LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
April 24, 1981

The Assembly met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

NOTICE OF MOTION

MR. TAYLOR: — Mr. Deputy Speaker, I give notice that I shall, on Tuesday next, move first reading of a bill to amend the human rights code.

INTRODUCTION OF GUESTS

HON. MR. KOSKIE: — Mr. Deputy Speaker, on behalf of the government it is my privilege to welcome and to introduce to the Assembly, His Excellency, Francesco Fulci, the Ambassador of Italy. His Excellency is accompanied by his wife and also Dr. Giovan Verderame, acting counsel general in Vancouver. They are seated in the Speaker's gallery. The Ambassador arrived in Regina from Saskatoon early this morning. I understand that with the tours, meetings, a press conference, and other events, he is going to have a very busy day here today in Regina.

The Ambassador has been with the Italian foreign service since 1956. He has served his country in New York, Moscow, Paris, Tokyo, and has been the Ambassador to Canada since last September. Today, the Ambassador will be meeting with Premier Blakeney and also with the Hon. Norman Vickar, minister of Industry and Commerce. I am advised that Mr. Vickar visited Italy last October and that our trade ties with that country have been increasing.

Certainly, it is an honor, Your Excellency, to have you with us today on this your first official visit to Saskatchewan. I wish you a very pleasant stay here in the capital. I hope that the bonds of communication and friendship between our countries can continue to grow for the mutual benefit of both. We welcome you here today.

HON. MEMBERS: Hear, hear!

MR. TAYLOR: — Mr. Deputy Speaker, I would like to join with the Minister of Consumer Affairs in welcoming the Italian Ambassador, his gracious wife, and the other members of his party to this Assembly. I hope you certainly enjoy your stay in Canada, especially in the province of Saskatchewan. I hope you enjoy the activities of this House today. Welcome to Saskatchewan.

HON. MEMBERS: Hear, hear!

MR. SHILLINGTON: — Thank you, Mr. Deputy Speaker. I know the members of the Assembly will want to join with me in welcoming to the Assembly, eight members of the 20th Regina Westminster Scouts seated, I believe, in your gallery, Mr. Deputy Speaker. I will be meeting with the Scouts later on. I hope, in the meantime, they find the proceedings interesting and educational.

HON. MEMBERS: Hear, hear!

QUESTIONS

Site of Heavy Oil Upgrader

MR. ANDREW: — I have two questions for the Minister of Mineral Resources. The first one, Mr. Minister, relates to the question of the proposed heavy oil upgrader for Saskatchewan. I understand that following question period on Wednesday, you indicated that SaskOil or the provincial government was considering as one of the locations for the heavy oil upgrader the city of Regina or the vicinity of the city of Regina. Could you advise the Assembly if Regina is being actively considered as a site for the heavy oil upgrader, and what the conditions are as to size that would make Regina more apropos than the northwest region of Saskatchewan?

HON. MR. COWLEY: — First of all, Mr. Deputy Speaker, I want to say that the studies such as they are now are not site specific. I was simply asked (if I recall correctly) what the possible locations for a refinery were, and I said that basically anywhere along the pipeline, anywhere reasonably close to it, was a possible location. Was Regina a possible location? The answer was yes. It could be at Uranium City, too, although that would have certain drawbacks obviously. What would be the kind of things that would be in Regina's favor? Well, the larger the project the more any proponent of any project would take a look at the infrastructure that was already there. You have a larger labor pool and so on. So the bigger the project gets, presumably, the more important it would be to the proponents to have more infrastructure in place. But I said that that might not be a deciding factor; that was simply an example of the kind of thing that would be looked at. The larger the city, in theory, the more infrastructure it has available and that is an advantage for it. It may have other disadvantages. And that's the way I left it.

I also spoke in Moose Jaw the other night, and I was asked whether the decision might be made with respect to the upgrader. I said possibly by fall, I thought that would be the time when the studies would be at such a point where they'd start to be site specific and might be able to choose a location. That was reported as Cowley's saying in Moose Jaw that by fall there might be a decision on the upgrader. By the time it got to Lloydminster, the news report was that Cowley said he will announce in the fall that the site will be Moose Jaw. I want to say it is not site specific. I simply said it could be anywhere in reasonably close proximity to the pipeline. Regina is a possibility. That's the kind of thing that would weigh in Regina's favor. You can think of the things that would weigh against it. There is not a lot of heavy oil around here.

MR. ANDREW: — Supplementary question. The initial proposal on the heavy oil upgrader, of course, was advanced a couple of years ago by Husky Oil At that time it proposed to build a 100,000 barrel a day upgrader in the Lloydminster area. As I understand, the consortia have now scaled that down to far less than 100,000 barrels a day, and are probably looking at anywhere from 30,000 barrels a day to 50,000 barrels a day. My question is: if Husky felt that it had the infrastructure in the Lloydminster area to build 100,000 barrels a day, what is the concern now that a far smaller, scaled-down version of that could not be built in that area, but would have to come to a much larger centre like Regina?

HON. MR. COWLEY: — Well, Mr. Deputy Speaker, once again I didn't say it would have to come to Regina. I simply said there is more infrastructure here than in Lloydminster. It could easily, whether it's 100,000 barrels a day or 30,000 barrels a day, be build anywhere. I'm not arguing that it can't be . . . (inaudible interjection) . . . Right, that's

absolutely correct. So there's no reason why the Lloydminster area couldn't support a 100,000 barrel a day upgrader. In terms of size, that's still under review. You know, 30,000 barrels is, I'm told, probably the smallest economic size one could go to in terms of an upgrader. And then the size of it is basically dependent on what the studies show in terms of long-term supply and assured supply of heavy oil as feed stock for the upgrader.

MR. ANDREW: — Supplementary question. I see in a Canadian press story today out of Lloydminster that the vice-president of Husky Oil is indicating that unless there is a reduction in Saskatchewan taxation as it relates to the heavy oil concept, and an agreement on the national energy program within the next five to six months, the whole heavy oil upgrader program will start to slow down. Is that your understanding, that unless there is some agreement on the national energy program, and some movement by the province on its taxation, the economics are not there for the upgrader and the project will slow down?

HON. MR. COWLEY: — Again, I think it's premature to say whether or not the economics are there. There is, in the national energy program, a price for the enhanced oil fee stock for the upgrader at $30 a barrel and a price for the product coming out at $38 a barrel. The question is whether the $8 a barrel in the middle is enough to support an upgrader, and I think it's too early to know whether that's true or not.

Given that the economics will be put together and the studies will be done with respect to the upgrader by the fall, (five to six months from now), then I think for any major construction to proceed there will have to be the agreements between the federal and provincial governments and the consortium with respect to the pricing regime. I just don't think anyone is going to invest, whether it's $700 million or a billion dollars (whatever it is) in an upgrader without having a price regime in place which he believes will support that upgrader.

Assistance Program for the Oil Industry

MR. ANDREW: — New question, Mr. Deputy Speaker. I take it that this morning you announced an assistance program for the oil-related industry in the province of Saskatchewan. I don't know the details of it. Perhaps you could advise the Assembly with regard to what you are doing for the oil people of this province who are being hit by the national energy program.

HON. MR. COWLEY: — Mr. Deputy Speaker, basically the program is a grant program to operators of oil wells and it is 60 per cent of the cost of workovers. It's a six-month program. The ceiling is capped by the production level the operator had in the six-month period in 1980. It's equivalent to 20 cents a barrel, but there's a minimum of $50,000 available in grants to each of the operators. It is hoped that this will stimulate, in the next few months, the operators to go out and to work over wells that they might have otherwise shut in because of the economics of them. It's a six-month temporary program; we'll be evaluating it in the next month or two to see how it's working, whether indeed it is getting the desired effects in terms of the services for that industry.

MR. ANDREW: — Supplementary question. It would appear you have a band-aid solution to cover the next six-month period. Is there anything in the program or in the works that will really solve the real problem and that is to make oil exploration profitable in this province, so that the companies will get in there and get back to the normal way

that business works and make the oil industry profitable in this province?

HON. MR. COWLEY: — I agree it's a band-aid solution. That's what it is intended to be. With respect to what's in the works, what's in the works is continued discussions with the federal government and a resolution to the national energy program and the pricing problem; that's where the solution lies.

Minister's Remarks on Heavy Oil Upgrader Plant

MR. BAKER: — Mr. Deputy Speaker, I want to follow up a bit on this and ask the minister a question. With regard to this heavy oil plant, I think Regina is the only location for the plant. I whole-heartedly support the co-ops that want it here in line with their expansion. My question to the minister is this: I noticed the other night that he made some remarks as to location; did he do that as a private citizen or as the minister? If he is going to be in charge of this study, he'll be judge and jury of the whole thing. He did indicate two locations, which sounded to me as though he wanted them there. I think we should wait for the study, and I want to ask him now what his stand is on that? And if he is going to be the head of this committee, then he should keep quiet.

Mr. Deputy Speaker, I know he has difficulty doing that (keeping quiet), but I want to ask him specifically whether he has a biased opinion with regard to the location?

HON. MR. COWLEY: — Well, Mr. Deputy Speaker, my problem with keeping quiet about the location is that I keep getting asked questions. Do I have a bias? No, I don't. I'm not going to be involved n the study. If I have a bias, it's toward Kinley, but we don't have quite enough infrastructure there. I'm advised that as a result of my announcement in the legislature the other day, the price of lots went from $2 to $4. So things are moving along. No, I don't have any predilection in terms of the location. As I said to the press, I suppose according to conventional wisdom (or whatever you would call it), people have always assumed that it would likely be in the northwestern part of the province. I don't know whether that's what the study will show. I can see how we could have a very interesting committee do this study. We could maybe get the member for Cutknife-Lloydminster and perhaps the member for Kindersley and the member for Regina Victoria, the member for Regina South and that would be a nice committee of four. Maybe they could decide. Thank you, Mr. Deputy Speaker.

Assistance to Alleviate High Interest Rates

MR. ROUSSEAU: — I want the Minister of Finance to realize that I don't want him to keep quiet this morning; I want him to answer. Mr. Deputy Speaker, a question to the Minister of Finance, in light of yesterday's announcement by the Bank of Canada of your highest interest rates in our history. The Premier seems surprised, but it's a fact. Your government has done absolutely nothing to offset these high interest costs (they are inflationary, etc.) and your mortgage interest deductibility is a catch 22 situation. If you can afford the mortgage you don't get the credit; if you get the credit you can't afford the mortgage. So what are you going to help the individual? Will you now do something to alleviate some of these high costs to the taxpayers of this province? One can look at sales tax, the freezing of the gas sales tax (which the minister announced the other day), the freezing of some public utility rates, whatever can help. What about the introduction of a mortgage assistance plan which will be meaningful to the people of this province?

