved in a potential conflict with government. We have, I think, drawn a bill which doesn't go to the total revelation of all assets of every person, male or female, MLA or non-MLA, in the marital union. We haven't gone that far. I think we have drawn a very carefully worded bill which draws a balance between the right of the MLA or the spouse of that MLA, to carry on private activity and the duty of all of us, personally or through our marital union, to satisfy the public that we're not getting into a conflict situation either directly or indirectly. Now that's what I assume the member is asking. If I am wrong she can come back at me with another question, but I don't think the bill exhibits any kind of chauvinism at all. I think it treats spouses equally.

**MRS. DUNCAN:** — Well, would you not agree that this bill is in total conflict with the Bill of Rights that guarantees women equality as individuals under the law?

**MR. ROMANOW:** — Well, Mr. Speaker, what is the hon. member saying? Is the hon. member saying that because of the Bill of Rights we should water down the conflict of interest legislation? Is that the situation? It's a very tough judgment call that has to be made. I tell the members of the House, as I've said to the members of the press, conflict of interest legislation is a difficult piece of legislation. I don't know if you get uniformity across the piece of those provinces who have passed it as it is. The issue of spouse is the one you raise as an example of the complicated or difficult aspects of it. If the opposition says the bill is too strong because it incorporates spouses. I'd be pleased to hear the arguments. My position is — I'm sure it's the government's position — there's the bill as a policy position. We're prepared to entertain House amendments or suggestions to strengthen it, not necessarily to weaken it but to improve it. (I'll use those terms), if you want to make those suggestions. But that's the proposal that we advance for the reasons that we've advanced.

### **Misleading Land Bank Statements**

**MR. R. PICKERING (Bengough-Milestone):** — Mr. Speaker, a question to the Minister of Agriculture (Mr. Kaeding). Yesterday, Mr. Minister, you finally admitted that Miss Susan Argue farms land bank land while sub-leasing her own land, contrary to the intent of the land bank program. You also said the reason was the land was 40 miles away. The fact is that all the farm land that Miss Argue has is within a five mile radius. Will the minister now tell this Assembly why he has been deliberately misleading the House with his responses over the past week?

**HON. E.E. KAEDING (Minister of Agriculture):** — Mr. Chairman, I will want to concede that yesterday when I made the reply that I was aware of the parcel that was 40 miles away which she had (which is a quarter section), I had not at that time checked back to see that she had additional and closer to home, which is also under lease. We have informed her that we see that to be an unfortunate circumstance. There's nothing wrong with it, nothing illegal about it, but we have said to her that we don't think that that's a proper way to operate under the land bank program . . . (inaudible interjection) . . . I didn't make an improper statement yesterday. I simply indicated what I was aware of. I checked this last night and I find that she does have some property close to home which

has been leased out on a short term and we have indicated to her that we don't think that is appropriate. I certainly don't think that is reason for cancellation of contract.

**MR. PICKERING:** — Supplementary, Mr. Speaker. Is the minister aware that the three quarters of land bank land that Miss Argue has and the half section that she subleases of her own, is only four and one-half miles away from the land bank land?

**MR. KAEDING:** — Mr. Speaker, I understand that it is not that far away. I don't know how many miles it is away.

**AN HON. MEMBER:** — Go down there and find out.

**MR. KAEDING:** — I am sure that is not my job. But nevertheless, the fact remains that there is nothing illegal about her subleasing some of her own land. She is not subleasing land bank land. We have indicated to her we think that is really not appropriate. She has indicated that while her term of her lease is for another year, she is prepared to make the proper adjustments.

**MR. J.G. LANE (Qu'Appelle):** — A supplementary to the minister. My question to you is, why is it that every time you have responded to a land bank question your immediate response says that the opposition is making an inaccurate or a false allegation? It turns out that every time it has been true. After you have checked with your officials you still come back and give us false or wrong information. Now, what are you trying to accomplish? Are you merely playing a little politics with this or are you trying to deceive the House? In fact, when are you going to start coming clean, quite your mistruths, false statements (and I could use another word, Mr. Speaker) because that is what you have been doing.

**MR. KAEDING:** — Mr. Speaker, I want to deny that. I did not make a false statement. I was simply not fully informed yesterday, when I made the official position. I did not give you a false statements. I think I have made the appropriate statements.

### Notice of Questions

**MR. R. L. COLLVER (Leader of the Opposition):** — I would address my question to the Premier of the province.

Yesterday, in the question period in this Assembly, we heard a number of ministers, quite a number of ministers, give notice to questions. Those questions that were answered were incorrect, at least the ministers were not informed. Is this a new policy of your government that ministers are going to provide either no information . . .

**MR. SPEAKER:** — Order, order! If the member has a question I will take it.

**MR. COLLVER:** — I have already given it, Mr. Speaker. Is it the policy of the Premier of Saskatchewan to instruct the ministers to either misinform this Assembly or not inform them at all?

**HON. A.E. BLAKENEY (Premier):** — The answer so the hon. member's question is no. There is no such policy nor is there any basis for assuming there is such a policy.

Re Paul Hleck

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**MR. G. MUIRHEAD (Arm River):** — Mr. Speaker, a question to the Premier. In the public accounts, under government services, I see where a Paul Hleck and Associates received \$50,707.30 for services. My question to the Premier, is this the one and same Paul Hleck shown as director of CCF-NDP Publishing and Printing Company, which name appears in the document I have here?

**MR. BLAKENEY:** — My understanding is that the answer is yes. I am not here to answer for the CCF Publishing and Printing Company Limited, which is a private company, but the answer is yes, it's the same Paul Hleck.

**MR. MUIRHEAD:** — Supplementary. Thank you, Mr. Premier. Mr. Speaker, I have been refused a certified up-to-date list of the shareholders of CCF Publishing and Printing Company and would you, Mr. Premier, see that I get an up-to-date list, please?

**MR. BLAKENEY:** — I will do no such thing. They are under no more obligation to provide you with a certified copy than is any other company, of which the hon. member for Qu'Appelle (Mr. Lane) may act for, obligated to provide me with a certified copy of his shareholders list. Your right is to get one which is filed at the companies branch and if there is a . . . (inaudible interjection) . . . now, just hold on, hold on, hold on. I am going to answer this question. I am saying your right is to get what is filed at the companies branch, and you can look at it there, and I'm sure that they will make you a copy. I'm sure they'll make you a copy as well as they will make of any other financial statement . . . (inaudible interjection) . . .

Mr. Speaker, I'm having a little bit of trouble because the hon. member for Qu'Appelle (Mr. Lane) makes his best speeches from his seat. If he wishes to direct a question, I wish he would do so . . . (inaudible interjection) . . .

**MR. MUIRHEAD:** — Mr. Speaker, Mr. Premier, I have been flatly refused at the registrar's office, by the registrar, flatly refused, but the list they did give me is as phony as a three dollar bill . . . (inaudible interjection) . . . and now they refuse to give me the new up-to-date one. They refuse. What are you going to do about it, Mr. Premier?

**MR. BLAKENEY:** — Look, we've been through this last week, and I'll go through it once again, once again.

**AN HON. MEMBER:** — Pay attention.

**MR. BLAKENEY:** — The obligation of the registrar is to let you have what's on the file. The obligation of the company is to file that which is on their share record, not anything up-to-date. Their obligation is to give you a list of shareholders as they appear on the company records.

**MR. BERNTSON:** — Is this an amendment to The Companies Act?

**MR. BLAKENEY:** — Look, I'll take this once again, once again. A company's obligation . . . (inaudible interjection) . . . Mr. Speaker, I will go over it for the purpose of the record. A company's obligation is to file with the registrar a list of their shareholders as shown on their shareholder's record.

The obligation of the companies branch is to allow the public to observe that share register. It is not the obligation of a company to alter its share register if it hears that a shareholder is dead. In fact, it would be illegal for them to do so and when the member

suggests that a company has an obligation to update its share register by changing its share register without the personal representatives of the estate having filed anything with the company, he is wrong. The company that did that would be acting illegally. The company that did that would be trying to determine who is the appropriate owner of the shares that are registered in the name of the dead man. That is not the obligation of a company. The obligation of a company is to place with the companies branch.

**MR. SPEAKER:** — Order! I am going to take this opportunity, even though it is in the question period, to raise a point of order, because we have gone beyond the point that patient people can observe. We are taken beyond that point by the member for Qu'Appelle (Mr. Lane) — continued interruption during question period and at other times. I have taken the opportunity before and I take it again to warn the member for Qu'Appelle that he is not acting in parliamentary tradition. If he has questions he should rise and ask them.

Every member has the right to ask a question and every member has a right to respond to the question. If the member for Qu'Appelle insists on interrupting I am going to take whatever action is necessary to bring the member for Qu'Appelle to order.

**MR. BLAKENEY:** — Mr. Speaker, I think I have made the point. I hope I understood the hon. member's question — that he was saying the share register was not up-to-date and he couldn't get an up-to-date one. I am saying the obligation of the company is to provide the companies branch with the share register as it appears on the books of the company. It is illegal for them to update it in a way that the hon. member is apparently suggesting they should. The companies branch provides the register which is provided by the company. So far as I can see, the companies branch has done everything that the law requires. Again, so far as I am able to ascertain, that is the question which the hon. member is asking.

**MR. MUIRHEAD:** — New question, Mr. Speaker, to the Premier. As stated by the Premier some time ago in this House, when he laughed off these things, (he thinks everything is funny), he said . . . it's quoted in Hansard . . . that all provinces in Canada do the same thing — the government dealing with the party. You made that statement — it's done all over. I, Mr. Speaker, have contacted five provinces . . .

**MR. SPEAKER:** — Order, order! Does the member have a question?

**MR. MUIRHEAD:** — Yes.

**MR. SPEAKER:** — Can the member get to the question? Order, order! I wonder if the member for Arm River (Mr. Muirhead) can review the rules which govern the question period? This would save us a lot of trouble in the question period.

And if the member has a new question, the member is not allowed a preamble. The member must understand that the question must be of sufficient urgency and importance to require an immediate answer. The member must not give information but must seek information.

**MR. G. MUIRHEAD (Arm River):** — Thank you, Mr. Speaker. My question to the Premier is this. Can you explain to me why the other provinces of Canada completely contradicted you and said they have never done such a thing and they would be ashamed to do so?

**MR. SPEAKER:** — Order, order. I'll take a new question

**Norcanair Service to Prince Albert**

**MR. J. GARNER (Wilkie):** — Mr. Speaker, a question to the Minister of Municipal Affairs (Mr. MacMurchy). Approximately two weeks ago, Mr. Minister, I brought it to your attention about Norcanair cutting its early morning flight from Prince Albert. Since you were aware of this, you said that you would be looking into it and reporting back to this House. Have you got any information for me, Mr. Minister?

**HON. G. MacMURCHY (Minister of Municipal Affairs):** — Mr. Speaker, I have written to Norcanair and I have received a reply from Norcanair which really didn't provide me with any more information than had been provided publicly to the press. Mr. Lloyd, in responding to my letter, said that he would be pleased to meet with me in my office to further explain the position of Norcanair. We've not yet had an opportunity to meet basically because of my problems rather than his problems. I'll be seeking to arrange such a meeting as soon as possible.