HON. MR. TCHORZEWSKI: — Mr. Deputy Speaker, it is clear that the interest rate has

now gone to a point where it is higher than it was when the former Conservative government in Ottawa was allowing it to run fairly high. At that time I heard little concern from the members opposite about it. But, I think the member asks a good question, Mr. Deputy Speaker, and I wish to respond.

As I did respond the other day, I want to first of all say that it is clear (and we all know that) that the responsibility for the conduct of the monetary policy rests with the Government of Canada. There is no provincial government, including this one, that can control interest rates. We have told the federal government in every form available to us, including direct correspondence from me, that their policy with regard to interest rates is unwise. It is restricting investment and productive development of the economy. That has to change. But in the meantime, we recognize that there are certain things that we, as a province, must do to alleviate the impact of inflation which is now caused, to a large extent, by the interest rate. So, we have taken direct action to alleviate the hardship of those citizens of Saskatchewan most adversely affected.

Let me just give the member some indication of that. For farmers, owners of homes and small businesses that are obviously directly affected, we have tax cuts totalling $47 million which will ease the burden of high interest rates to these individuals. We have in 1981 a program where home-owners will receive $12 million through our mortgage interest tax credit and this will assist families faced with the excessive interest rate resulting from the policies which come from the federal government. We have a tax cut for small business people of $3.6 million, which will make it easier to raise investment funds and cope with high interest rates. Our FarmStart program will provide $33 million in new low-interest loans and grants to qualifying farmers. We still have the small business interest abatement program, and the Saskatchewan Economic Development Corporation expects to provide loans totalling about $75 million in 1981 at interest rates well below those offered by commercial sources. So, we have not only recognized that we have some obligation to try to alleviate the impact of inflation, but we have taken steps to do just that.

MR. ROUSSEAU: — Mr. Minister, I was beginning to think you were going to make your budget speech all over again. We've heard all of this before. If you're that proud of it, you had better start thinking again. Mr. Minister, we know about these programs — half of them aren't working and half of them have been there for a long time. They are not doing anything to help curb the costs of the high interest rates which are coming on stream today.

We have made a suggestion to you in this Assembly more than once, and I'm making it again. Your government is borrowing money at the rate of 13 to 13.5 per cent. You could probably get it for less, as has been discussed with the minister before. A subsidy even at those rates would not be that costly to the Government of Saskatchewan. The housing starts which were beginning to move in the upward direction in this province will now again come to a halt because of these high interest rates. Mortgage rates, as we know, will reach 18 to 20 per cent.

Mr. Minister, will you introduce a program to bring some money on stream which can be loaned for mortgage interest at subsidized rates, based on your borrowing abilities?

HON. MR. TCHORZEWSKI: — Mr. Deputy Speaker, the member feels that I was repeating the budget speech. I've been doing that every weekend almost, throughout the province of Saskatchewan, and the response has really been quite good. I want to point out again for you, Mr. Speaker, and for the member who asked the question, that

we have programs in place to assist home-owners and home purchasers which are good programs, and indeed, they work. The member only needs to look at the statistics.

We have, as I indicated in my first response, a mortgage interest rebate program that will provide, this year, in the area of $12 million in mortgage interest rebates to people who are paying interest on mortgages. We have a massive public housing program which provides housing throughout Saskatchewan, even in some of our smallest communities. We have a co-op housing program, Mr. Deputy Speaker, which provides a very substantial subsidy. It is being expanded this year to include the farm communities. I might add, as one who comes from a rural constituency, that program is very warmly welcomed. We also, in the co-op housing program, provide subsidies of up to $150 a month, which is a very substantial subsidy, and is assisting a large number of people who are in the process of building a new home.

Testing of Formaldehyde Foam

MRS. DUNCAN: — My question is to the Minister of Consumer and Corporate Affairs. Yesterday it was announced, Mr. Minister, that the ban on urea formaldehyde foam for residential use will continue in Canada because of the possible potential health hazard associated with this product. Mr. Minister, the Consumers Association of Canada has also announced that it will be calling on government to provide consumers with financial compensation for the testing of formaldehyde vapor. Has your government looked into the possibility of providing to the consumers of Saskatchewan, who insulated their home with urea formaldehyde foam, the means to have the proper testing done?

HON. MR. KOSKIE: — Mr. Deputy Speaker, as the hon. member will realize, the temporary ban was placed on December 17, and that was with the urging of the Department of Consumer Affairs in Saskatchewan and the consumer groups across the country. The report came down yesterday indicating that the ban will continue. I want to inform the member that the determination of whether or not a product is to be banned is done by the federal Department of Health, through the Hazardous Products Act. All of the provinces throughout Canada are dependent upon the determination, which is made by the federal government.

I want to say that it is our position and it was the position of the committee who recommended it to the federal government that since they are in the position of determining the safety of the product, they should be the ones who consider making any financial arrangements for the individuals who may have been harmed because of the use of the product. That is the position which we, in Saskatchewan, take as well. We are monitoring the report with the Department of Health at the present time and we will be making representation to the federal Minister of Consumer Affairs to take a look at providing some financial resources to those who need assistance.

We feel that it is a federal responsibility. That is the position we are going to take; after all they are the ones who determine and the provinces are dependent upon their determination.

MRS. DUNCAN: — I am fully cognizant of the fact that registration of chemicals such as this is a federal responsibility. But do you not feel that in your government's programs the use of this foam has been recommended as an energy efficient product? Do you not think that some of the responsibility has to be taken by your government? Testing for formaldehyde vapor is not something which you can have done just by phoning

someone. I'm sure that someone in the Department of Labor could do the proper type of testing. Even if these people could have the testing done by the government, resolving the problem after establishing the vapor levels would be another, more costly venture.

HON. MR. KOSKIE: — As soon as we became knowledgable of any adverse effects of the insulation product, we put forward an information pamphlet which was distributed. It indicated the nature of the risk in respect to urea formaldehyde as an insulator. As soon as the temporary ban was placed on we did, in fact, take some action in order to assist the home-owners who found symptoms of the presence of the gas. If they contact the consumer affairs department, we can arrange for testing for the presence of the gas in the home; this is done through the Department of Labor, occupational health and safety branch. We have carried out a number of testings to date, so we have (I think) fulfilled, in many ways, a very responsible approach to this problem. However, we think the ultimate responsibility has to lie with the federal government and that's where we are going to be pressing.

Use of Parks for Pasture

MR. MUIRHEAD: — Mr. Deputy Speaker, my question is to the Minister of Tourism. It pertains to the use of parks for pasture as was done last year in this province. I am sure that cattlemen were very pleased that parks were made available, Mr. Minister, last year during the emergency because of the loss of grass. Last fall people from my area and throughout Saskatchewan came to you and asked if the fences which were supposed to be removed in October could be left over winter as an emergency measure in case of shortage of pasture in the spring of 1981 — especially in southern Saskatchewan. Will these parks be available for pasture use?

HON. MR. GROSS: — Mr. Deputy Speaker, if the need warrants our using the parks again, they will be made available.

ORDERS OF THE DAY

GOVERNMENT ORDERS

COMMITTEE OF FINANCE

Resolutions

HON. MR. TCHORZEWSKI: — Mr. Chairman, I want to move some resolutions dealing with the second appropriation bill which is required again, as members will know, because we are now sitting into the second month of this fiscal year. I would like to move the following resolution:

> Resolved, that a sum not exceeding $369,040,280, being approximately two-twelfths of the amount of each of the sums to be voted as set forth in the estimates for the fiscal year ending March 31, 1982, that were laid before the Assembly at the present session, be granted to Her Majesty, on account, for the 12 months ending March 31, 1982.

AN HON. MEMBER: — Why two-twelfths?

HON. MR. TCHORZEWSKI: — I explained that to the member for Regina South. It's two-

twelfths because it is the second appropriation bill. If you will look at the record, every year that this has happened it's two-twelfths because there are larger amounts of money which are necessary to pay certain grants, such as school grants, which have to go out. So you need the two-twelfths. Rather than breaking it down for specific grant purposes, which is almost impossible to do, we vote the thing as it is.

Resolution agreed to.

HON. MR. TCHORZEWSKI: — I would, therefore, like to move the following resolution:

> Resolved, that toward making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending March 31, 1981, the sum of $369,040,280 be granted out of the consolidated fund.

Resolution agreed to.

HON. MR. TCHORZEWSKI: — Mr. Vice-Chairman, these next two deal with the heritage fund.

> Resolved, that a sum not exceeding $145,951,000, being approximately two-twelfths of the amount of each of the sums to be voted as set forth in the estimates for the fiscal year ending March 31, 1982, that were laid before the Assembly at the present session, be granted to Her Majesty on account for the 12 months ending March 31, 1982.

Resolution agreed to.

HON. MR. TCHORZEWSKI: — Mr. Vice-Chairman, I move the final resolution, dealing with the Saskatchewan Heritage Fund:

> Resolved, that toward making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending March 31, 1982, the sum of $155,951,000 be granted out of the Saskatchewan Heritage Fund.

Resolution agreed to.

The said resolutions were reported and by leave of the Assembly read twice and agreed to.

APPROPRIATION BILL

HON. MR. TCHORZEWSKI: — Mr. Speaker, I would at this time like to move:

> That bill No. 84, An Act for Granting to Her Majesty Certain Sums of Money for the Public Service for the Fiscal Year Ending March 31, 1982, be now introduced and read the first time.

Motion agreed and bill read a first time.

HON. MR. TCHORZEWSKI: — By leave of the Assembly I move that Bill No. 84 be now read a second and third time.

Motion agreed to and bill read a second and third time.

SECOND READINGS

Bill No. 70 — An Act to amend The Education Act

HON. MR. McARTHUR: — Mr. Deputy Speaker, in speaking on the amendments as proposed to The Education Act, I want to first acknowledge the support the statement made last year by the president of the Canadian School Trustees' Association to the effect that Saskatchewan's Education Act is the most advanced and progressive piece of educational legislation anywhere in Canada. This Education Act was unanimously approved by the members of this Assembly three years ago and, I believe, with the experience we have had with this act, the opinion expressed by the president of the Canadian School Trustees' Association is an accurate reflection of how teachers, school trustees, parents and others concerned with education in this province feel about our legislation and the arrangements under the legislation.

There are a number of reasons, Mr. Deputy Speaker, for the popularity of this particular act, and I want to mention just a few very briefly here this morning.

First of all, I think this act provides for a very clear, very realistic and a very workable division of responsibility between the central authority on education, the Department of Education, on the one hand, and our local school divisions and school boards on the other hand. The Department of Education has responsibility for the broad curricular requirements of the school system, while at the local level there is an opportunity, within our structure and our legislation, to make adaptations to the particular requirements and preferences of the local community. The division of responsibility that we have in this sense results, I believe, in both good administration and good education.

The Department of Education is responsible for the provision of a major portion of the financial resources required to meet the ongoing costs of education and to provide an equitable distribution of those resources to reflect the varying needs and financial capacities of school boards. Within the equalization system that we have to do that job, school boards establish the individual budgets, make decisions with respect to teacher selection, with respect to staffing and with respect to the programs in administration that they have in operation within their schools. The guiding principle here, with our foundation grant equalization system of financing and the ability of school boards to make their decisions within that, has been one of decentralizing decision making to the greatest possible extent, while ensuring that the Department of Education does have and accepts its responsibility for general leadership and direction in education.

The second thing, Mr. Deputy Speaker, is that this legislation explicitly provides for the right of students to an education appropriate to their needs and abilities. With few exceptions (and these exceptions will be dealt with in this package of amendments), it can be concluded that we have reached the ideal of universal free access to educational services for all our young people. In particular, the right of handicapped students and disabled students to educational services was incorporated into the act and its predecessor long before similar provisions emerged in any other province. Indeed, very few provinces yet have such provisions, making Saskatchewan a leader in this particular and most important area.

Thirdly, The Education Act reflects the partnership that is a crucial aspect of our

approach to education in this province. No legislation can enforce good will or specify all of the consultative processes which need to take place. However, legislation can set a framework that sets the tone for a collaborative approach, and this kind of approach involving teachers, parents, trustees and educational officials from the Department of Education is clearly a mark of success in the Saskatchewan experience.

Fourth, although much yet needs to be done in this area, the legislation sets a framework within which parental participation in educational decision making can be improved and maximized. The provision for local boards of trustees and the setting up of school councils are two key components in this regard.

Mr. Deputy Speaker, I will use more examples about the strengths and powers of The Education Act because the list is very long, and it is not my intent to go through the whole of the act that we have today. But I do want to point out that no legislation can meet the ongoing needs it is intended to serve if it is not subject to continuing review, evaluation and analysis. Sometimes experience reveals that wording is subject to different interpretations and, therefore, clarification must be provided. Some sections of any legislation become obsolete with changing circumstances and can be removed entirely. New sections or amendments must be made to deal with emerging issues or changing circumstances.

Therefore, it is by no means a sign of weakness in legislation when it is changed from time to time. I would not be one who would want to promote change simply for the sake of change, but I do believe that our collective policies and approaches to education warrant periodic careful review and searching analysis. We need to re-examine traditional practices and occasionally challenge some of the underlying assumptions, both implicit and explicit, that serve to set directions in our educational institutions. Such review can conclude that much of what we do now is sound and worthy of continuation, while other policies and practices should be changed sometimes in a major way.

It is against this general backdrop, Mr. Deputy Speaker, that I wish now to talk to the members of this Assembly about the proposed amendments which I believe will make an excellent education act into an even better piece of legislation. I don't intend to deal with all of the amendments, but let me highlight some of the most important.

First of all, I'll deal with some of the housekeeping types of amendments, Mr. Deputy Speaker. Amendments are made to two sections of the act that relate to the disposal of property by a school division. Clause 92(j) currently provides school divisions with the authority to dispose or lease real property or grant easements over any of the real property of the school division. The amendment to this particular clause will make the disposal of such property subject to section 350 of the act in the regulations. Section 350 currently sets out some of the procedures and conditions under which a school board may dispose of property. Subsection 2 indicates that the disposal of property used for the instruction or accommodation of pupils is subject to the prior approval of the Minister of Education and this has been a long-standing provision.

The amendment that we are proposing here, Mr. Speaker, simply clarifies the wording of that section, and adds the provision that the minister may specify conditions in his approval for the disposition of the property. This particular amendment is intended to ensure that the Department of Education will be able to apply the well-accepted equalization principle, which we have for operating grants, to the financing of capital projects as well. Some school systems in the larger urban communities may enjoy

major windfall gains as a result of the sale of school sites which have greatly appreciated in market value. To be consistent with equalization principles, and to be fair to other school systems which do not enjoy the benefits of such gains, the current revenues of the sale of such property should and will be applied to the cost of other school capital projects within that school division, therefore recognizing that revenue as capital revenue.

The amendment to this particular subsection will ensure that such equalization principles, which have become such a well-established part of our financing of the school system, apply to capital projects as well as to operational costs.

Sections 206, 207, 209 and 210, I should just mention briefly because they deal with procedures concerning the termination of teachers' contracts. There are a number of very minor amendments to these sections, Mr. Deputy Speaker, because some of the wording was a little unclear and needed to be clarified. There is no substantive change in the basic procedures that are outlined.

Clause (b) of subsection 106(3) currently provides smaller boards of education with the authority to appoint a principal as a part-time director of education. This particular clause was intended to be of assistance to the smaller school divisions which for various reasons (primarily financial) find it impractical to appoint a full-time director. Although there was good intent behind this particular provision, it has proven to be a problem. The director of education has certain duties and responsibilities, including staff evaluation and the provision of confidential information and advice to the board of the school division. A principal who attempts to exercise these responsibilities is very likely to find himself or herself in conflict of interest between the two roles, and his or her respective responsibilities. Accordingly, the particular clause providing for such a dual appointment will be repealed by these amendments.

Mr. Deputy Speaker, it is obvious that the vast majority of parents are well-aware of the great benefits that accrue to their children as a result of obtaining a quality education, and, accordingly, they make every effort to ensure that their children attend school on a regular basis. Occasionally, certain parents do not live up to their responsibilities to ensure regular attendance on the part of their children, and in such instances the sections of the act pertaining to compulsory attendance are brought to bear.

A parent, a guardian, or other person who neglects to discharge his or her responsibility in connection with school attendance is subject to action in the courts. Specific court experiences have indicated that the current section, which attempts to place the onus on the parent or guardian (where it should belong as part of the responsibility of the family) to ensure regular attendance of the pupil, is unclear. Consequently, there have been difficulties in the enforcement of the school attendance provisions. The amendment to subsection 155(1) will, on the recommendation of the courts, more clearly and definitely set out the responsibility of parents to take all necessary steps to ensure that children attend school on a regular basis.

Section 328 of the act currently places the onus on the returning officer, who is often the secretary-treasurer, to cast the deciding ballot in the event that an equality of votes takes place on a by-law vote. This obviously puts the returning officer, particularly if he or she is also the secretary-treasurer of the school division, in a very difficult and unfair situation. In order to deal with this situation, at the request of many business administrators in the school system, the new section will provide that in the case of an equality of votes on a by-law, the question will be deemed to have been lost.

Mr. Deputy Speaker, a fundamental principle underlying The Education Act is that every student must have access to appropriate educational service which is fully publicly financed. Amendments to sections 144 and 173 of The Education Act are designed to overcome some current weaknesses in the act, in terms of the principle of universal free education, which is the fundamental principle behind the act. There are currently a number of situations in which tuition fees can be charged to the individual, and in which the charging of such fees is clearly contrary to the general intent and philosophy of The Education Act.

Subsection (2) of section 144 will be repealed and replaced with a new subsection which will state that a student who is a resident in a school division, or whose parent or guardian is a resident of a school division, shall be entitled to attendance at the school division, at the cost of the school division, and with no tuition fees to be charged.

Subsection 173(1) which currently defines a non-resident, will be repealed, and in its place a definition of "resident" will be included.

Mr. Deputy Speaker, the most important features of the amendments which I have just mentioned are that even if the pupil's parents or guardian are not residents of the school division, the pupil will have the right to attend school at the cost of the school division, if the pupil himself is a bona fide resident of that school division. Coupled with this is the removal of the requirement that a pupil reside for a period of at least three months in a school division before becoming exempt from the payment of tuition fees. Under the new provisions, as soon as a pupil takes up residency within a school division, he or she will be entitled to attend school in the division and to receive appropriate educational services.

I should emphasize that these amendments do not mean that students can frivolously switch from one school division to another. In order for a student to be entitled to a tuition-free education, that student must actually reside in the school division in question, which may allay some concerns that rural boards might have about students wanting to switch to schools in larger urban centres.

Mr. Deputy Speaker, this government has always shown concern for the rights of our Indian people. It will be recalled that in 1973 the Government of Saskatchewan and this legislature passed legislation to provide for Indian representation on boards of education where subdivisions consist of one or more Indian reserves.

We propose, in the 1981 amendments that we are now considering to The Education Act, to extend these rights by giving Indian people a voice in the affairs of the local school district as well. In a number of instances, Indian students receive educational services in a school division which is outside the boundaries of the Indian reserve. In such cases, they currently do not have a voice in the local school district.

Under the amendments proposed, the band council will be empowered to appoint a member to the board of trustees of the school district in which the pupils of the Indian reserve receive educational services. This change, Mr. Deputy Speaker, will provide for more direct Indian band representation on boards of trustees where students are attending those schools and, therefore, will provide a greater degree of communication between the community, the parents and the school in question.

For many years, Mr. Deputy Speaker, the only publicly supported high schools in Saskatchewan were those which were operated by public high school systems. In 1964, The Secondary Education Act was amended to permit the formation of separate high schools. Under this legislation, a number of Roman Catholic separate high school districts were formed and began to operate Roman Catholic high schools. These, today, are excellent schools operating throughout Saskatchewan. Under the terms of the 1964 legislation, parents or guardians, who resided in cities in which both a public high school district and a separate high school district existed, were allowed to choose the high school system, either public or separate, to which they would pay their taxes and in which they would enrol their children. In other words, a Catholic ratepayer had the right to declare himself or herself a supporter of the public high school system and have his or her children attend the public high school system without tuition fee, if that was the choice. Similarly, a non-Catholic was able to declare himself or herself to be a supporter of the Catholic school system at the high school level and have his or her children attend in that system without tuition fee, if that was his or her choice.