**MR. GARNER:** — Supplementary question Mr. Speaker. Mr. Minister, since you're going to have a meeting with him, I think at that meeting you should discuss that Norcanair is going to be cutting 14 more flights in the province of Saskatchewan. We have literally no air service in the province of Saskatchewan. Mr. Minister, this is urgent. When will you be meeting with the president of Norcanair to confirm when we can start having better air service in the province?

**MR. MacMURCHY:** — Well, Mr. Speaker, I will certainly be discussing with Mr. Lloyd and Norcanair officials (if other officials come) not just the narrower issues of the Regina-Saskatoon-P.A. but the broader issues of their future plan. I would hope that we can arrange such a meeting within two to three weeks.

**MR. GARNER:** — Final supplementary, Mr. Speaker. On April 29, these 14 more flights will be cut. This meeting will have to take place before that, Mr. Minister, or our air travel that is in trouble right now, is going to get worse. Also, when will you be meeting or discussing with the Yorkton Chamber of Commerce about the CTC (Canadian Transport Commission) proposal that they were suppose to have air service last summer?

**MR. MacMURCHY:** — Mr. Speaker, I met with Yorkton City Council, in response to the last issue raised by the hon. member. They are pressuring (and we're supporting that pressure coming from the Yorkton City Council) for the good times to come to Yorkton as they have come to Saskatoon and Regina. In other words, they are requesting and we're supporting that request for Pacific Western or Transair to provide service to Yorkton. I understand that a market study is being done by that company in consideration of providing service. I have not heard from PWA about the results of that particular market survey. It will be subject to such a survey.

The hon. member knows there's a long history relating to air service at Yorkton. We have found, from our experience, there was more than enough difficulty with the federal Minister of Transport in looking at past history. I would say that without his intervention we would have had air service to Yorkton as long as three years ago.

**MR. LANE:** — Mr. Minister, you've had, as indicated in the Assembly beforehand, a

substantial difference of opinion with your federal NDP colleagues as to the extension of competition to Air Canada by CP Air.

In addition to talking to Norcanair about their service in Saskatchewan have you or will you make representations to CP Air to have them extend their service to Regina and Saskatoon?

I know its contrary to Les Benjamin's policy, but would you in fact make those representations?

**MR. MacMURCHY:** — Well, Mr. Speaker, I've not to this point made representation to CP Air. I have been dealing with Air Canada and PWA. I find that our government relationship and my relationship with those two companies is extremely satisfactory. That's not to say that we're totally pleased with what's happening but our relationship is a positive one. I think as long as we can continue that and as long as we can see those two companies expanding their services and giving consideration to expanding their services as they're doing, it will not be necessary, at this point in time at least, to contact CP. That's not to say that at some point in the future we would not be in touch with CP with respect to air service.

I have not had, to this point, any contact from CP Air about service to Saskatchewan, although I understand that the door has been open to provide service to this province.

### **CCF Publishing and Printing Company**

**MR. COLLVER:** — Mr. Speaker, I direct this question to the Premier. The Premier went through a long legal dissertation today with reference to the CCF Publishing and Printing Company and the necessity for a shareholders list.

The Premier will also be aware that there is a requirement under The Companies Act in Saskatchewan to provide to the registrar the correct registered head office of any corporation in Saskatchewan. Would the Premier kindly tell this Assembly where 510 Kerr Block is, which is the registered head office according to the registrar of the CCF Publishing and Printing Company Limited.

**MR. BLAKENEY:** — Mr. Speaker, I am not here to tell him where the Kerr Block is or any other address in the city of Regina. He can find it in the phone book. It is there or it isn't there and it is not the purview of the Government of Saskatchewan to advise the Leader of the Opposition about addresses in Regina, however much he may need that information.

**MR. COLLVER:** — New question, Mr. Speaker. Since the Provincial Secretary (Mr. Cowley) is not here, and I presume the Premier can speak for his government, and since the Premier is responsible for the activities of the companies branch, when are you going to ask the registrar to enforce against CCF Publishing and Printing the same way you ask them to enforce against every other company in the province of Saskatchewan?

**MR. BLAKENEY:** — Mr. Speaker, I would be happy to tell him that the answer is that those have been the instructions and will continue to be the instructions. And if, in fact, there is a defect in the CCF Publishing and Printing Company return and the hon. member will assure me that that is the only company in Saskatchewan that has a defect in its return, or in the alternative that there have been defects in location of head office

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which have been enforced against other companies and haven't against the CCF Publishing and Printing Company Limited, then he will have a case.

If he is saying that there is generally no enforcement by way of a check on the head office, which I suspect to be the case, then he is saying that what is true of the CCF Publishing and Printing Company Limited, is true of every joint stock company in the province and I suspect that to be the case.

**MR. COLLVER:** — Final supplementary, Mr. Speaker. Since the Premier is aware that 510 Kerr Block no longer exists, since the Premier is aware that that has been the registered head office of CCF Publishing and Printing Company Limited for the last four years, would the Premier kindly instruct, today, the registrar of joint stock companies in the province of Saskatchewan to insist that the CCF Publishing and Printing Company Limited be struck off the records?

**MR. BLAKENEY:** — Mr. Speaker, the hon. member, I think, should look at the way that the companies branch has operated for many, many years. I am not aware of . . . (inaudible interjection) . . . no, I say this, I say the suggestion of the Leader of the Opposition that I, as Premier, should instruct the registrar to strike off any company, today, because of a clerical defect (if in fact there is one) — if I could do it with respect to Management Associates, I could do it with respect to any number of companies in this province. I say that it is entirely inappropriate for the Leader of the Opposition to suggest that the Premier of this province ought to instruct any public servant, contrary to the provisions of The Companies Act, to have any company struck off on the say so of the Premier.

The Companies Act provides for that company and for every other company a period of time and the company . . . (inaudible interjection) . . . the company requires that the registrar give that company time. I say to you that if you are suggesting that I, as Premier, ought to instruct that man to strike any company off the record then you are saying something about what you would do if you were Premier and every businessman in this province ought to know that if the member for Nipawin (Mr. Collver) were Premier and there was a clerical defect in their return, they would be struck off the record.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BLAKENEY:** — They ought to know that. I want to underline the fact that while it is the policy of the Conservative Party to strike companies off the record on the say-so of the Premier without an opportunity to correct the defect, while that is the position of the Conservative Party, it is not the position of our party. There are hundreds of small business companies with defects in their records, hundreds of them. I say to the small businessmen of Saskatchewan if that is the policy of the Conservative Party it is not the policy of our party. I am proud to say that we would not treat small businessmen in that way.

**SOME HON. MEMBERS:** — Hear, hear!

### **Point of Order on Question Period**

**MR. COLLVER:** — Mr. Speaker, before the orders of the day, I would like to call the attention of Mr. Speaker to the rules of this Assembly. I would like to suggest to Mr.



Speaker that by raising a point of order in today's question period, and by raising this point of order against the rules of this Assembly, Mr. Speaker, has set two rules — one for himself and one for the members of this Assembly. I wonder, Mr. Speaker, if in taking up more than four minutes of the question period today by raising a point of order, you are not, yourself, sir, with all due respect, in contempt of the rules of the Assembly.

**MR. SPEAKER:** — I am delighted that the Leader of the Opposition (Mr. Collver) raised that point of order, because I think it's a point of order that has to be dealt with. When the question period, in my view, becomes so disruptive and so unruly that I feel the question period cannot proceed, it is my duty to interrupt it. I think that is quite clear. That same rule applies to the operation of this House. If this House becomes so unruly and so disruptive that in my view it should not continue, I may adjourn the House like that.

I feel the same applies to this question period. When the order of the question period is totally disrupted by one member, and that member continues to disrupt it, then I will rise on a point of order. If at any time there's a point of order with regard to some other matter, I will hold my point of order until orders of the day, the way all other members should, and I think that is being fair.

Now the member for Nipawin (Mr. Collver) raises this question, and it is the first time it has been raised with regard to the operation of the question period. But this is one of the first times that the question period has become so unruly that I felt it was necessary for me to interrupt the order of the question period. The rules of the Legislative Assembly are quite clear, and I'll cite rule no. 18 under the heading, Decorum. I'm sure that the member for Nipawin (Mr. Collver) is interested in the decorum of this Chamber, having heard him expound considerably on this before. I'll take this opportunity to read the rule to the member for Nipawin and any others who may care to listen. The rule says:

Mr. Speaker shall preserve order and decorum and shall decide questions of order.

Now that is very clear. There are a number of subheadings here dealing with the rules of order. I am glad the member for Nipawin brought this up because I think we should get it settled once and for all.

**MR. COLLVER:** — I couldn't agree more with your comments today that it is Mr. Speaker's job to preserve order. But at the same time . . .

**MR. SPEAKER:** — Order! Is the member commenting on my rule of order?

**MR. COLLVER:** — Certainly not! To the point of order, sir, I'm raising the point of order that Mr. Speaker is required to live with the rules of this Assembly, just as we are. The rules of this Assembly quite clearly state that no point of order may be raised during question period. It doesn't say by whom. It says no point or order. That was a rule that all of us in this Assembly agreed to. That rule of . . .

**MR. SPEAKER:** — Order! I think I understand the member's point of order. Let me carry it a step further so that the member for Nipawin can understand what I'm saying. Suppose that total bedlam broke out in the House; suppose that people were throwing things from the gallery in the question period; suppose . . .

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**AN HON. MEMBER:** — . . . Speaker couldn't do anything about it.

**MR. SPEAKER:** — Order! . . . suppose it became so disruptive that no one could hear anything — this has happened in Parliamentary Chambers before — suppose that had happened? Then the Speaker would have to interrupt the question period. He would have to call order and that's exactly what I was doing today. The members may disagree with the degree of disorder but I stand beside the comment I made earlier. The question period was in disorder and it was due to a member who was consistently, from his seat, shouting across the Chamber. I felt it was time to interrupt the question period. I have had this happen before. It has not been the first time. I will, in future, if it happens again, if the question period becomes totally disruptive, I will call it to order, whether it's before orders of the day or during the question period.

**MR. J.G. LANE (Qu'Appelle):** — I want to raise a matter of privilege of the Assembly, Mr. Speaker. One of the matters, which I think is basic to debate in this Assembly, is that during question period ministers are required to tell the truth, to be accurate in the information or take it as notice and then check it out. We seem to have had a concerted effort by Cabinet Ministers opposite to say one thing on one day, completely contradict themselves or be so totally inaccurate it just boggles the mind. It is close to that line which we are not supposed to cross . . .

**MR. SPEAKER:** — Order, order! I want to know . . . the member is debating. It is his point of view that that is happening. If the member believes a rule has been broken, please cite the rule, don't bring me into the debate, just cite the rule so I can decide whether the rule has been broken or not.

**MR. LANE:** — Mr. Speaker, the matter of privilege is simply that we have seen a continued effort to completely mislead and not to tell the truth.

**MR. SPEAKER:** — Order, order!

I have to know from the member, what rule he is referring to that has been broken.

**MR. LANE:** — The rule is that the truth has to be told. We can't call people liars because it is highly recognized and the tradition of this House is that we don't do it because we assume that members are, in fact, telling the truth. I say to you that when it is a concerted effort, that that is not being applied, the long tradition of this Assembly is not being applied, that that is a breach of the rule and the customs of this House, Mr. Speaker.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. SPEAKER:** — Order!

I might remind the members — this is citing from Beauchesne's Parliamentary Rules and Forms, Fifth Edition, No. 19:

A dispute arising between two Members, as to allegations of facts, does not fulfill the conditions of parliamentary privilege.

The member was citing that his point was privilege. I ask the member to cite what rule is being abridged. The member has cited no rule which has been abridged, therefore, the member's point of order is not well taken.

**MR. COLLVER:** — Mr. Speaker, I want to rise on a point of order and to say very succinctly and very clearly that all of the comments you have made today, I agree with, Mr. Speaker. I believe that, Mr. Speaker may call the House to order when it becomes disrupted, but Mr. Speaker may not raise a point of order during question period, which is what happened today.

I suggest, Mr. Speaker, that if we check the rules, you may call the House to order but you may not raise a point of order. You are just as much responsible to the rules of this Assembly as are all other members.

**MR. SPEAKER:** — I wonder if the member could impress that upon his member who has been abusing the privileges of the House? I was attempting to call the House to order several times. The member for Qu'Appelle (Mr. Lane) was ignoring me. I said yesterday (and if the member for Nipawin wasn't here, he should review what happened in this House yesterday) that if the member for Qu'Appelle has no respect for me personally, then the member for Qu'Appelle should respect the Chair. If he can't respect the person who is in it, then he should at least respect the institution of the Chair.

I suggest to the member for Nipawin (Mr. Collver) that he check what happened yesterday and he check the continued interruption of the member for Qu'Appelle. If it happens in the question period again, by the member for Qu'Appelle or some other member in this House, I will do the same thing as I did before, until such time as this House instructs me otherwise.

**MR. KATZMAN:** — On a point of personal privilege, Mr. Speaker. Several weeks ago I raised on a point of privilege at an evening sitting and asked you to make a ruling. Would you have any idea when you will be bringing down that ruling?

**MR. SPEAKER:** — Would the member be more specific about what he is referring to?

**MR. KATZMAN:** — Mr. Speaker, it was regarding a statement the Attorney General (Mr. Romanow) attributed to this side of the House. I stated where it was disputed in the facts and that Mr. Robbins had made a statement (and it's in Hansard) at such and such a time and the figures were such and such and you suggested that you would check the ruling to give me a ruling that Mr. Romanow's accusations were incorrect at the time.

**MR. SPEAKER:** — In the Debates and Proceedings on page 1336, April 3, 1979, in the evening, the member for Rosthern (Mr. Katzman) rose on a point. I checked it carefully and I came to this conclusion. There appears to be a difference of opinion in debate. I can find no case for privilege, or for that matter, interruption of the nature of which occurred. I will refer the member to Beauchesne's Parliamentary Rules and Forms, Fifth Edition, No. 19.

A dispute arising between two members, as to allegations of facts, does not fulfil the conditions of parliamentary privilege.

That's on page 12 of the Fifth Edition.

**MR. KATZMAN:** — Mr. Speaker, if I remember correctly, in my question I said that the statement that Mr. Romanow attributed to me was Mr. Robbins' statement, not mine. That was the point I was asking you to rule on, not what you seem to have ruled on.

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**MR. SPEAKER:** — I want to encourage the member to go back and read debates for that particular day. I read them and actually I found the point unintelligible. I found it unintelligible to a great extent. So I was really feeling in the dark to come out with what ruling I did.

Now I am sorry, but if what is down on the paper is not more intelligible to me, I can't make a firmer ruling than what I did on this.

I think if the member has a point he should probably come and see me about it because I don't want to take up the time of the House on it and I am sure other members have other things they want to do.

## **SECOND READINGS**

**HON. N.E. BYERS (Minister of Northern Saskatchewan)** moved second reading of Bill No. 63 — **An Act to amend The Northern Saskatchewan Economic Development Act.**

He said: Mr. Speaker, I want to offer some comments on the amendments contained in Bill No. 63 concerning The Northern Saskatchewan Economic Development Act.

Mr. Speaker, the public housing program administered through the Department of Northern Saskatchewan has a two-fold purpose. In addition to provide the actual shelter for many northern citizens of our province, the program serves to maximize the use of local northern manpower forces in the actual delivery of housing. The majority of persons engaged in constructing houses are of northern and native ancestry.

This is one of many program on which the Department of Northern Saskatchewan places a high priority on job creation for northern people. Last year, Mr. Speaker, more than three-quarters of the jobs generated by the public housing program were filled by northern people.

Mr. Speaker, to continue with the public housing program the actual authority with respect to the acquisition of land on which to erect such housing is necessary.

In a number of cases in the past, the public housing program was aimed or directed with a degree of administrative inconvenience to specifically avoid the necessity for the acquisition, through whatever sources, of land for such purposes.

In a number of communities, the actual placement of housing was restricted because no mechanism was available to obtain suitable land to meet this need. This bill, therefore, contains two important amendments designed to rectify the authoritative shortcomings and legal restrictions that the Department of Northern Saskatchewan has been grappling with for some time. The amendments are therefore administratively essential and I am confident that all members will recognize the need for introducing them.

The first amendment in this bill expands, somewhat, the authority for the provision of advances from the consolidated fund to the northern housing account. To ameliorate any suspicion and avoid any undue panic by members of the opposition, I should point out at the outset, that the actual level of the advance account is not being altered in any way.

Technically, the amendment of clause d of subsection 21(1) of the act allows for some expanded authority to the northern housing advance account to acquire land, whether through direct land purchase or otherwise, which is necessary to develop and maintain housing projects.

Mr. Speaker, the second amendment to the act is slightly broader in concept but the provision is very straightforward and I shall not dwell too extensively on it. For the benefit of the members opposite I shall attempt to reinforce the following points.

The Department of Northern Saskatchewan has, during the last few years, attempted by various means to strengthen northern local government, particularly at the community level where all the action dealing with local municipal-oriented affairs is in existence. One of the legislative measures taken a year ago was to enhance the decision-making process at the local level. In response, the message from the local level was very clear, that the departmental approach was the proper one; it was well received.

Consistent with this strategy, the department intends to continue, on a progressive basis, to provide for more responsible action on the part of northern communities. In light of this, and within the context of northern housing, land within certain communities is required to be upgraded for housing projects. This may include surveys, subdivision, pre-servicing, with sewer or water or both, and then as the need arises, to be turned over to the community on a cost-sharing basis with the local level for administration and management by such a community.

The second amendment, therefore, introduces a new section to the act to provide authority in connection with the land assembly process under the departmental northern housing program. The provisions under The Provincial Lands Act do not have the appropriate authority for this purpose. Mr. Speaker, I take great pleasure in moving second reading of Bill No. 63.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. G. McLEOD (Meadow Lake):** — Mr. Speaker, regarding a reply to this, I would suggest to the minister that I will agree with him in his comments about the need for public housing in the North. He expounded on the purpose that public housing serves in that area, shelter for northern people and the use of local manpower, which I will agree are good ideas and have been serving worthwhile purposes. I would question one thing very much and that is the use of expropriation, which this bill doesn't mention. Certainly expropriation is provided for in The Provincial Lands Act and other parts of Saskatchewan. Section 3 in this amendment would give the department the right to acquire by purchase, lease or otherwise; obviously the otherwise is expropriation in the rest of Saskatchewan, you can expropriate but with this act you would be able to expropriate a lot more quickly. The authority to acquire land certainly would be necessary, I would agree.

There is something in the history of your department in the North. The very presence and the power of government in the North is overwhelming and certainly, there can be some arguments (and I'm sure you will advance these) about the vast open land and the wide territories and the difficulties there with assessment and with property owners, with what we might call squatters and all of that. I am aware of all of those situations. But I would say there are people in the North who have owned land for a long period of time. Certainly, one thing that government must consider is that you must never forget

that individual rights have to be protected anywhere. And certainly there are people there that own their own land, have owned it for a long period of time and those rights have to be protected. There is just no way that I can go along with this where it gives too much power to government to take over private holdings in the name of public interest. Now, certainly there is a place for that and I think The Provincial Lands Act would provide for that.

The last thing that I would like to say about it is that the excuse there or the reason given doesn't seem to be enough in that it is an administrative inconvenience, to quote the minister. An administrative inconvenience just can't be enough of a reason to jeopardize the rights of individuals to own their own property, and to dispose of it as they see fit, and when they see fit, and to whom they should see fit. And so I'll be opposing this bill when it comes up for a vote.

**HON. N.E. BYERS (Minister of Northern Saskatchewan)** moved second reading of Bill No. 89 — **An Act to amend The Northern Administration Act.**

He said: Mr. Speaker, I take pride in rising to introduce second reading of Bill 89, which is an act to amend the Northern Administration Act. When I indicate my pride in introducing this piece of legislation at this session, I do so with an underlying satisfaction in the concrete accomplishments made through the Department of Northern Saskatchewan. It also provides me with the satisfaction of knowing that even the members opposite, some of them, are finally realizing and recognizing the positive impact that the Department of Northern Saskatchewan has made on the northern half of this province. That is not to say that neither I nor the Department of Northern Saskatchewan is above criticism in connection with some minor inconsistencies or uncomfortable situations that may arise from time to time with which the members opposite take issue. But then I ask myself who in this world can operate with perfection to the satisfaction of everyone all the time. Much of the credit for the initial departmental planning and framework for the north must go to my colleague, the member of the legislature for Shellbrook (Mr. Bowerman).

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BYERS:** — We are certainly pleased to be able to steer the department along the well chosen, strategic route, that was initially conceptualized by this side of the House, and of which I am proud to be a member. The Northern Administration Act at present is the backbone legislation respecting northern Saskatchewan, and respecting northern administration. Although the original act is old, and in certain cases outdated and less than meaningful in today's terms, it is still generally accepted as a very workable piece of legislation. For this reason, my department has on a continuing basis, attempted to eliminate such inadequacies or shortcomings and introduce provisions appropriate to meet the needs of the day — one of them being the bill that I just previously spoke on. This bill to amend The Northern Administration Act is oriented towards providing a maximum amount of strength at the local community level, in terms of the municipal and community developmental process. In addition, it focuses on providing certain powers inherent with in the provincial government to initiate and maintain this developmental process suitable both to the province and to the local government levels.

Mr. Speaker, the amendments I am about to introduce may be characterized or thought to fall into three general categories. The first category deals with the protection of the northern road transportation network. The second category addresses the administration

of local municipal revenue. The third enhances the local political development in terms of clarifying the jurisdictions in relation to the local municipal electorate. I shall, therefore, discuss each briefly.

Consistent with the intent of the province to utilize the single agency approach to the development of the North, the department recognized that the prerequisite to local development was the need for the many physical requirements in the North.

One requirement was the necessity for the establishment of a reasonably adequate road transportation network, connecting the major or more permanent northern settlements and also providing access to the South.

This phase of the department's activities is of an ongoing nature. The provision of improved road transportation is essential because of the following reasons. The strain of local health care is lessened as accessibility to adequate medical aid is opened up. Road provides for a greater mobility between northern communities as well as a link between the North and the South.

Isolation provides for more adequate mail service and generally reduces the high transportation costs of basic commodities required by the northerners.