At the elementary level, there has not been a statutory right for ratepayers of one school system to switch their taxes to the other system. Similarly, there has been no statutory right for supporters of one school system to send their students to the other school system at the elementary level on a tuition-free basis. That is provided for within the constitutional framework of our province.

As a result of the coming into force of The Education Act 1978, high school divisions, both Roman Catholic and public, were eliminated. All school divisions are now responsible for the full kindergarten to grade 12 program. As a by-product of the elimination of the high school divisions, however, the statutory right provided in 1964 to opt from one school system to the other where they both co-exist within one area at the high school level was removed. Under the current legislation, a Roman Catholic will pay his taxes to the separate school system for the full kindergarten to grade 12 service and, similarly, a non-Catholic will pay his taxes to the public school system for the same range of services.

We do not propose to make any changes to provisions which govern the school systems which an elector supports. We do propose to make some changes which will restore the rights of parents (created in 1964 with The Secondary Education Act) to send their children to either a separate or public high school of their choice. This will merely restore that right which existed prior to the coming into force of The Education Act.

The provisions restoring the right to opt from one school system to the other at the high school level are included in a new section 144.1 of the amendments which are before you. Included in that section (and this is very important) is a clause which ensures that a student who opts from one school system to the other is required to submit to all of the policies of that school system, including those which relate to religious education. This is a particularly important provision from the standpoint of the Catholic school systems which, justifiably, very much wish to ensure that the religious orientation of their school system will be maintained.

Mr. Deputy Speaker, I am particularly pleased with this new section which is an important component of our efforts to ensure that, under appropriate circumstances, all students have access to a tuition-free education appropriate to their needs and interests.

Mr. Deputy Speaker, let me now turn to some amendments to section 232 of the act, dealing with collective bargaining. By way of explanation, Mr. Deputy Speaker, let me point out that section 232 of the existing Education Act is that section which outlines those items which must be bargained, both at the provincial and the local level. I am not proposing any major or substantial revisions to the system of collective bargaining that currently exist. I wish to be very clear about that.

AN HON. MEMBER: — Great bill.

HON. MR. McARTHUR: — Good bill, excellent legislation, as I will be pointing out in a minute.

The current arrangement for teacher bargaining was created in 1973, when this legislature passed The Teacher Collective Bargaining Act. The act established that certain matters such as salaries, allowances, pensions and the like must be negotiated provincially and included in a provincial contract. Other matters such as leaves, special allowances, and substitute teacher pay must be bargained locally. In both cases, other allowances, and substitute teacher pay must be bargained locally. In both cases, other matters may be added to either sets of contracts, if negotiations lead to such a result.

In order to ensure that the teaching methods and curriculum continued to be determined through already established co-operative, consultative mechanisms, a subsection was included in the 1973 act providing that:

> No collective bargaining agreement shall contain terms regulating the selection of teachers, the administrative and instructional duties of teachers or the nature or quality of the instructional programs.

The intent of this section was not in any way to restrict the ability of teachers to bargain with respect to normal aspects of the employer-employee relationship. Rather, it was to ensure that educational matters remained subject to the normal decision-making process, which, as I have already indicated, was then and still is a co-operative one involving teachers, trustees and the Department of Education. It was, to quote the then minister of education, Mr. MacMurchy:

> To ensure that decisions about who teaches, what is taught, and how it is taught were and are made as part of an educational policy which considers the broad public interest as well as the needs and interests of teachers and trustees.

The system as we know it has now been functioning for approximately seven years. It has proved itself over that period of time. Indeed, Mr. Deputy Speaker, I doubt if there is a more effective and workable system existing anywhere else in the country. I say to you, Mr. Deputy Speaker, that points to the wisdom of Mr. MacMurchy when he brought in this legislation.

SOME HON. MEMBERS: Hear, hear!

HON. MR. McARTHUR: — And these amendments I am introducing are not in any way intended to alter or change that basic structure. I believe, for instance, that consultative and advisory mechanisms functioning outside the collective bargaining process can be used to ensure that teachers have a role in decisions affecting them. These kinds of mechanisms are currently used to a very large degree to determine what is taught and

how it is taught. Many boards and teacher groups are now utilizing such mechanisms to make decisions about conditions of work and related matters, and that is to be encouraged.

Just as the consultative mechanisms are an important aspect of teacher participation and decision-making, so also is the collective bargaining process. Our experience over time with the existing legislation has revealed that the wording of certain parts of section 232 is somewhat ambiguous in that the interpretation can at times be other than that which was originally intended. I am therefore proposing simply to clarify and make more precise the wording of certain parts of section 232.

First of all let me explain what is being done with the two clauses that permit the parties to negotiate items beyond those they are required to negotiate. Those two clauses, one applying to provincial bargaining and one to local bargaining, currently state that the parties may bargain collectively on matters that the parties may agree to negotiate other than those they are required to bargain on. It is the phrase "that the parties may agree to negotiate" that has create certain problems of interpretation. It has been pointed out that this clause is being interpreted in some cases to mean that prior agreement to negotiate any particular non-mandatory item is required before any negotiations can actually proceed with respect to such an item. While in general this should be no problem, if interpreted technically and precisely, it can create two kinds of difficulties.

First, it is possible to claim that bargaining on such items must occur in two stages, with a first and entirely separate stage being one of involving the determination only of items without any consideration of their content and their relationships to one another. This, I think it is generally agreed, is unnecessarily cumbersome and awkward and not in keeping with constructive and workable bargaining.

Second, it is sometimes claimed that as a result of the wording of this section there is no need to discuss and negotiate in good faith any non-mandatory items, because a simple refusal to agree to negotiate fulfills any obligation under the act with respect to such items. Such an interpretation is likewise not in keeping with constructive and workable bargaining and, while perhaps technically correct in terms of the wording of the current act, can only breed unnecessary animosity and frustration which creates difficulties with the bargaining process.

That is in no way to prejudge what the outcome of such bargaining should be; I want to make this very clear. It is only to say that matters must at least be explored and discussed and where proposals are made and rejected, reasons should be given for rejecting them if bargaining is to be healthy and constructive and free of difficulties. Thus, in order to clarify what was originally meant, I am proposing to strike out the phrase "that the parties may agree to negotiate," in subsections (1)(b) and (2)(b) of section 232. This phrase was, as I indicated, redundant in the first instance and added nothing substantive in terms of the original intention of the legislation. This change should, therefore, I believe, be acceptable to, and supported by, all members of this legislature.

I am also proposing an amendment to subsection (4) of section 232, in order to clarify and make precise its meaning and intent. This is the section, Mr. Deputy Speaker, as I mentioned earlier, that excludes certain matters from collective bargaining agreements.

The original intent, as I also mentioned, was that no agreement should contain provisions determining who teaches, what is taught and how it is taught. The reason for this is that these are matters that involve not only the terms and conditions of work, but also very basic matters related to the learning and educational process.

It is clear that the 1973 wording was not as clear as it might be in describing these excluded items. The new wording will, I believe, be an improvement because its wording is tighter, clearer and more precise, in that it will make absolutely clear that those things which cannot be contained in an agreement extend precisely to who teaches, what is taught and how it is taught.

These changes to the act, dealing with collective bargaining, could hardly be called major or radical. But they will, I believe, contribute to an improved climate for bargaining through the elimination of some lack of clarity, ambiguities and uncertainties. I know all members of this legislature will be supporting me in wanting to have that clarification made in the legislation.

Another important provision of this legislation, Mr. Deputy Speaker, and the final provision that I wish to speak to, is that providing for the establishment of school subdivisions in urban centres with a population in excess of 100,000.

The system of representation is the one that has popularly become known as the "ward system." It has been interesting and somewhat surprising to find that this approach to representation is so greatly feared by some people, including particularly the members opposite. The system, after all, is widely utilized by all levels of government throughout Saskatchewan and Canada. It is the basis of representation in all provincial legislatures in Canada and in the federal Parliament of Canada. It is used now in practically all major urban centres in Canada at both the municipal and school board levels. It has been the basis of representation in rural Saskatchewan school divisions for years — which by the way make up the largest proportion of our school divisions.

In light of that experience, Mr. Deputy Speaker, it is very interesting to note that the hon. members opposite object so strongly to this basis of representation. I can only presume that they feel the same way about its application in rural areas and in urban and provincial elections.

The reason why this system is favored by such a large and diverse array of local governments in Canada and Saskatchewan is, I think, relatively simple. It is that after any democratic system of government reaches a certain size, whether it be geographic size or populations size, it becomes ever more difficult for all citizens and all of their elected representatives to communicate with one another and to relate generally in a creative and personal way. It also becomes more difficult to organize elections procedurally so that the electorate can be knowledgeable about, and in touch with those who are seeking to represent them. And thus is becomes necessary to look at an alternative to the "at-large" system where each elected representative is required to relate to, and represent, each and every member of the electorate.

The only real workable alternative is to divide the electorate into subgroupings or subdivisions, and to have each of these choose their own representative. This approach tends to restore that sense of community that exists in smaller centres, and also encourages a feeling of personal identification and personal understanding that is not possible with the large aggregations of population what we now have in our two

large urban centres.

In other words, Mr. Deputy Speaker, it will tend to give the system of representation a more human face and in this way help people to identify more clearly with, and communicate more readily with, their elected representatives. And that, Mr. Deputy Speaker, I believe, is essential is we are to have strong and vibrant local democracy as part of our system of local government.

I for one, Mr. Deputy Speaker, am proud of our approach to local government in Saskatchewan. In order to bring government as close as possible to the people served, we, in this provincial government, have done much, and more than any other provincial government in Canada, to strengthen and extend our local governments and to extend the scope and breadth of their responsibilities. I think the results prove that this has been a successful undertaking. Nowhere is this more true than with respect to education, and there, too, it has been a great success. But, in ensuring that there is full and widespread responsibility at the local level, so that local democracy can work, we in this legislature must also accept our responsibility to ensure that the systems of representation and election are the best that it is possible to devise.

I believe that, where we have large geographical areas or large aggregations of population, the system that serves the people the best is the subdivisional system. Surely, Mr. Deputy Speaker, that is what democracy is all about — serving the people in the best way possible. Sometimes in order to do this, we must undergo some changes and change is seldom comfortable, especially for those who are most directly affected. But that must not be the reason for not making changes. Who can deny that a change in the direction that I am proposing here toward the subdivisional system in the large urban centres will not be an improvement?