The social and economic depressants at the local level are eliminated or reduced as providing for a more equalized opportunity for the northern citizens to enjoy what is almost taken for granted in the South. Tourism and recreation is, therefore, enhanced; protection from fire increased.

Mr. Speaker, the provision of improved road transportation in the North took a substantial amount of financial resources and human effort within the jurisdictional area of the Department of Northern Saskatchewan.

The time has now come when protective mechanisms are necessary to be put in place, to protect this investment in the road transportation network. This protective mechanism is addressed in the first category amendments to The Northern Administration Act. By way of amendment to section 2 of the act, the definition of public highway is included for interpretation purposes for the succeeding amendments to mean the same as defined in The Highways Act. Section 4 of the bill provides the authority for the Lieutenant-Governor in Council to make regulations subject to The Vehicles Act, with respect to vehicles using public highways in the Northern Saskatchewan Administration District.

As an addition to clause 7(2)(f) of the act, subclause (6) provides for fixing maximum dimensions — weight of vehicles that could be moved or operated on wheels without a permit.

Subclause (7) provides for the fixing of maximum gross weight of any vehicle to exert on any point of contact in the road surface without a permit.

Subclause (8) prohibits the movement without permit of all vehicles, objects, or contrivances that exceed the maximum provisions set out in the regulations.

Subclause (9) provides the authority for the regulations to exempt certain vehicles, objects or contrivances.

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Subclause (10) provides for the regulations to specify certain factors in connection with the granting of oversized or overweight permits.

New clause (m) of subsection 7(2) provides for the general authority of the Lieutenant-Governor in Council to make regulations respecting northern administration on matters that are not specifically outlined or identified in the act, and when special situations and conditions may arise for such a requirement to be addressed.

In order for the department to prohibit certain vehicles from using public highways in northern Saskatchewan, particularly during the spring when the roads are susceptible to damage by heavy vehicles, section 5 of the bill provides an amendment to subsection 9(2) for the provision of ministerial authority to issue orders imposing temporary road bans, and restricting certain classes of vehicles to use public highways without special permits that may be issued for such purposes.

New subsection 9(3) is of a housekeeping nature, requiring the publicizing of the orders imposing temporary road bans and restricting certain classes of vehicles.

Section 6 of this bill provides for the inclusion of three new sections to the act. New subsection 9(1) is self-explanatory in that it provides definitions for interpretation purposes of the next two sections.

New section 9(2) provides for the actual authority to issue special permits respecting the operation of the vehicles that are in excess of prescribed maximum dimensions and those that exceed maximum allowable weights. Of course, the issue of these special permits to allow overweight and oversized vehicles on northern roads is discretionary and dictated by the circumstances for requiring and allowing such permit issuings. New section 9(3) provides for the authority and power of an officer who is appointed for the enforcement of road restrictions to weight vehicles and loads, obtain written verification of the weight of the load and vehicle, may require the operator to decrease the weight by unloading a portion of the load, or may seize and temporarily retain custody of the vehicle and the load when the operator contravenes the road restrictions. I say to the hon. members that when this bill is approved, it will be the Highway Traffic Board that will be doing the enforcing.

New section 9(4) provides for statutory penalties for the violations of maximum dimensions and maximum weight limits on northern public highways.

Mr. Speaker, this is a comprehensive outline of the protective features of the northern road system. I might add that all the provisions so far parallel in all respects to the existing provisions of The Highway Act.

Mr. Speaker, I shall briefly outline the amendments within the second category I identified earlier. Section 7 provides a housekeeping amendment to subsection 16(3) of the act, which confirms the power of the Lieutenant-Governor in Council to alter the boundaries of Northern Saskatchewan Administration District for such specific purposes and under such conditions as the boundary alterations may require.

I mentioned earlier that the prerequisite to local development was the need for many physical requirements in the North. The first requirement I briefly discussed was the road transportation network. The second major requirement is that of adequate shelter for the northern citizens.



When I introduced second reading of The Act to amend The Northern Saskatchewan Economic Development Act, I briefly mentioned the necessity for departmental authority to acquire land for housing projects. I must say, I was really disappointed to learn that the opposition, in this legislature, intends to oppose a bill which will empower local governments in northern Saskatchewan to acquire and for local housing projects as well as for land development and for land assembly within northern communities.

The policy of the Conservative Party of this province was made clear in October, 1978, when their housing expert then, in the campaign (the Conservative candidate seeking election in the constituency of Wascana) made it clear that he was strongly objecting to governments being in the land assembly business.

I think the remarks, today, of the opposition clearly indicate that they want the doors of northern Saskatchewan open to speculators to come in. They do not want the local governments to be major actors in acquiring land for the purposes of developing housing projects.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. SPEAKER:** — Order, order! I may be wrong, but I believe that none of the members of the opposition have spoken on this bill. The minister's comments may be relating to the previous bill and, therefore, are not appropriate at this time, if I may phrase it that way.

**MR. BYERS:** — Mr. Speaker, I want to make it clear that we are committed to the orderly and organized development and the growth of northern communities. The local advisory associations which are formed in communities or hamlets do not enjoy corporate status. These LACs are therefore not responsible for the levy and the collection of municipal and education taxes on property within their respective boundaries. The Department of Northern Saskatchewan, through the Municipal Services Branch, carries out this function and the proceeds of the funds from municipal levies are deposited in the general fund of the Northern Saskatchewan Administration District Trust Account for the credit of each such community. The education tax levy is automatically remitted to the appropriate school division in the North. Up to the present time, 7 of the 24 existing local advisory committees in the North have shown some interest in elevating their municipal status to that of autonomous corporate entities; that is northern community areas to be administered by the local community authorities.

One of these local advisory committees has expressed some interest in pursuing the possibility of becoming incorporated as a formal village under The Urban Municipality Act. The department certainly encourages such community development and advancement, and provides assistance and advice to this end, but has not pressed the issue or imposed formal corporate status on any community or hamlet, on its own initiative. It is a local decision as to when such elevation of municipal status might be accomplished. Many factors, including the local capabilities and the availability of local administrative staff, are of necessary consideration.

In order to maximize the decision-making process at the local level, within the framework of the existing status of the community (that is, whether a community has corporate status or not) the immediate intent is to broaden the purposes for which the

Northern Saskatchewan Administration District trust account may be used. Section 8 of this bill does that.

Mr. Speaker, residential or commercial land within LACs (local advisory councils) and other communities or hamlets, when surveyed and subdivided into lots or parcels, and in some cases services with sewer and water or both, is, under the land development and assembly program, turned over to these communities for their administration and disposal to private individuals or businesses as these communities see fit.

The administration and disposal decision rests with the individual community, with the proceeds of such disposals held in a capital trust on the account of each such community in the Northern Saskatchewan Administration District trust account.

Mr. Speaker, I am waiting for the opposition to state its position on this particular bill so that we in the House, and the people of northern Saskatchewan, will know whether the opposition supports this method of land assembly with the assistance of the provincial government, through the local communities, with the local governments and the local communities being the instruments for assembling land and servicing it, or whether this approach will be supported by all members of this legislature or whether there is a desire on the part of the opposition to see that this be done entirely and exclusively by the private sector. This is the intent of the provision of the new subsection 19.1.

Now, Mr. Speaker, with the advent of any mine or mines established in the district, our government is of the opinion that property taxes from the municipal levy on the plan and equipment on such a mine or mines, as well as the actual land parcels this infrastructure is situated on, should be of benefit to all northern communities. No individual community by virtue of its proximity to such a mine should be the sole benefactor of the municipal taxation on such mine property. It is the position of our government that the taxation revenue would be taken into this central fund for distribution to all communities on an equitable basis. The distribution criteria of which is yet to be determined but would definitely be with reference to the present community wealth as well as the actual community population.

Section 9 of this bill provides an amendment to subsection (21) of the act to broaden the use of the fund in the Northern Saskatchewan Administration District Trust Account. Capital funds are those derived from the sale of developed land, Mr. Speaker, and are expended only on capital works. Funds from the property taxation of the plant and equipment of mines are to be used for any municipal purposes within each respective community. Mr. Speaker, I am waiting anxiously to see if the opposition will support this proposal to impose property taxation on the plan and equipment of mines in northern Saskatchewan, and then set up a pool of funds that will in turn be distributed to the community. The general funds in the trust account on behalf of each community are for the uses and purposes in accordance with the provisions which originally existed in the act.

Now, this completes the amending provisions intended to broaden and clarify the administration of local municipal revenue.

Mr. Speaker, as I mentioned earlier the third and last category of amendments enhance the local political development by clarifying the jurisdictions in relation to the local municipal electorate.

Section 10 of this bill, provides for the addition of three new subsections to section

121. Now although a northern community area may become independent of the Northern Municipal Council, such a community is still a part of the district, that is the Northern Municipal District. Subsection 1 clarifies that all or a portion of the Northern Saskatchewan Administration District may be divided by the Lieutenant-Governor in Council into electoral areas of the Northern Municipal Council. When a local community authority of a northern community area declares by resolution its independence of the Northern Municipal Council, subsection 2 provides that such a northern community shall not be included to form a part of the electoral area of the Northern Municipal Council. This preserves the local autonomy of such an independent northern community area.

Subsection 3 is a transitional provision allowing a Northern Municipal Council member who presently resides in an independent northern community area to remain a member of the Northern Municipal Council until his normal term expires. This means that such a council member shall not have to either immediately change his residence or lose councillor status through disqualification resulting from being a non-resident in the electoral area of the Northern Municipal Council.

Mr. Speaker, section 11 of the bill provides amendments which stipulate that the primary qualification of a candidate for elected membership on the Northern Municipal Council is his residency. Such a candidate shall reside within the electoral area in which he is seeking election. The amendment, therefore, stipulates that such membership on the Northern Municipal Council is terminated when the elected member ceases to reside in the electoral area he is elected in.

I am sure, Mr. Speaker, it is quite evident that if such a provision is not introduced it is conceivable that candidates for election on the Northern Municipal Council could all reside within one community within the North. This would not provide for realistic representation of the NMC electorate by such councillors.

The amendment to section 124 of the act addresses residency as a qualification of a voter at NMC elections. It provides that a voter shall be eligible to vote only in the electoral area of the NMC that such a voter resides in. This voter residency qualification is consistent with the NMC candidate residency qualification.

Section 13 of the bill is a housekeeping amendment to section 128(1) in that it clarifies the geographical jurisdiction of the Northern Municipal Council as being that in respect of the described electoral areas of the NMC instead of in respect to the entire northern Saskatchewan administration district.

Mr. Speaker, I attempted to fully outline the intended provisions of this Act to amend The Northern Administration Act and I hereby move second reading.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. G. McLEOD (Meadow Lake):** — I notice the minister has mentioned twice and possibly three times that he is waiting anxiously and so on and so your wait is over.

There are three aspects basically . . . I'm not very much opposed to these, certainly the aspect of this bill that deals with the protection of the roads and the investment of taxpayers in the building of roads in the North. Certainly everybody has long recognized that that type of investment has to be protected and certainly weight restrictions and all that are good. Anybody would agree with that.