Look for a moment at the public school system in Regina and Saskatoon today. Each member of these boards is expected to represent in the range of 80,000 electors because of the at-large system of representation; 80,000 electors are being represented by each individual representative. That in itself, Mr. Deputy Speaker, places an unfair if indeed not an unrealistic and impossible expectation on the elected representatives in question.

Members of this Assembly, I know, know how difficult it is to effectively communicate with and understand the needs of 10,000 electors, which each of our constituencies roughly contain. I invite each member to consider the possibility of having to do that job for eight times that many people. That in itself, I believe, should be enough to convince all hon. members of the need for this change. But that is not the only reason why this changes will be an improvement.

I am sure we all know and are concerned about the relatively low turnout for school board elections. In Saskatoon and Regina, it is substantially below that for municipal elections, even though the two sets of elections are now held at the same time. There is ample evidence to suggest that the reason for this is that many people who are now used to the subdivisional system reject the at-large type of ballot, and simply do not vote. Hopefully, a move to the subdivisional system for school board elections will increase the number of people who exercise their right and their responsibility to vote.

Related to this, Mr. Deputy Speaker, I should also point out the frustrations which many people expressed here in Regina in 1979 at having to select candidates from a ballot containing close to 30 names. No one was more happy than I to see so many people

standing for elected office in our school system; indeed, this should be encouraged, and I believe is encouraging. But, there is no question that under the at-large system, such a large number of candidates discourages both electors and prospective candidates.

I have become convinced that this difficulty can only be effectively addressed by moving to the subdivisional system. The system will more effectively encourage the participation of a large number of interested candidates by simplifying procedures, by reducing costs, and by giving people a clearer opportunity to know and understand the position of those candidates who choose to stand for election in their particular area.

And there are certainly other reasons to support this system of representation. Among these are greater opportunities for communities to have their specific concerns heard and expressed, and greater assurances that particular geographical areas and particular socio-economic groups will have their concerns recognized and communicated. It is interesting that in the cities of Regina and Saskatoon, where this system will come into operation in the school system when this legislation is passed, we have had for some years now the subdivisional system or, as it is sometimes called, "the ward system" for municipal elections.

I was reading the debates which took place in this legislature at the time that those changes were brought in. The then minister of municipal affairs, who introduced this legislation was it applied to the municipal elections, indicated some important benefits which would come from the introduction to this system. He indicated at that time more direct representation resulting from this system as one of the reasons for supporting it. He indicated that there would be more uniform representation. Mr. Wood was the minister at that time. he indicated that it would allow more people to run for office by reducing the costs, and thus make it possible for people to run effective campaigns — people who could not run under the large system with the large population we had.

He indicated that we would see more interest being generated in municipal elections. Mr. Deputy Speaker, at that time, members on this side of the House spoke on, defended and advanced this type of representation — the subdivisional system — as being something which would bring that improvement to the system of municipal government in Saskatoon and Regina. But the members opposite objected to this change. They were a bit different then. I think there was a Mr. Lane over there then, as well. He was part of the Liberal-Conservative coalition then. He's part of the Liberal-Conservative coalition now. They predicted that none of these benefits would take place.

The old Liberal-Conservative coalition, sitting on the opposite side, has learned nothing since those days. Everything that was said then is being said again here now by the hon. members opposite, when they step outside and speak on this issue. I know they will be saying the same things in this legislature. They have not taken the time to examine what has happened with respect to the municipal elections, and to find out that many improvements and many advantages, which were indicated at the time that legislation came in, have actually borne fruit in our urban centres here in Saskatchewan at the municipal level.

I do not claim, Mr. Deputy Speaker, that the subdivisional system is better in all respects than the at-large system, nor do I suggest that it will solve all or even a major part of the problems and difficulties we face in education. I simply suggest that our major cities are growing and changing very rapidly, and the subdivisional system will, on net, be

better able to serve people under conditions of much-increased size and diversity in our major cities. It will, among other things, fit the pattern of our whole electoral system: federal, provincial and municipal. It will provide for improved communications through more personal representation on school boards. It will give fair geographical representation. It will increase the ease and opportunities for people to stand as candidates by making the number of people represented more realistic, and thus make it easier and less costly to run a campaign. It will encourage greater voter participation.

I should point out, Mr. Deputy Speaker, that the proposal to implement this system of representation has been the subject of much study and much discussion. Clearly, not everyone agrees with this change. But I am convinced, based on the responses and submissions which I have received from individual parents, individual electors, organizations and groups in the communities around the two major cities that this proposal has widespread support.

Originally I had proposed that the boundaries for school board subdivisions be coterminous with those for municipal subdivisions. One of the positive results of the consultations we have had with school boards and others has been the decision to provide for the possibility of separate and distinct boundaries, particularly for separate school boards. It is certainly true that the separate school systems are special and unique, not only in terms of their programming and size but also because of the unique relationships which exist between board members and local communities and parishes. In order to accommodate this concern, I have decided to refer the matter of boundaries to the educational boundaries commission, an independent boundaries review body, so that it can undertake a careful study and detailed consultation in order to determine the exact boundaries which should exist with respect to the subdivisions, particularly at the separate school level. This will be undertaken and completed before the system is implemented at the upcoming general elections in 1982.

Mr. Deputy Speaker, The Education Act, as it is now, is a document which has received the support of educators, administrators and trustees, not only here in Saskatchewan but also right across Canada. This statute, governing education and its underlying principles of equity, pupil and parent rights and local autonomy, has been viewed as a model for others to follow. We can all be proud of this very impressive legislation. Because of its importance, it is incumbent for us, as legislators, to ensure that it remains up-to-date and continues to reflect the ideals which prompted its development. The changes, which are proposed by this bill, will further enhance the pupils' rights to appropriate educational services and the parent and public's right to direct involvement in the critical decisions governing the provision of educational services.

Mr. Deputy Speaker, I know that all members of this legislature will want to support these principles and will, therefore, be supporting these amendments. It is with pleasure that I now move second reading of the amendments to The Education Act.

SOME HON. MEMBERS: Hear, hear!

MR. TAYLOR: — Mr. Speaker, I am deeply interested in the amendments to The Education Act. The minister has outlined a considerable number of areas in which he wants change. I sat here and listened with interest to his comments. I have taken some notes. I would like to be afforded some time to discuss these concerns with the people in education, basically the school boards, teacher groups, parents and students. I will then be in a position to respond and debate some of these changes proposed by the minister. In view of that, I would beg leave to adjourn debate.

Debate adjourned.

Bill No. 66 — An Act to amend The Teachers' Life Insurance (Government Contributory) Act

HON. MR. McARTHUR: — Mr. Deputy Speaker, the amendments proposed in this bill are complementary, and each section must be amended to make a singular change in teachers' insurance coverage.

Currently, teachers in Saskatchewan to whom The Teachers' Life Insurance (Government Contributory) Act applies are insured at the level of $33,000 of term life insurance, and $33,000 accidental death and dismemberment insurance, if their yearly salary rate is up to and including $20,000. the teacher who has a yearly salary rate in excess of $20,000, Mr. Deputy Speaker, is insured at a level of $55,000 for term life insurance, and $55,000 accidental death and dismemberment insurance.

The province of Saskatchewan and the teachers share equally the premium cost of the term life insurance. The premiums for the accidental death and dismemberment insurance coverage are currently paid, however, entirely by teachers. The bill before you now, Mr. Deputy Speaker, proposed that the principle of equal sharing of premiums be extended to the accidental death and dismemberment portion of the teachers; insurance coverage. These amendments come to this legislature as a result of the 1981 provincial collective bargaining agreement which has now been concluded between the government-trustee committee and the teachers' committee. These agreements form an important element of that agreement for all the parties and, therefore, it is important this legislature consider and agree to these amendments.

Accordingly, Mr. Deputy Speaker, I am pleased to place these amendments before you in this House. They do, as I say, arise as a result of the recently concluded collective bargaining agreement. I am sure all members will want to support these amendments.

SOME HON. MEMBERS: Hear, hear!

MR. TAYLOR: — As I was listening to the minister, I judge that the content of the act is that it will extend the contributory factor to include paying half of the accident insurance policies for the teachers in Saskatchewan, as is the case in the term life. I think this is worth-while legislation, and I do not hesitate in supporting it.

Motion agreed to, bill read a second time and referred to a committee of the whole at the next sitting.

Bill No. 67 — An Act to amend The Teachers' Superannuation Act

HON. MR. McARTHUR: — Mr. Deputy Speaker, the amendments proposed in this bill to The Teachers' Superannuation Act are of a strictly housekeeping nature or of a clarification nature. The amendments, as those to the previous bill, arise as a result of the 1981 provincial collective bargaining agreement which has been concluded between the trustee government bargaining team and the STF (Saskatchewan Teachers' Federation) bargaining team.

The 1979 provincial collective bargaining agreement and the subsequent legislation

considered and approved by this House, made significant, complex and long-term changes to the provision of superannuation benefits for teachers of Saskatchewan. In the course of negotiating the 1981 provincial collective bargaining agreement, the Saskatchewan Teachers' Federation, on behalf of the teachers of Saskatchewan, requested a period of time greater than the two years for current teachers to consider and select a pension design appropriate to each teacher. The teacher who is presently in the defined benefit or percentage of final earnings plan, will, by the amendment proposed here, have until June 30, 1986, to decide to stay in the defined benefit plan or to decide that the defined contribution or annuity plan is the best for that teacher and, therefore, transfer to the annuity plan.

The government-trustee committee agreed, Mr. Deputy Speaker, to extend this deadline to June 30, 1986. The proposed amendment to section 14.1 is this bill will provide this change without penalty to a teacher who is presently absent from teaching and who returns to teaching prior to 1986.

The amendments proposed for section 18 clarify the current legislation by a series of minor housekeeping changes which, Mr. Deputy Speaker, really just formalize current practices and understandings. The proposals will clarify the source and destination of moneys transferred between the two pension designs and in the event of refunds. The proposals will also ensure that confusion over application of this section does not occur with respect to designated teachers within the staff complement of the Saskatchewan Teachers' Federation and the Saskatchewan School Trustees' Association.

The current wording of subsection 19(3) was intended to grandfather certain types of service that teachers rendered prior to The Education Act. The present wording, however, could be interpreted to say that service rendered subject to the provisions of The School Attendance Act or The School Grants Act, as they existed on December 31, 1978, may be counted. However, service subject to the provisions as they existed prior to December 31, 1978, may not be claimed under subsection 19(3). This clearly was not the intention of this section. The proposed wording for subsection 19(3) will more adequately ensure the grandfathering provisions as they were originally intended.

Presently, Mr. Deputy Speaker, where a teacher is absent from teaching for reasons of being elected to the House of Commons or to this Assembly or being a member of the teaching staff of either university, the teacher's service for superannuation purposes is counted by the teachers' superannuation commission. However, when a teacher is elected to a position in municipal government this contribution to society can be lost.

This amendment, Mr. Deputy Speaker, will ensure that public service at all levels of government will be counted for superannuation purposes. This amendment also arises as a result of the 1981 provincial collective bargaining agreement.

The amendment to section 34(2.2) is a consequential amendment to the amendment mentioned earlier in section 14.1.

Clause 40, subsection (1)(a) is the final recommendation from the 1980 provincial collective bargaining team. This amendment will reduce the period of service required to qualify for a disability pension from 15 years to 10 years. A 10-year service requirement, Mr. Deputy Speaker, has become a common requirement across Canada in teacher benefit packages and is certainly a justified one in our new collective bargaining agreement.

The amendments proposed for subsections 56(1) and 56(3) are housekeeping in nature and simply intended to clarify the original intention of the respective subsections.

Mr. Deputy Speaker, I am pleased to place these amendments before the House. I know (as I indicated with the previous act) that most of these arise as a result of a successful conclusion of the collective bargaining agreement and, as a consequence of that, I know that all members of the House will also be supporting this bill. I move second reading of this bill.

MR. TAYLOR: — Mr. Deputy Speaker, although the minister points out that many of these amendments are of a housekeeping nature (and I believe that is correct in some of the cases), there are some concerns which I think we would like to discuss in a little more detail, pertaining to teachers' superannuation. I would like to talk to some of the teachers whom this is affecting, over the weekend. I would like to beg leave to adjourn the debate.

Debate adjourned.

Bill No. 53 — An Act to amend The Fuel Petroleum Products Act

HON. MR. ROBBINS: — Mr. Deputy Speaker, Bill No. 53 deals with amendments to The Fuel Petroleum Products Act. I'm quite aware that there has been considerable criticism levied from the opposition side with respect to this particular act. I want to point out, just before I get into the act itself, that it is an ad valorem levy which is now prevalent in seven provinces in Canada. Of those seven provinces, we are the sixth lowest in terms of tax. In addition, I want to point out that Ontario and Nova Scotia haven't gone to an ad valorem tax, but in all probability will in their next budgets.

I know opposition members, Mr. Deputy Speaker, sometime say that we shouldn't be collecting this tax on an ad valorem basis because we have oil revenues. I would like to point out that a Tory government in Great Britain raised its tax in its budget this year by 20 pence, or 46 cents a gallon, which is twice our tax. That is just the increase. The actual tax in Great Britain today on gasoline, or petrol, is $1.91 a gallon, which is a pretty substantial amount and Britain is one of the largest oil producers in the world.

With respect to this particular bill, there are minor amendments with respect to the uses of purple fuel. Members are aware that purple fuels are not taxed. Currently the act permits purple diesel fuel to be purchased exempt of tax when used for mixing with chemicals designed to eradicate weeds and insects. However, purple diesel fuel used as a mixing agent with chemicals that are aerial sprayed on pastures to destroy small shrubs and brush is subject to the commercial off-highway rate of tax. Mr. Speaker, I am pleased to report that the amendments to the act will permit the purchase of tax-exempt fuel for this particular purpose. Hence, diesel fuel used as a mixing agent with any type of chemical that is sprayed to rid agricultural land, roadways, etc., of obnoxious vegetation or insects will, in future, be exempt of the fuel tax.

Mr. Deputy Speaker, since 1973 it has been permissible to use purple gasoline or purple diesel fuel in the engines of trucks that are operated exclusively off the highway to transport any commodity — for example, mineral ore from a mine to a smelter or refinery. Fuels used for this purpose are taxed at the off-highway commercial rate of tax. However, when these same vehicles are used to travel short distances on a public

highway to get from the mine site to its refinery, they are subject to the higher rate of tax on clear fuel, or the normal gasoline tax.

Mr. Speaker, this amendment will permit the use of purple fuel in those trucks operating on public highways providing a special restrictive permit has been obtained from the highway traffic board. I want to point out to the members that this is very minor travel on a public highway. It is simply crossing from a mine site to a place where the mineral products are processed.

The second main area the bill Mr. Deputy Speaker, is an amendment to the formula for calculating the fuel tax transfer of payments to The Automobile Accident Insurance Act account. The formula, which was first introduced in 1974, provided for a tax transfer of 3 cents per gallon, or 0.66 cents per litre, on each clear gasoline and diesel fuel sold. Under the amending formula, the transfer payments will be calculated as a percentage of the tax collected, rather than 3 cents per gallon.

Mr. Speaker, the budget estimate for fuel taxes in 1981-82 is $111.3 million. The net revenue figure for the purpose of calculating the transfer payment, however, is approximately $100 million. The net revenue figure is lower because the tax from off-highway commercial use of fuel, as well as commissions and all refunds — such as our rebates along the Alberta border — are deducted from the budget figures before calculating any transfer of payments to the automobile accident insurance fund.

Mr. Deputy Speaker, 20 per cent of the net revenue figure is $20 million. This is the same figure that was agreed to by this Assembly during the review of the revenue, supply and services budget estimates on April 9 of this year. Mr. Deputy Speaker, the rationale for the fuel tax transfer to The Automobile Accident Insurance Act fund is the same today as it was when it was introduced in 1974. It was agreed that a portion of the tax on fuel petroleum products should be designated as premiums payable by owners of vehicles in respect of claims arising from accidents. The transfer was based on the principle that exposure to the risk of accidents increases with distance travelled. Therefore, the persons consuming the greater amount of fuel would also be the persons who paid the higher insurance premiums from this source of revenue.

I think, Mr. Deputy Speaker, it also makes eminent sense, if the opposition members would give a little thought to this, that when out-of-province travellers in our province are involved in accidents with Saskatchewan motorists, as they are, they make at least some contribution to the automobile accident insurance fund through the purchase of gasoline and the transfer of the motor fuel premiums tax.

Although the principle of a gasoline tax levied to cover part of the costs of the compulsory insurance system justifies the imposition of the tax, it tells us very little about how much that tax should be. There are no strictly technical methods available to justify the level of taxation.

Mr. Deputy Speaker, in 1975 the allocation of 3 cents per gallon to the automobile accident insurance fund covered approximately 19 per cent of the claims costs incurred. Since that time the percentage of tax transferred to claims costs incurred has declined regularly and steadily. For example, in 1980 the tax transfer covered only 11 per cent of the total claims costs. Mr. Deputy Speaker, in recent weeks the members opposite have shown their confusion over the purpose of these transfer payments and how they operate. These payments are not in addition to the fuel tax as I have heard the member for Regina South and other members say on more than one occasion. They are

not, I emphasize, an addition to the fuel tax. They are simply a transfer of a portion of the fuel tax out of it. The transfer payments simply represent part of that tax revenue collected for fuel taxes. For example, when the tax collected on a gallon of gasoline was 19 cents, 3 cents of that amount was earmarked for insurance purposes and transferred to the automobile accident insurance fund.

Mr. Deputy Speaker, to eliminate any misunderstanding of how the transfer of payments work and to bring them more in line with the rising costs of vehicle accident claims, an amending formula is being introduced. Under the new formula, up to 20 per cent of the net revenue from clear gasoline and diesel fuel taxes shall be transferred to the automobile accident insurance fund account. This percentage figure is consistent with the relationship between the gasoline tax and the retail price of gasoline.

As I said at the beginning of my remarks, this is a standard procedure in terms of the application of fuel taxes in seven provinces of Canada and will be in nine of them before very long. You are all aware, of course, that Alberta does not levy a gasoline tax. This percentage figure . . . (inaudible interjection) . . . The member for Regina South says, "Hear, hear!" I'm sure if every province in Canada had similar revenues from oil as Alberta has, perhaps they wouldn't be levying any gasoline taxes either. But none of them do, obviously.

This percentage figure is consistent with the relationship. Also it represents an allocation that more closely approximates the relationship that originally existed between the tax transfer and the claims costs incurred. For example, with 20 per cent allocation of that fuel tax, the fuel tax transfer for 1981 should finance approximately 15 per cent of the vehicle claims costs compared with 19 per cent in 1975 and 11 per cent in 1980.

In the past, Mr. Deputy Speaker, the calculation of transfer payments was based on fuel consumption. Under the amending formula, however, the transfer payments will be based on a percentage of the net revenue from clear gasoline and diesel fuel taxes. Even the members opposite should be able to understand that new calculation, Mr. Deputy Speaker. Therefore, I move, seconded by the member for Last Mountain-Touchwood, that Bill No. 53 be now read a second time.

MR. ROUSSEAU: — Thank you, Mr. Deputy Speaker. I will want some time to review the remarks made by the Minister of Revenue, Supply and Services. I would just say a few words today on this.

He talks about the ad valorem levy which seven other provinces have today. That is right. Why he would want to compare Saskatchewan with six other provinces is beyond my comprehension, because they are not producing provinces of oil and Saskatchewan is. We will compare it with Britain among many others, if you want. We certainly will say that we welcome the exemption of tax on purple fuel for chemical spray. I fully agree with that principle. You indicated the exemption is also to apply, with a special restrictive permit, to trucks for hauling mineral ore. Again, I don't believe that really is a very significant amount of money which you are talking about. It is probably pennies.

The minister indicates some figures and the effects they will have on the insurance rates and on SGI. Well certainly, we will continue to oppose this kind of a tax.

AN HON. MEMBER: — Not SGI, AAIA.

MR. ROUSSEAU: — Well, all right. He always wants to separate the two — AAIA from SGI. He is absolutely right. The fact is, he is right. However, always remember that the statements are combined. They always produce a financial report every year which includes AAIA and the general insurance. It is all under the name of SGI. If you want to make that distinction, it is fine with me. The facts are that that is what the people of this province are paying for when it comes to insurance. It is all done through AAIA. If the minister responsible for Sask Tel will shut his mouth for a few minutes and stick around for when I want to ask him questions in the House . . .