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The second aspect deals with the municipal organization and there were some comments there regarding the taxation and the collection of taxes and the land assembly, residential land and service land and so on. I notice you say that the land assembly would be done by your department and turned over to the community for administration. Certainly I'm not opposed to that either. You did say that you were waiting anxiously for that but certainly we're not opposed to that. What I am opposed to in that is the giving of too much power, in the actual assembling of this land, to take away property owned by somebody for a long time. Certainly, I think he sued the word 'speculation' and all of that, but I think property owned privately for years before your jurisdiction and any development in the North can't be considered even by your government to be profiteering or gouging or even speculation.

I have some more I would like to consider on the municipal organization aspects of this bill in that second category that you mentioned. I'll go on to the third, the political organization of the dividing of the NMC districts and so on. Certainly I'm not opposed to anything that you are proposing there either. In the second category there are some of our comments I would like to consider and for that reason, Mr. Speaker, I would like to beg leave to adjourn debate.

Debate adjourned.

**HON. G. MacMURCHY (Minister of Municipal Affairs)** moved second reading of Bill No. 75 — **An Act to amend The Municipal Employees' Superannuation Act.**

He said: Mr. Speaker, in introducing second reading of this bill, I think it's appropriate to talk a little bit about the history of this particular plan and particularly act, since it is seldom talked about in this Assembly and it's a significant benefit to a very, very large number of municipal, school and other employees.

The Municipal Employees' Superannuation Plan is constituted by The Municipal Employees Superannuation Act, 1973, is a fully funded pension plan which was initiated by a committee of rural municipal secretary-treasurers back in the 1930s. Subsequently, in the 1950s a similar pension plan was established for school units, school districts and some urban employees. In 1959 the two pension plans were amalgamated into one plan which at that time was commonly referred to as a money-purchase type of pension plan.

In 1973 the former act was repealed and a new municipal employees superannuation plan became effective July 1 of that year. The new superannuation act made provision for improved pensions to retiring municipal employees. The pension earned by a retiring employee was based on six calendar years of average highest salary on which contributions had been made to the pension plan and multiplied by the number of years of service provided by said employee.

The new approach in respect to pensions earned by municipal employees under the new act became known as the unit formula benefit pension plan, which resulted in a substantial improvement in the amount of retirement pension an employee would receive. The new approach to pensions earned by municipal employees became a distinct advantage to participating members of the new plan, because retirement became directly related to the last six years of salary a member had earned and contributed thereon, rather than on the basis of contributory dollars accumulated in the plan, as had been applicable under the former pension plan act.

This new act made it compulsory for all municipal employees to become participating members of this plan after one year of actual service. At the same time, provisions contained in that 1973 act made it possible for such other groups or organizations to become participating employer members of this plan as well. Since that date, community colleges in this province, the city of Yorkton, Buffalo Narrows local area authority no. 11, Assiniboia Pioneer Lodge and the city of Estevan have made application and have become participating employers of the plan. At present, all rural municipalities, school divisions, (I guess they are now, I have school units here), school districts, villages, towns and cities, with the exception of Regina, Saskatoon, Moose Jaw and Weyburn, are employer members of the plan.

Included in the plan as employer members are the Saskatchewan Municipal Hail Insurance association, SARM (Saskatchewan Association of Rural Municipalities), SUMA (Saskatchewan Urban Municipalities Association), and the School Trustees' Association.

Now, Mr. Speaker, because of the assimilation of the rural telephone companies into Sask Tel, the Saskatchewan Association of Telephone Companies will in due course no longer be an employer member of this plan. You may recall that we moved an amendment in the fall Assembly of 1977 to ensure protection of vested rights of all employees of rural telephone companies who are unable to continue in service as municipal employees because of the assimilation of the rural telephone company which had employed them. While this amendment was being considered by this government as an assurance and protection to these employees, each and every employee was provided with the opportunity and the advantage to transfer his former municipal service and pension credits to the pension plan . . . (inaudible interjection) . . .

**MR. SPEAKER:** — Order. I hesitate to interrupt such a good address, but I detect fire in the chamber. The minister may continue.

**MR. MacMURCHY:** — Mr. Speaker, I have delivered hot speeches but I hadn't felt that this was one of them.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MacMURCHY:** — Mr. Speaker, I've on previous occasions reported to this House that our amendments to the 1973 act enhance substantially the pension benefits that were made available to the superannuated municipal employee. I must emphasize over again that improved pension benefits are now being paid to 89 such employees, and that is a milestone in the history of the municipal pension plan. This was a 1977 amendment. There is a remaining group of other municipal employees, other than the rural municipal secretary-treasurers to which that amendment applied, who have not yet received similar consideration. It is, therefore, the intention to provide the necessary authority to supplement the low pensions now paid to these superannuates as well. It is only right that there be uniformity of consideration for all superannuates. Because the municipal employee superannuation plan must be maintained in a surplus position, as a fully funded plan at all times, it is now particularly apparent that further improvements must be made to this plan to benefit other retired employees, who too, have been adversely affected by inflation.

This bill now before us, Mr. Speaker, Bill 75, provides for further amendments to the act. First you will note that six calendar years of highest average salary at retirement will

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be reduced to five calendar years of highest salary. This amendment will modestly improve the pension benefit of all retiring employees, effective from July 1, 1979.

It is my conviction this improvement will result in a complete acceptance by all superannuating municipal employees having knowledge of the fact that inflation is still with us.

Incidentally, as of May 1, 1979, the public service superannuation plan will be on the same basis as the amendment here, five years of highest salary on which contributions are made.

The second amendment in the bill before us, will make provision for an increase in the contributory rate by 1 per cent to employees on salary earned, with a matching contribution to be made by municipal employers of the plan. The increase in the rate of contribution is justifiable knowing the fact that pensions to all other employees who have retired on low fixed income will be supplemented to the full extent possible within the financial framework of the act.

I should point out, that following an in-depth study, it became abundantly clear that a form of supplement had to be considered to these employees. Following consultations with executive boards of the Saskatchewan School Trustees' Association, the Association of Rural Municipalities, the Rural Municipal Secretaries' Association, the Urban Administrators' Association, Urban Municipality Association, approval to proceed with the increased rate of contribution was granted by all the participants. The amendment in question will make it financially possible, therefore to provide supplements to approximately 717 retired municipal employees.

The final amendment in the bill before us will provide the authority required to pay out any monthly allowance, which when calculated would amount to \$25 or less. The pay out, in a lump sum, would consist of superannuation credits of an employee comprised of employee contributions and that of his employer with interest compounded annually at the rate of 6 per cent.

The administrative costs of handling monthly pension payments are too high and it is, therefore, prudent in such cases to pay in a lump sum the total pension credits with interest to an employee at his normal retirement age.

Mr. Speaker, I am pleased to move that Bill No. 75 be now read a second time.

**MR. H.J. SWAN (Rosetown-Elrose):** — Mr. Speaker, I have read the bill carefully. I have talked to members of SSTA (Saskatchewan School Trustees' Association), of SUMA (Saskatchewan Urban Municipality Association) and SARM (Saskatchewan Association of Rural Municipalities). They find no problem with it and as a matter of fact their representatives have recommended it. So I would be pleased to support the bill and the opposition will support it.

**MR. R. KATZMAN (Rosthern):** — Just one question, Mr. Minister. If you could answer it, I would appreciate it. Does this mean that all the unions in the province that have the 6 and the 6 will now automatically have to go to the 5 and the 7? That's the only question I have. Is it mandatory or is it negotiable?

Motion agreed to and bill read a second time.

**HON. G. MacMURCHY (Minister of Municipal Affairs)** moved second reading of Bill No. 80 — **An Act to amend The Rural Municipality Act.**

He said: Mr. Speaker, I'm pleased to comment on the amendments of Bill No. 80, An Act to amend The Rural Municipality Act. This bill contains several matters of substance and a few housekeeping amendments. We have worked with the Saskatchewan Association of Rural Municipalities (SARM) in defining and identifying the needs and requirements of local, rural and municipal governments and the amendments contained in this bill provide some of the legislative streamlining needed to keep our local governments (our rural municipal governments) progressive.

One of the most significant amendments in the bill provides legislative authority for municipalities to enter into an agreement with other municipalities to provide a local transportation program. Where such an agreement is entered into the council may, subject to the approval of the minister, create a corporate body in the form of a local transit authority which is responsible for the management and control of transportation services. Such an agency is given the authority, with the approval of the local government board, to contract debts not payable within the current year when the sponsoring councils deem it necessary for the purpose to carry out the intent of this act.

We came to the conclusion that the only way that a satisfactory transportation service can be provided, in some of the rural areas of the province, is to adopt the co-operative approach whereby municipalities voluntarily join together to provide their required service. The hon. critic of municipal affairs, the member for Rosetown-Elrose (Mr. Swan), will be familiar with the pilot project that's been undertaken in his constituency and this amendment to the legislation really gives the proper authority for what is happening within this particular pilot project. I think that the legislation is justified in that here we see a basis for a future program of government.

Similarly, an ambulance program has been organized and is well established throughout the province. This bill provides legislative authority for councils to enter into agreements with other municipalities for this purpose. The municipalities may join together to establish an ambulance district to provide an ambulance service and they may jointly enter into an agreement, let's say with a union hospital for example, to provide the desired service.

Another important amendment in the bill deals with a taxation problem which has arisen in some of the rural municipalities. This amendment was requested by SARM (Saskatchewan Association of Rural Municipalities) and provides for the annual licensing of the operators of a gravel pit plant and equipment and the imposing of a fee based on the amount of gravel removed from that pit. This licence fee will replace the previous tax levy based on the assessment of the plant and equipment.

Under the previous legislation, gravel pit equipment was assessed when found but frequently it was not discovered soon enough and the equipment moved out of the municipality before there was any tax collected. It is the belief of SARM (and we support that belief) that this particular amendment will be much more satisfactory both to the municipalities and to the operators of the equipment. We also believe it will be more satisfactory to the operators since they will know in advance when submitting bids on a particular project what taxes or licences they will in fact be paying to the particular municipality.

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A third and very important matter dealt with in the legislation is the tenure of office for rural municipal secretary-treasurers. A joint brief, submitted to myself by the executive of the Secretary-Treasurers Association and by SARM, requested new legislation to provide some security of employment for municipal secretary-treasurers. The proposed legislation makes provision to establish a board of reference to investigate dismissals of secretary-treasurers; such a board to consist of three members, one appointed by the minister, one appointed by SARM and one appointed by the Rural Municipal Secretary-Treasurers' Association. This board is a permanent type of board with the members holding office at the pleasure of the party which appoints them. The remuneration and expenses of each member of the board will be determined and paid by the party that appointed a particular member.

Under this new amendment, council, dismissing a secretary-treasurer, would be required to give written notice to the employee stating the reasons for dismissal. The secretary-treasurer can, upon the deposit of \$100, request an investigation within 14 days of the day of dismissal. The board of reference shall, after completion of its investigation report its findings to all parties concerned and may make an order for return for all or part of the \$100 deposit of the secretary-treasurer.

The hon. member for Rosetown-Elrose (Mr. Swan) will be familiar with the board of reference. This particular legislation, I think, is patterned almost word for word from the board of reference that used to apply to teachers and school boards in the previous election school law. It has come to me and to the government, as I pointed out earlier, in a joint brief from SARM and their Secretary-Treasurers Association. We believe that this legislation will not only retain the already short supply of qualified secretary-treasurers, but also will assist in attracting new members to the group.