MR. DEPUTY SPEAKER: — Order. Could the members address themselves to the subject matter and respect the decorum of this Assembly. I recognize the member for Regina South.

MR. ROUSSEAU: — Good call, and that includes the hollering across the floor. Thank you, Mr. Deputy Speaker.

Mr. Deputy Speaker, the $20 million which will be going to SGI or AAIA (if he wants to make that distinction, that is fine with me) . . . (inaudible interjections) . . . Well, I won't debate with the minister now, but $20 million is the correct figure, which represents 20 per cent of the tax (call it whatever you like). The fact of the matter is that it comes to $20 million, which is almost double the amount which we had prior to that.

Certainly, a subsidy or tax should be added to the premiums already paid for by the motorists of this province. It should be added to the $72 million — money which was put in by the government to shore it up because of the losses through the mismanagement of SGI. Mr. Deputy Speaker, if we add the costs of all these insurance subsidies that SGI and AAIA gets, without those additions and subsidies we already have the highest insurance premiums in Canada. But, we're really getting off the subject of this particular tax. We'll be getting into that next week, as you well know.

I stand to be corrected on the exact words the minister used, but he said that it is only right that the motorists from out of the province should pay this tax because they benefit from the insurance rates. Well, as I said, I stand to be corrected on what you said; that's what I heard you say.

Those motorists driving through our province carry their own insurance. They don't rely on SGI. So, I don't know what you were really saying when you made that comment.

The other point I don't understand is why he comes in with a clause like "up to 20 per cent." I will never live to see the day when the 20 per cent is not taxed on the backs of the people of this province. I am quite convinced of that, Mr. Minister. You'll be long gone as a minister of the corporation before you see the day when it won't reach the "up to 20 per cent."

Mr. Deputy Speaker, I indicated earlier that I want to review the comments which were made by the minister this morning. As such, I beg leave to adjourn debate.

Debate adjourned.

Bill No. 72 — An Act to amend The Tobacco Tax Act

HON. MR. ROBBINS: — Mr. Deputy Speaker, I'll be very brief in my comments with respect to this particular bill.

On March 5, 1981, the Minister of Finance, my seatmate, the Hon. Mr. Tchorzewski, introduced the budget which brought in minor increases in taxes in relation to the budget. I ask the member opposite to note that this is a balanced budget.

Bill No. 72, An Act to amend The Tobacco Tax Act, provides for one of the minor increases in tax effective on, and after, March 6, 1981. The bill increases the tax on cigarettes to 1.32 cents per cigarette, or 33 cents per package of 25 cigarettes. The previous rate was 30 cents per package of 25 cigarettes. The members opposite like comparisons so perhaps we should give them a few: British Columbia's rate is 34 cents per package; Manitoba's rate is now 35 cents per package; and in Newfoundland, where they have a Tory government, the rate is 70 cents per package.

The tax rate on every cigar having a retail value of more than 40 cents will now be 18 cents. The member for Regina South is going to have to smoke cheaper cigars. This is an increase of 6 cents per cigar and brings the Saskatchewan tax in line with other provinces. We were well below them.

The tax rates on other categories of cigars are not changed at this time. The tax on fine-cut tobacco and pipe tobacco has increased from 12 cents to 13 cents for 25 grams. If I know my metric, 25 grams is one ounce. So, it went up by one cent per ounce.

These modest increases in tax, Mr. Deputy Speaker, are expected to yield additional revenue of $2.7 million in the fiscal year 1981-82. The new rates of tax announced in the budget have not resulted in any new objections from smokers. I haven't heard a single complaint. Unfortunately, Mr. Deputy Speaker, I fear that the tax increase will not deter very many from partaking in the rather dangerous habit.

Mr. Deputy Speaker, I move, seconded by the member for Last Mountain-Touchwood, that this bill be now read a second time.

MR. ROUSSEAU: — Thank you, Mr. Deputy Speaker. I know there is one member in this Assembly today who fully agrees with me, as a smoker, and that is the Deputy Speaker. This is a rotten tax. We are both smokers. Every time you want extra money you go to the guy who smokes cigarettes and tobacco. I fully agree with the minister that it is a good place to go and tax the people. As much as I dislike it, as much as smokers dislike it (and we know it's a bad habit and we shouldn't be doing it and shouldn't be encouraging it), I suppose it is one way to discourage smokers. How anyone can stand up on this side of the Assembly and disagree with it is beyond me. I know the member for Saskatoon-Sutherland is having a good laugh over this one. Of course, I'll be arguing his bill pretty soon, and believe me, when that one comes up, it will be a different story.

Motion agreed to, bill read a second time and referred to a committee of the whole at the next sitting.

Bill No. 73 — An Act to amend The Superannuation (Supplementary Provisions) Act

HON. MR. ROBBINS: — Mr. Deputy Speaker, this particular act has some fair implications for a number of people in the province and I would like to spend a bit more time on it, if I may, than I did on the two previous acts.

The act applies to the public service, Sask Power, Sask Tel, The Liquor Board Superannuation Act, and The Workers' Compensation Board Act. Therefore, when you make amendments to this particular act, you are actually changing the rules in relation to five particular acts, covering a fair number of people in the province.

I would point out that there are several minor amendments, but the most significant changes I shall list. Firstly, provisions for reciprocal agreements with the city and the province, where a city administers its own pension plan. Now, that may come as a bit of a surprise to the members on both sides of the House, but we have reciprocal agreements with the municipal superannuation employees' plan, but there are three cities — Regina, Saskatoon and Moose Jaw — which are not members of the municipal superannuation plan. Therefore, they have individual pensions of their own, either with insurance companies, or trust arrangements of one nature or another, and they cannot enter into reciprocal agreements with any one of these five acts. So if an employee leaves the employ of power or telephones or the liquor board or workers' compensation of the public service of Saskatchewan, and becomes an employee of the city of Regina, or the city or Saskatoon, or the city of Moose Jaw, he could not arrange, on a reciprocal agreement, a transfer in terms of the pension rights. This particular amendment in the bill will permit that to happen.

The second rather significant change is related to war service. This will permit employees who served in the British Commonwealth forces in World War II, or in the Korean War, but did not reside in Canada at the time of enlistment, to obtain credit for their war service. I don't anticipate that there will be a great number of these people, but we have had people who trained in Canada, from Australia, New Zealand and Great Britain. Those people later entered the public service of Saskatchewan and could not pick up their war service, whereas, any person who was a resident of Canada could, in fact, pick up their war service. We are removing that restriction, permitting those people to pick up their war service, if they so desire.

The next change is rather a contentious one, and we have been looking at it for a long time. We had a peculiar clause in these particular acts which said that if a person was hired prior to March 31, 1952, he could retire prior to age 60, if he had attained 35 years of service. However, if he were hired April 1, 1952, the day after, he could not do so. In the previous situation, there were a goodly number of people who would have had 35 years of service prior to reaching the age of 65, but who actually could not legally retire without a considerable actuarial reduction in their pensions.

We, in this particular clause of the bill, will remove that requirement, so that any person who has 35 years of service can retire, if he so chooses, irrespective of his age.

A fourth significant amendment prohibits the payment of a refund to an employee who is entitled to an immediate pension. This is a minor problem we have met, but we did have situations where a person was within one month of retirement, and instead of taking out an actual pension, would choose to apply to take out all his money in cash. That may sound like a reasonable thing in some instances, but, in fact, it is not. Tax immediately becomes applicable on the total lump sum. Secondly, the individual who might choose to do that with reasonable arguments in terms of his own circumstances, saying he might go into business or something of that nature, with this lump sum of money, is really circumventing the intention of a pension. Therefore, although we have had very, very few of those, we think it is unwise to permit it of anyone. It is a form of lock-in, a minor form of lock-in, related to these acts.

Another reason, which I think is quite significant, is (and members are aware) that part-time employees generally do not get into pension plans. This is one of the major problems we have. When we were attending the national pension conference in Ottawa in early April, we ran into that a great deal of the time with respect to the fact that particularly women find it very, very difficult to get reasonable pensions by the time they reach retirement age, simply because a lot of the time they are on part-time work. Because they are on part-time work, they do not get into pension plans. So, in this particular amendment, we propose to remove that restriction and make it available to part-time employees if they so desire to join the pension plan.

The most significant amendment in the bill will, however, provide for supplementary allowances to increase the pensions of superannuated employees and the spouses of deceased superannuates and employees who died in service. This supplementary increase applies the same principle which we have used consistently over the past seven years, that is a specified number of dollars for each year of service. We do not deny that that isn't without some problems, but we think it is the most significant way to assist people when inflationary trends are strong, particularly those people whose pensions are deemed to be inadequate.

The original allowance under the pension plan is based on years of service and average salary. This method provides the highest percentage increase to those receiving the lowest pensions, based on equivalent service. A superannuated employee will receive $16.50 annually for each year of service to a maximum of 35 years which will provide a maximum increase of $577.50 in the year 1981, for those people pensioned as of January 1 this year. It will provide spouses of superannuated employees, if the death of that superannuated employee occurs, with half that amount. It works out to $48.12 per month for the superannuate, and $24.06 per month with respect to the beneficiary.

The method we have used is a principle consistent with our unit benefit pension plan which uses years of service to determine the basic pension payable on retirement. This method may well be criticized. I would be critical myself in many situations with regard to defined benefit plan, because that is where a lot of our major problems lie. The increase may not be satisfactory to everyone. We are continuing to recognize the effect of inflation on pensions. We are placing particular emphasis on those in the lowest pension categories.

I want to give the members of the House a few statistics to stress this. I will give you statistics with regard to people who retired in 1980, from the public service only. For the supplementary allowance, as I said before, the maximum amount will be $48.12 a month, or $577.50 a year; to a beneficiary of a superannuate, half of that amount. The cost to the public service superannuation board will be $950,000 in the current year. That must be added to roughly $4.25 million, which has been added in previous years, because these accumulate and add in. The other plans are much smaller — the power, telephone, liquor board and workers' compensation at an estimated cost of $350,000 a year. So the supplementary increase will bring an additional $1.3 million to the 2,578 people who are currently on pension from those plans.