Also provided, is an amendment to The Rural Municipality Act which will enable municipal councils to pass by-laws encouraging the prompt payment of property taxes. At the present day, interest rate penalty added to the tax arrears at the 9 per cent ceiling may be too low to have the desired effect. Under the proposed new amendment where the property taxes remain unpaid after the 31st day of the December of this year in which they are levied, council may add a penalty of 1 per cent per month for each complete month the arrears of taxes continue to be unpaid.

I am pleased to note that this bill extends the right of franchise in rural municipalities by giving the right to vote to the spouse of a person that is assessed on building situated on land owned by another person.

An amendment also removes statutory limitation on supervision payable to members of council. Increased costs of providing services are reflected in the changes of section 75 and section 368. The amendments establish conformity both within this act and The Department of Municipal Affairs Act.

Amendments to section 20 ensure that at least 30 voters reside in a hamlet before it can be organized and ensures that the hamlet board controls all grants made on behalf of the organized hamlet.

Mr. Speaker, this bill confers a number of useful new powers on our local governments and clarifies some of the problems and some of the phrasing in the act. I am pleased to move second reading of the said Bill.



**SOME HON. MEMBERS:** — Hear, hear!

**MR. H.J. SWAN (Rosetown-Elrose):** — Mr. Minister, I believe that most of the items that you have covered in this bill I would find no fault with. I think the provisions of the ambulance service is good. Provisions of the opportunity for municipalities to assist in serving themselves with transportation is good.

I do find some concern, and I expressed it to you many times, with the idea of going the board of reference route. I think that it's fine to have some outside body take a look at a dismissal of a secretary-treasurer, but I believe that when you appoint a board of reference to overrule decisions made by elected members then you take away the authority of those elected members and I don't believe that that's good. The community has a way of dealing with elected members who are not carrying out their jobs effectively and that is at the ballot box in elections. I think this keeps them as responsible people and they make sound decisions in most cases. I believe that the conciliation route is a better route than a board of reference. It does provide both sides with a hearing but it is not a binding appeal. It does in that method demand that both sides bring forth their case, lay it out on the table; then a third party has a look at it. I believe the conciliation route would be wiser and I would encourage you to amend this to a conciliation board rather than a board of reference. Outside of that point I would support the bill but that particular point I cannot support.

**MR. MacMURCHY:** — Mr. Speaker, I appreciate the support of the hon. member on many points of the legislation and I will want to check the act fairly carefully before Committee of the Whole where we will all have an opportunity to consider the board of reference legislation. It is my understanding of the submission from SUMA (Saskatchewan Urban Municipality Association) and their Secretary-Treasurers Association that, when the board of reference makes a decision, that decision is not final and binding on either party so it has a conciliation kind of role rather than an arbitrary kind of role. If that's not the case in the legislation then it will surely have to be corrected. My understanding is that the legislation has been checked by the SARM (Saskatchewan Association of Rural Municipalities) as we normally do before proceeding in the House. I think that when we review this particular section in Committee of the Whole, if we need to amend it to conform to the concerns of the hon. member, we will certainly do that. It's my understanding that the report of the board of reference is not final and binding as the old board of reference in the school law was not final and binding on either party. I am pleased to move second reading of this bill.

Motion agreed to and bill read a second time.

**HON. G. MacMURCHY (Minister of Municipal Affairs)** moved second reading of Bill No. 81 — **An Act respecting School Tax Rebates to Senior Citizens.**

He said: I am pleased to move second reading of this bill. Let me make it clear at the outset that The Senior Citizen School Tax Rebate Act is part of a local tax relief package we're designing for the new decade ahead. This act should be examined in the context of the present property improvement grant program and the renters rebate program. Hon. members will know, Mr. Speaker, that since 1972 we've had The Property Improvement Grant Act which has returned to homeowners, farmers, and small businessmen, a substantial part of their local tax levy. But we wanted to do something more for our senior citizens, and therefore last fall during the election we announced a special school tax rebate program for senior citizens which would replace The Property Improvement Grant Act for those property owners over 65 years of age. We are now

proceedings with a speedy implementation of that promise. Not only does the new senior citizens program provide substantially more money, but also the renters rebate will insure that senior citizens who rent their accommodation get a rebate of five per cent of their rent up to \$115 in respect of property taxes they pay indirectly through their rent. In short, Mr. Speaker, we will have three programs involving an overall rebate of about \$64 million to ease the burden of property taxes in general and of school taxes in particular. We are able to add these two new rebate programs, the senior citizens program, the renters program, to the existing property improvement grant because of the revenue we are now receiving from our natural resources and because of the careful management of this government.

So let me get down to the specifics on the bill we have before us. We are replacing the property improvement grant for senior citizens with a brand new program. The new senior citizens rebate retains the same grant formula as the property improvement grant and adds a substantial amount on top of that. Under the new school tax rebate program senior citizens will get the amount they would be entitled to under the property improvement grant program plus the balance of their school taxes not covered by the property improvement grant. This additional rebate, Mr. Speaker, is subject to a minimum rebate of \$50 and a maximum of \$230. What this means, Mr. Speaker, is that all senior citizens will be better off under this act than under the property improvement grant scheme. They will get at least \$50 more and many will get up to \$230 more.

Mr. Speaker, I am proud to say that some 96.5 per cent of all senior citizen homeowners will have all of their school taxes rebated under this program. In other words, with the exception of the wealthy few, we are eliminating local school taxes for virtually all senior citizens in Saskatchewan.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MacMURCHY:** — And those who do not get their entire tax rebated really are the fortunate few who have large property holdings and who have correspondingly larger financial resources of their own. The cost of the seniors' program is expected to be \$15 million in the fiscal year '79-80.

Where senior citizens own and occupy a farm residence the program will provide a full rebate of school taxes on the home quarter up to a maximum of \$230. This amount of course, is added to the amount the applicant would normally have received as a property improvement grant.

Let me provide an explanation of a school tax rebate to a senior citizen on a farm. On a section of land with an average assessment and average taxes, if the total property and school taxes amount, let's say, to \$1,000 then the senior citizen will get \$230 that would have been paid under the property improvement grant program, plus \$125 rebate for school taxes on the home quarter for a total rebate of \$355.

Now what about the grant to a senior citizen homeowner in an urban centre? If the property taxes were \$500 and the school taxes were about \$250, this senior citizen would receive on half of the taxes to \$230 under the old property improvement grant formula. All but \$20 of their school taxes would be covered by the old formula. Under the new senior citizen formula they will get the former \$230 plus a minimum \$50 increase for a total, Mr. Speaker, of \$280. The total grant in this example will actually exceed the school tax. If the property tax bill was higher, say \$800 with a 50/50 split

between school and municipal, for example, under the old formula the senior citizen would receive a grant of \$230, under the new program, an extra \$170 will be payable to provide a full rebate of the school tax.

Mr. Speaker, as I said earlier, we have not forgotten senior citizens who rent their homes. They are eligible for the renters' rebate of up to \$115. But if they own a farm or small business, they will qualify for a senior citizens tax rebate at the rate of 24 mills on the assessment of that property as well, up to an overall maximum of \$375. By removing the burden of school taxes these two programs in combination will lighten the load and make it easier for our senior citizens to maintain a higher standard of living and remain in their own homes.

This is an important point, Mr. Speaker. We know that 92 per cent of people over the age of 65 in this province are living independently in homes that they own or that they rent. For senior citizens who wish to continue with this style of accommodation, the new programs lighten the load of property taxation and allows them to continue as they desire to continue.

I might add that the home care program which provides services to senior citizens in their own homes is also a great help along these lines. More than one person in ten in Saskatchewan is over the age of 65. Now that Saskatchewan's resources are bringing a higher level of prosperity, I think it is important to remember that it was the early struggles of our senior citizens that brought us through the tough times. They built the province as we know it today, and in the tradition of careful management and sharing they have handed down to us, I think we have an obligation to make their lives richer through programs like the program which this bill empowers us to implement; The Senior Citizens School Tax Rebate. We owe to them to keep the ownership and control of these resources in Saskatchewan.

If we obtained only the low royalties imposed by friends in the opposition and other provinces, then very likely we would not have had enough revenue to embark upon these very innovative programs. Mr. Speaker, I think it is fair to say that our resource policies make it possible for us to retain the leadership in Canada in programs benefiting our senior citizens.

I urge all members to support this bill and I am pleased to move second reading.

**MR. H.J. SWAN (Rosetown-Elrose):** — On the surface, this looks like a pretty fair bill. As you dig into it you find that the election promise was really not fulfilled to any great extent. Yes, you provide a refund of the education tax to senior citizens, but before you do that you take most of it away by deducting their property improvement grant from it. In most cases all they can expect extra out of this is \$50. It is a pretty small pittance to hang your hat on when you go out and election campaign to promise them a \$50 rebate.

I would hope that in looking at this bill that you would consider amending it to, in fact, give them a rebate of their education tax, and not take away their property improvement grant. I don't believe that you're doing any favour at all to senior citizens in the process which you've taken. For that reason I oppose the bill in its present form.

**MR. KATZMAN:** — I can't resist getting back in this one as I did during the minister's estimates. It's obvious by the minister's estimates that with the normal rate of inflation (under vote 25 of the property improvement grant) the \$15 million we are voting for in

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this bill is strictly a movement of figures. You're playing games, and I suggest that the minister well knows that's all he's done, as he didn't even challenge that statement during the budget debate. I suggest that all he has done is move some figures around, given them a fancy name and, as the member for Rosetown-Elrose (Mr. Swan) indicated, it's a \$50 grant and that's it.

**MR. ROMANOW:** — Mr. Speaker, I want to adjourn the debate but before I do so I want to consider the fact that the PC opposition is opposed to this increase . . . (inaudible interjection) . . . Oh, yes. You said you were voting against the bill . . . (inaudible interjection) . . . Mr. Speaker, we all heard . . . (inaudible interjection) . . .

**MR. SPEAKER:** — Order. I listened very carefully, as did the Attorney General, to the member for Rosthern. Now the Attorney General wishes to say a few words and I'm sure the member for Rosthern and I can listen carefully to him . . . (inaudible interjection) . . . Order!.

**MR. ROMANOW:** — Mr. Speaker . . . (inaudible interjection) . . .

**MR. SPEAKER:** — Order!

**MR. ROMANOW:** — Mr. Speaker, this is truly an unruly House, if I may say so with all your respect — an unruly member . . . (inaudible interjection) . . . Mr. Speaker, do I have the floor?

Mr. Speaker, I say to the hon. member for Rosthern (Mr. Katzman) that he continually agitates the House by his continual interruptions from his seated position. I want to say on this bill that the member for Rosetown-Elrose (Mr. Swan) clearly told this House (and the record will show it and that's why I'm going to adjourn the debate) that he opposes this bill. He opposes this increase to senior citizens. That's the position that he took, Mr. Speaker . . . (inaudible interjection) . . . and they can't wiggle out . . . (inaudible interjection) . . .

**MR. SPEAKER:** — Order. I want to warn the member for Rosthern (Mr. Katzman) for the second time in this particular debate, and more than twice in this House in this session, that I will not tolerate his unruly interruptions of the debate. This cannot go on.

The member for Rosthern is attempting to make a circus out of this debating Chamber. The opportunity is here for the member for Rosthern to rise and debate the issue, and he took that opportunity. I didn't hear anyone proclaiming when he was debating the issue. They left him alone and gave him an opportunity to be heard here. That same courtesy has to be given to every other member who wants to rise in this debate. The Attorney General has every right to put his remarks. If there is a point of argument, that can be settled later and there is a full opportunity to settle any arguments as to the facts, or how it was said, or anything else. That is the purpose of this debate to discuss the principle of the bill and that is what the Attorney General now has an opportunity to do.

**MR. KATZMAN:** — Mr. Speaker, on your ruling which you are suggesting to me — are you suggesting that if I wish to correct a statement which I believe is not true, the way to do it is to stand up on a point of privilege, than, as the minister on the other side tries to twist words to know the statements of what my seatmate has said?

**MR. SPEAKER:** — I would like all members of the Chamber to listen to this very carefully and I specifically want to encourage the member for Rosthern to listen to this because I

referred to this exact same section earlier today.

Beauchesne's Parliamentary Rules and Forms says in the fifth edition, page 12, number 19:

A dispute arising between two Members, as to allegations of facts, does not fulfill the conditions of parliamentary privilege.

I want to ask the member for Rosthern to think, very carefully, about that. What I saw going on here or heard going on here earlier was a dispute as to the facts or how something was said. That is a debating point. It has nothing to do with privilege; it has nothing to do with points or order; therefore, the member for Rosthern is out of order. I don't want to have to take the opportunity later to impress that upon him more firmly.

**MR. ROMANOW:** — Mr. Speaker, I want to outline this to the hon. member for Rosetown-Elrose (Mr. Swan) and also the member for Rosthern (Mr. Katzman), if you would care to listen.

What this proposed legislation does, Mr. Speaker, is this.

Senior citizens get the amount that they would be entitled to under the property improvement grant program plus the balance of their taxes not covered by the property improvement grant program. The additional rebate is subject to a minimum rebate of \$50 (that's the minimum additional rebate) and a maximum of \$230.

What this means, Mr. Speaker, is that all senior citizens will be better off under this act than under the property improvement grant schemes. They will get at least \$50 more and many will get up to \$230 more, or as the minister said in his speech, about 96.5 per cent of all senior citizen homeowners will have their taxes rebated, all their taxes rebated, under this program.

Now, Mr. Speaker, I say that the words of the member for Rosetown-Elrose (Mr. Swan) will be recorded for the member of this House to see on Monday. I say that the member for Rosetown-Elrose told this House that they were going to oppose this provision. They oppose this program. I say that he was supported in that proposition by the member for Rosthern (Mr. Katzman). The member for Rosthern was in support of the position. And, Mr. Speaker, I want to indicate to the members of the House that the consequences of all of this is that the Progressive Conservative Party, if that position is maintained . . . (inaudible interjection) . . .

**MR. SPEAKER:** — Order! What's your point of privilege?

**MR. KATZMAN:** — He just accused me of saying something which I did not say and I wish him to retract the statement.

**MR. SPEAKER:** — The point of privilege is not well taken. The Attorney General.

**MR. ROMANOW:** — Mr. Speaker, I say to the hon. member for Rosthern, he may not like what I'm going to say but I want to tell you he's not going to hear it only from me. He's going to hear it from every senior citizen in Saskatchewan for taking the position that they're taking.

**SOME HON. MEMBERS:** — Hear, hear!

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**MR. ROMANOW:** — He's not only going to hear it from the Attorney General, he's going to hear it from the members of this House and he's going to hear it from the senior citizens up and down the province of Saskatchewan because of this position of opposition that they have taken to this bill.

So he may as well get used to it, Mr. Speaker, because there are going to be a lot of people who are going to be upset with the statements made by the member for Rosthern and the member for Rosetown-Elrose. I'll be very interested, Mr. Speaker, as to whether or not the constituents get to these people over the weekend, the senior citizen constituents about their position of opposition and in fact turn their minds into voting for the bill on Monday. I wonder if that's going to happen, Mr. Speaker. But I'm going to speak on this debate on Monday. I'm going to get up when the bill is called again and I'm going to read into the record for the member for Meadow Lake (Mr. McLeod) who was not here, and for the member for Moosomin (Mr. Birkbeck) who perhaps didn't pay attention, exactly what the member for Rosthern and the member for Rosetown-Elrose said in this area. And I want to say that the lead off member from the Progressive Conservative Party . . . the member points to figures, Mr. Speaker. The hon. member doesn't know what figures he's point to because if he knew what figures he was pointing to he wouldn't be opposing this bill as they are attempting to do. I want to say, Mr. Speaker, that on Monday I'm going to read back word for word, the words said by the member for Rosetown-Elrose in opposition to this bill. I'm going to tell the people of Saskatchewan where the Progressive Conservative Party stands on this area. I only wish that the member for Thunder Creek (Mr. Thatcher) would either say to his colleagues over the weekend that they should change their position or have the courage to get up and tell the House why he is opposed to this bill.

Mr. Speaker, when the senior citizens of our province hear of the position I think they will be very interested in it. It may not be enough for the member for Rosetown-Elrose. It may not be like what he would give if he were in government, although I suspect that they wouldn't give very much, but I want to tell you that the senior citizens in my constituency favour the minister's bill and favour this additional increase in funds which is being proposed by it here. The Progressive Conservatives are going to hear a lot more from senior citizens before this bill is out.

I beg leave to adjourn debate.

**SOME HON. MEMBERS:** — Hear, hear!

Debate adjourned.

**HON. G. MacMURCHY (Minister of Municipal Affairs)** moved second reading of Bill No. 83 — **An Act respecting Property Tax Rebates to Renters of Residential Premises.**

He said: I rise to move second reading of this bill, an act respecting the renters property tax rebate. I want the hon. member for Rosetown-Elrose (Mr. Swan) to listen very carefully to this legislation and to the comments I will make on it. I would suggest, Mr. Speaker, that that was his problem during the last debate.

Mr. Speaker, our government has worked hard to reduce the impact of the cost of living on many groups in this province. One group which has not been forgotten is the renters, those citizens in our province who do not own their own houses. There is no

question, Mr. Speaker, that the rent control program has been successful in slowing the rate of rent increases but more important it has helped many people stay in accommodation close to their workplace, close to their friends and close to shopping facilities.

Mr. Speaker, this bill, the renters property tax rebate act of 1979 is another step forward because it recognizes that people who rent their homes also contribute to the cost of municipal services, school, hospitals, and libraries, indirectly through the rent which they pay.

**MR. THATCHER:** — You're going to cheap politics with the dollars of the taxpayer.

**MR. MacMURCHY:** — Mr. Speaker, I wish that the hon. member for Thunder Creek would listen to my comments on this legislation. It may not be that he is concerned with renters in his riding but there are a great many people in this province who are concerned and they are sitting, I guess, unfortunately on this side of the House.

**MR. THATCHER:** — I told you a thousand times I'm sorry. Let's get on with this.

**MR. MacMURCHY:** — Mr. Speaker, just as the property improvement grant has lightened the property tax load on homeowners, this new renters rebate program will ease the burden of property taxes which renters pay through their rent. I think in the past we have recognized the contribution of property owners to municipal services. We have recognized that through the property improvement grant. Now we will be recognizing the same situation of senior citizens who will be getting a rebate of school taxes on their homes this year. These two programs alone will return \$57 million of property taxes to Saskatchewan people in 1979 compared to \$12.3 million from the homeowners grant which the hon. member for Thunder Creek should be familiar with since it was introduced by the former Liberal government in 1971.

Let me return to our discussion of renters, Mr. Speaker. Some people have sold their homes. Some people prefer not to buy a home. Some people want to live in rental accommodation because their workplace may be temporary. These people must live in rented accommodation. But that doesn't mean that they are not paying for municipal services. They contribute to the cost of municipal services just as municipal taxpayers do, albeit it is indirect through their rent. Mr. Speaker, 25 per cent of the housing units in this province are rented. I might point out that 75 per cent of the dwelling units in Saskatchewan are owned by the people who live in them. This is a higher percentage than any other province in Canada with the exception of the two Atlantic provinces, but should not deter us from consideration of support to renters through this program.

Mr. Speaker, we expect 75,000 renters to receive the 1979 rebate of 5 per cent of their rent to the maximum of \$115 per unit, which this legislation provides.

The idea of renters' rebate is new to this province. Property tax rebates, of course, are not. We have the excellent model. In many ways the renters' rebate program will be similar to the property improvement grant program. For example, an applicant will have to pay rent for six months of the year to be eligible for a rebate, the same as we have in the legislation relating to property improvement grants. We will then calculate the grant on up to 12 months of rental payments in 1979 and we will place a limit on the rebate paid in respect of each unit, the same as we do in the property improvement grant. This limit, Mr. Speaker, will be prorated on the number of months of residency because we know that renters may move from one place of residence to another during

this year.

I will give you an example. I will give the House an example, Mr. Speaker. If a renter lives in an apartment in Weyburn for six months and then moves to an apartment in Regina for the other six months of 1979, he or she will be eligible for a maximum grant of \$57.50 for each six-month period, or a total of \$115.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MacMURCHY:** — In another case, Mr. Speaker, a renter may move to Saskatchewan from another province and live in an apartment for an eight-month period in 1979. The applicant will be eligible for a maximum of eight-twelfths of \$115, or \$76.67. We have not forgotten about those renters who do not pay rent in cash, Mr. Speaker. Apartment caretakers, building supervisors, who pay rent through their labour services, will also be eligible for rebate under the new program.

Mr. Speaker, we will be asking owners of rental property to issue receipts to their renters containing basic information needed to calculate the rebate such as the renter's name, address, owner's name, address, the time period for which the receipt is issued, the amount and rate of rent charged during that period. Many owners of rental accommodation already issue such receipts and will not view this requirement as any particular hardship. We are requiring only one receipt for the time period within the calendar year that a renter occupies a particular place of residence. Mr. Speaker, we think that renters and owners of property will co-operate in the matter of rent receipts. We think they will help the program run smoothly, just as our municipalities have been co-operating with the province when they issue tax receipts which are used in calculating the property improvement grant.

Some types of accommodation will not be eligible for renters' rebate, Mr. Speaker. Because the renters' rebate is designed to rebate indirect property taxes, any person renting from an institution or an organization that is exempt from the property tax will not be eligible, which we think is fair given the aim of our program. Also a person who is a dependent of another and lives in that person's home will not be eligible for a renter's rebate. The requirements will eliminate potential abuses of the program where applicants would claim to be paying rent when in fact they are not.

Mr. Speaker, I've said that renters pay property taxes indirectly through their rent but how much do renters pay in those indirect property taxes? We estimate that renters pay about \$24 million in property taxes indirectly through their rent. This means that the average renter pays about \$350 in indirect property taxes or about two months of rent payments. This program will go a long way to assist in their indirect payment of property taxes and I am, therefore, pleased to move second reading of a bill which will rebate indirect property taxes paid by 75,000 Saskatchewan renters.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. H.J. SWAN (Rosetown-Elrose):** — Mr. Speaker, I read this bill carefully. We appreciate most of the clauses of the bill and we intend to support it.

**MR. L.W. BIRKBECK (Moosomin):** — Mr. Speaker, this is just a very brief comment that being that we seem to have a fad, if you like, in rebates with this government. I think my own criticism of the program is that if you can afford to give back taxes, then why charge them in the first place. I say that with respect to the homeowner's grant. We've



made that criticism of that program before although recognizing the worth of the homeowner's grant. This is similar. A rebate on the indirect property taxes that the renters of this province have to pay is quite acceptable to our side of the House. We do support the bill that's before us now. Get that Roy?

**MR. LANE:** — Oh, you woke up Mr. Mostoway now.

**MR. P.P. MOSTOWAY (Saskatoon Centre):** — Right, right. Obviously you were speaking and you put me to sleep.

I just want to say a few words, Mr. Speaker, in support of this bill. Members on our side of the House have been for a number of years agitating for such a move and I think it's a good move. But I wanted to say one thing. I would hope that this government seriously consider not lifting rent controls in Saskatoon, particularly because that's the city I'm concerned with, and Regina, in the foreseeable future or at least until the vacancy rate is high enough.

**AN HON. MEMBER:** — What's high enough? One hundred per cent?

**MR. MOSTOWAY:** — Well, what's high enough? You boys know what's high enough when it come to rent. But the reason I say that, Mr. Speaker, is because I can recall a number of years ago . . . Mr. Speaker, could you get that loud mouth, because I can't hear myself speak, Mr. Speaker.

**MR. SPEAKER:** — I appeal to the members again. Please abide by the rules. They are put here for your protection and if ill behooves the people who are in the minority to abuse the rules. It's bad enough when the people in the majority abuse the rules. But when people in the minority abuse the rules, and consistently do it, they will do it to their disadvantage and that will be unfortunate for the democratic system. I ask all members to hear the other members out. I want to be able to hear what members are saying on both sides of the debate and unless I can do it, I'm going to have to rise and try to bring the House to order.

**MR. MOSTOWAY:** — Thank you, Mr. Speaker. Perhaps I'm not the most appropriate person to be referring to people being loud and I certainly withdraw my remarks.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MOSTOWAY:** — But I'll tell you that you can expect withdrawals and apologies from this side of the House.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MOSTOWAY:** — I want to say, Mr. Speaker, in support of this bill that a number of years ago, I recall, the federal government drastically increased the amount of pension paid to senior citizens and also the accompanying supplementary allowance. What happened (this is prior to rent control) was that that increase was gobbled up. That increase paid by the federal government was gobbled up by rent increases. Now I'm not talking about the smaller landlord. I'm talking about some of the larger landlords that we find in Saskatoon and Regina. And I just wanted to say, you know, I really can't understand how the opposition would be in support of the minister's proposed legislation here, and yet be against rent control. It just doesn't make sense to me. I would think that you would be supporting rent control but inconsistency seems to be

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one thing that we can attribute to them quite easily and readily.

Mr. Speaker, I fully support the bill and I appreciate it being brought in.

**SOME HON. MEMBERS:** — Hear, hear!

Motion agreed to and bill read a second time.

**HON. W.A. ROBBINS (Minister of Revenue, Supply and Services)** moved second reading of Bill No. 90 — **An Act to amend The Education and Health Tax Act.**

He said: Mr. Speaker, there are three matters to be dealt with in Bill 90. The first is a companion legislation to The Liquor Consumption Tax Act, Bill No. 91, which was recently introduced into the Assembly. Since there will be new legislation to impose the 10 per cent tax on liquor, it is necessary to provide an exemption from education and health tax to take effect. The Liquor Consumption Tax Act comes into force. The first two amendments contained in this bill actually accomplish that situation.

The second matter dealt with in this legislation is the elimination of the program to provide a refund of up to \$50 of the education and health tax paid on purchases made by newly-wed couples. This program was introduced in 1965, but was never very widely publicized. As a result, there had been a steady decline and decrease in the proportion of marriages for which an application for refund has been made. The largest percentage in refunds occurred in the 1966-67 fiscal year, when there was 2,066 refunds on 6,987 marriages. That rate, at 29.6 per cent was the highest rate ever attained over the period of time in which this section of the act was applicable. That rate of 29.6 per cent has fallen steadily. In the fiscal year 1978-79, that just ended, only 13.6 per cent of the eligible applicants actually received a refund. In other words, there were only 969 people out of 7,135 who applied for the grant. The newly-wed refund program involved a manual application and a verification system within the Education and Health Tax Branch. Direct processing costs have risen over the life of the program to the point where almost 15 per cent of the total cost of the rebate program is accounted for by the direct administrative expenditures. The amendment proposed in Bill No. 90 makes March 31, 1979 the last day of eligibility for the newly-wed refund program. This means that all couples married up to the end of March are eligible to apply for the refund of up to \$50 of education and health tax spent during the two months preceding or the 12 months following marriage. There's even an anomaly in that particular portion of the act in that the tax that was applicable over that period was really only 3 per cent for a good portion of that time because of the arrangements with the federal authorities a year ago.

The third subject dealt with in Bill No. 90 is merely the correction of a couple of typographical errors that were found in the revised statute.

Mr. Speaker, I move second reading of this bill.

**MR. W.C. THATCHER (Thunder Creek):** — Mr. Speaker, this appears to be another one of those bills that, I suppose, we could class as a biggie, a real earth-shattering one. When one looks down the list on some of the monumental things that it does, like correcting typographical errors, it might be very well a fair question to ask us, what are we doing here? What are we doing here with the Saskatchewan people's money?

Mr. Speaker, there are more ramifications that we would like to consider in this

particular bill. There are some contradictions, for example, the imposition of a tax on liquor when the government already controls all the liquor in the province. Why the logistics of adding a tax instead of just simply raising the price of liquor as you've done virtually every two to three months? When you control all aspects of it and tack on the E & H tax, frankly, some of the bureaucratic logistics, one does have to wonder about it. In any event, Mr. Speaker, there are some ramifications of this bill that I would care to take a look at and for that reason, I would beg leave to adjourn the debate.

Debate adjourned.

**HON. W.A. ROBBINS (Minister of Revenue, Supply and Services)** moved second reading of Bill No. 91 — **An Act to provide for the Imposition and Collection of a Tax on Consumers and Users of Alcoholic Beverages.**

He said: Mr. Speaker, in rising to move second reading of this bill to enact The Liquor Consumption Tax Act, I would like to provide some background information to the members of this House.

First of all, I want to make it very clear that this is not a new or additional tax nor does it contemplate any change in the existing rate of tax.

Since the inception of The Education and Health Tax Act and its predecessor, The Education Tax Act, in 1937, beer, wine and spirits have been subject to the provisions of those acts in precisely the same manner as any other items of tangible, personal property used or consumed by persons in this province. As the rate of education and health tax has changed from time to time over the course of the years, the tax applicable for beer, wine and spirits have been changed accordingly.

Hon. members will recall that when the Minister of Finance (Mr. Smishek) introduced the budget last year, on March 7, 1978, one of the provisions of that budget was to increase the rate of tax on beer, wine and spirits from 5 per cent to 10 per cent while retaining the 5 per cent rate on all other taxable goods and services. This means that we now have a taxing statute. The Education and Health Tax Act, with two levels of tax rates, 10 per cent on beer, wine and spirits, and 5 per cent on everything else. This dual tax rate has presented serious problems in administration, both for vendors under the act and for departmental officials in administering the act. These problems were compounded with federal government exerted pressure on provincial governments to reduce their tax rates for a period of at last six months during the calendar year of 1978.

One of the features of the federal program for reimbursement to the provinces of a portion of the ensuing loss and tax revenues was that the tax on beer, wine and spirits would be excluded for the purposes of calculating federal cost sharing in the sales tax reduction program.

This in turn meant that during the period that the temporary Education and Health Tax Reduction Program was in effect, the dual tax rates in this province were 10 per cent on beer, wine and spirits and 3 per cent on other taxable goods and services.

Because of the problems that are inherent in sales tax legislation that imposes a variable rate of tax on specific commodities, it has been considered desirable to separate the taxation of liquor from the taxation of other items of tangible personal property. This same procedure was followed in 1965 when tobacco products were first

taxed at a rate higher than the regular education and health tax rate.

In 1965, the government of that day passed The Tobacco Tax Act to impose a different rate of tax. We now propose to collect the 10 per cent tax on liquor through separate legislation.

Mr. Speaker, there are similarities in the operations of the liquor and tobacco industries, for example, there are a large number of retail outlets selling both products. The retail consumer pays cash for the commodity and there are relatively few sources of supply of both tobacco and liquor at the wholesale level. However there is one important difference. The price paid by the consumer for liquor can vary substantially depending on the type and the location of the liquor outlet, while the tobacco prices tend to be relatively uniform.

The price of a mixed drink in a licensed dining room is usually much higher, I'm told (though I don't know anything about that from personal experience) than it is in a beverage room. This means that the tax collected from the consumer also varies widely. This is one reason why the liquor consumption tax is retained as a percentage, rather than a fixed unit tax of so many cents per ounce or gram. The nature of the liquor and tobacco industries lead to some special taxation procedures since sales are made on a cash basis for small quantities to large numbers of unidentifiable consumers. And since the tax rates are relatively higher there is a substantial risk that the total tax collected may not be remitted promptly to the province. To help minimize this risk, the total amount of tobacco tax is remitted probably to the province. To help minimize this risk the total amount of tobacco tax is remitted in advance by the tobacco wholesalers. That has been done, Mr. Speaker, for many years. For liquor, we utilize a flexible deposit system to protect revenues. We cannot use the tobacco tax mechanism for liquor purchase because we do not know the amount of tax that will be collected from the consumer at the rate of 10 per cent of the purchase price.

When the security deposit system was introduced last spring, there were the normal initial difficulties encountered with that new program. After the system had been operational for a number of months, the problems were gradually overcome and the new procedures received the endorsement of the industry association

The new methods provide protection for substantial amounts of revenue and remove some inequities that existed under previous systems. These new procedures have been in operation for the past year. I may inform the House, Mr. Speaker, that the Hotelkeepers association supports that approach.

**MR. THATCHER:** — Mr. Speaker, I suppose it is a fair question. I think I have posed it to the minister before but he doesn't really care to answer it. Maybe there is no answer. But I believe it is a fair question when evaluating the price of liquor, to ask at what point in time are you being unfair to the users of alcohol? Again, I do suggest to those people that they do have some rights, and I do suggest to the government that it has no right to extort the people who might use that product. I do not know at what level it becomes unfair. I have no answer to that area. But if the government is trying to discourage consumption, I don't think that you have a valid case when you proceed to operate joints and then extort the people who sue the product. It is much like the lotteries that we see in this country today — governments have taken over the biggest mafia operation; they have gone into the numbers racket themselves.

You are in the liquor business and if you don't want consumption, then fine. Shut it

down get out of the business, say no more alcohol; have the courage to do so.

On the other hand, I don't know what the price is where it becomes unfair. I really don't. Sometimes, Mr. Minister, I wish you would tell us. I suggest to you, Mr. Minister, that not everybody who purchases alcohol is an alcoholic. I suggest that those kinds of people have rights. There are abuses of that product. I suggest that if you name any other product that is used in this society and if you look far enough, you will find abusers of that.

Mr. Speaker, I beg leave to adjourn the debate.

Debate adjourned.

The Assembly adjourned at 12:41 p.m.