I want to say a word, if I may, about how this works in terms of the variability of the increases. People must realize that on the basis of a 35-year maximum, most people do not get to a 35-year maximum. In fact, the average length of service for the average person we pension is 27 years. If you work on a monthly pension of $200 a month (and

we admit that is small), and that person had 35 years of service (and we have some in that category), the increase that person receives in the current year will be 24.06 per cent. It is obvious that person suffers severely in inflationary times. If the person had a $300 per month pension, the increase will be 16.04 per cent; at $400 per month pension, 12.03 per cent; at $500 per month pension, 9.62 per cent. All of the people in those categories will receive increases in excess of the cost of living increase. But, as you go up the scale you get fewer and fewer persons. If you get to a monthly pension of $2,000 (and we have some of those persons), this increase, on a flat basis, does not give them a very large percentage increase and does not keep up with the cost of living.

Now we have had negotiations with the superannuates' association where they are talking about some flexibility in the program. Somewhere along the line we will have to get that flexibility in, where we use a flat rate at the bottom of the scale, or for a percentage of the money available, and perhaps a percentage on the other basis. However, if you applied the total sum available on a percentage basis, the people at the top would get the major advantage and obviously that would not make a great deal of sense.

Of the 220 persons who retired from the public service of Saskatchewan in the year 1980, 107 of them had pensions of $7,000 per year or less. Thirty-nine of them had pensions between $7,000 and $10,000. So, of the 220, 146 persons had pensions under $10,000. Seventy-four persons had pensions from $10,000 up to and over $20,000 per annum. If you break them down in averages — the people who had attained age 65 (and there were 104 of them) — their average pension is just slightly under $6,000 per annum (or $500 per month). If you take persons between age 60 and 64, who retired with much less service, some of them as little as 15 years service, their average pension is slightly under $400 per month. If you take people 60 to 64 who had 20-plus years service but chose to retire before they had attained 35 years of service, the average pension is $11,240 per year, or approaching $1,000 per month. For people of the group under 60 years of age, but who had attained 35 years of service (those up until now were people who had started prior to March 31, 1952 and there were 24 of them), their average pension works out to just under $15,000 per annum or $1,250 per month. If you take the persons who chose to retire in the category of age 55, with 30 or more years of service, but not 35, they also averaged $14,384 or approaching $1,200 per month.

Then there is a group of 11 persons on disability (and obviously they are people with shorter service). Their average pension is below $500 per month; in fact, it is $5,590 per year.

If you take the whole 220, the total average pension per person was $8,777 per year. It has been coming up appreciably, but it is still relatively light. It works out to $731 plus a few cents per month. We must realize that a good number of those persons who had reached age 65 also attained the $208.30 old age security payment, plus some CPP (Canada Pension Plan) payment. So, over half of them would also be getting additional income from outside sources.

Mr. Deputy Speaker, I think it is significant and important to those people covered by pensions that we make some allowance for additional coverage for them based on the inflationary trends. This we have done.

If you look at the estimates with regard to the public service superannuation board, some $21.5 million is expected to be paid in 1981 and nearly $5.5 million of that will be in the supplemental payments which have accrued through the years.

Mr. Deputy Speaker, it gives me great pleasure to move second reading of Bill No. 73.

SOME HON. MEMBERS: Hear, hear!

MR. ROUSSEAU: — Mr. Deputy Speaker, there is no question that the members on this side of the Assembly will be supporting this bill. I would like to make a couple of comments at this point. I will adjourn debate for today, because I do want to review the remarks which were made by the minister.

The title of the bill indicates the need for a change in the superannuation. The Superannuation (Supplementary Provisions) Amendment Act, 1981. Then, of course, we get the same thing every year. I think the time has come when the superannuation problem in this country has to be faced. I believe discussions have already begun and hopefully answers will be found in the near future to resolve the problem of paying adequate pensions to the people who retire. The figures that I heard you give to the Assembly a few minutes ago, Mr. Minister, indicate to me that those are very inadequate amounts of money being paid to people who have worked for 30 or 35 years and have decided to retire.

There was one point which I will be studying and I certainly will reserve judgment on it, and that is where you object to an individual's taking his pension in a lump sum the day before retirement or whatever time he may decide to do so. I don't suppose I will ever agree that we, as legislators, should refuse or deny any individual his right to choose. This particularly comes from a socialist philosophy and I suppose the government opposite has that right and would want to do this with people throughout many areas of our society. I will never, ever, agree that we or anyone else has that right to deny an individual his right to make a decision. You indicated, for example, taking that money to invest in business, and you say that it's meant for retirement. Well, perhaps the man could take that sum of money and parlay that into a lot more money. If he had that right to choose to put it into a business of his choice, if he loses it, that's his right to fail as well. I hope I can still run a good business when I am 65 years of age.

I don't think you have the right to decide at what age I should retire or at what age I am incompetent to do something, or that anyone else is incompetent to do certain things. I can tell you of businessmen in this province who have been successful at 92 years of age. That is a point I am going to be looking at.

We will support the bill in principle. The pensioners and superannuates in this province are in need of the extra money. There is no question of that. But, I would like to see the day when we make them recipients of this in a fair and just way rather than beggars having to come to the legislature every year to obtain that extra boost because of the inflationary conditions in which we are living. As such, Mr. Deputy Speaker, I beg leave to adjourn debate.

Debate adjourned.

Bill No. 54 — An Act respecting Electrical Wiring and Inspection and the Sale and Installation of Electrical Apparatus and Material

HON. MR. SNYDER: — The bill before the House today, Mr. Deputy Speaker, is for the purpose of reorganizing and updating the electrical inspection and licensing act.

The act and the regulations, as you will know, are administered by the electrical and elevator safety unit of the Department of Labor. That unit is part of the occupational health and safety branch and is responsible for the implementation and the maintenance of safety standards regarding the design, the installation, maintenance and sale of electrical appliances and equipment.

To this end, Mr. Deputy Speaker, the act and regulations provide for the licensing of tradesmen, contractors, equipment suppliers and for the inspection of all new electrical installations on consumer property as well as alterations and additions thereto. The act also provides for the reinspection of old electrical installations, if required. Electrical safety is further enhanced by the provision that all electrical equipment intended for distribution in the province must be approved prior to sale. In addition, plans and specifications of new installations have to be submitted to the unit for approval.

This government, Mr. Speaker, believes that individuals and organizations directly affected by changes in legislation should be consulted to determine their views on those changes. Accordingly, draft proposals were forwarded to the International Brotherhood of Electrical Workers and the electrical contractors' association and the electrical utilities. Their comments were taken into account before this final bill was drafted.

Mr. Deputy Speaker, let me take a moment or two just to briefly outline some of the changes that are contained in the bill that is before us. These changes will ensure that our provincial standards concerning electrical safety continue to promote safe and effective use of constantly evolving technology. Problems have arisen, Mr. Deputy Speaker, with respect to junior contractors going out of business, leaving unfinished work or unsafe installations requiring correction through the bond application. To rectify this situation a new subsection to the act is proposed, specifying that a person must have two years' experience as a journeyman, or must employ a journeyman of two years' experience, before a contractor's licence can be obtained. It is considered that during the two-year waiting period, the person or persons involved will have time to garner the business experience necessary to run a responsible and a successful enterprise.

A related concern, Mr. Deputy Speaker, involves the excessive number of contractors' licences that have been issued in recent years. In Saskatoon, for example, there have been some 155 contractors holding a licence, while in Regina the figure is at 114. These are extremely high figures. It is doubtful that the economies of the two cities can support that many contractors. As a result, Mr. Deputy Speaker, a new subsection is proposed stipulating that a contractor's licence will not be issued to a person in the employ of another contractor or who is employed by an employer as defined in the act. This amendment will help, we believe, to promote a healthy contracting industry in the province.

Mr. Deputy Speaker, we are in the midst of a technological revolution. Technological changes occur incredibly fast, and have the effect of making the field of technology even more complex. Occasionally situations arise where for the Mr. Deputy Speaker, it would be cheaper and more efficient and more practical to hire, under contract, expertise to assist in the enforcement of the act on a short-term basis and to assist in the enforcement of its regulations when this expertise is not available on our current staff. Therefore, it is proposed that the minister be given the authority to hire such contractual help when this is necessary.

Additionally, Mr. Deputy Speaker, another feature of the act relates to an appeal procedure. At the present time there is no appeal procedure in the act. Two proposed new sections will allow the decisions of an inspector of the Department of Labor, electrical inspection branch, to be appealed to the chief inspector, and decisions of the chief inspector may be appealed to a judge of the district court. It will be known that appeal procedures of this sort are already incorporated in related legislation such as The Occupational Health and Safety Act and The Fire Prevention Act. Accordingly, it was believed that we should conform and have an appeal mechanism built into this piece of legislation.

Some areas of the present act can be dealt with more properly by regulation. We feel, for example, the contractors' guarantee bond stipulated as the penal sum of $2,000 will become insufficient as inflationary pressures continue to devaluate the dollar. Accordingly, an amendment would be required each time the guarantee bond was changed to reflect current dollar values. To avoid unnecessary amendments, it's proposed that the penal sum be deleted from the act and incorporated in the regulations.

The act presently contains no requirement that it be binding on the Crown. An amendment would provide the authority necessary to make the act and regulations applicable to provincial facilities such as provincial correctional centres.

An amendment, particularly important from a safety standpoint, specifies the maximum voltage of fuses that can be changed by unqualified personnel. These fuses are normally found in industrial and commercial areas where qualified help is available. Therefore, it is proposed that the changing of fuses in high voltage circuits, defined by the Canadian electrical code as being in excess of 750 volts, not be undertaken by unqualified persons.

Certain sections of the act have been tightened to provide more stringent control over licensing. For instance, under the present legislation, a journeyman's licence is revoked if the licence has been suspended three times previously. The proposed change would provide for revocation if the licence had been suspended twice previously.

A number of changes have been made in definitions contained in the act. For instance, the definition of "electrical installation" has been amended to clarify and streamline its application.

Two additional sections of the act are proposed to provide for the reporting and investigation of accidents falling under the jurisdiction of the act.

The penalties for offences under the act no longer reflect today's dollar value. The proposed amendment shortens and streamlines the section covering penalties and offences, and provides for increased penalties which will act as a deterrent.

The foregoing amendments represent what, I think, could be considered to be the major changes to The Electrical Inspection and Licensing Act. I won't attempt to explain in detail the remaining amendments to the bill. They are fairly minor. They primarily relate to keeping the legislation current, making certain aspects of the act

more all-inclusive, streamlining the act to make its application more practical and uniform, deleting out-of-date phrases and sections, and generally broadening the scope of the act and the powers conferred by it.

Mr. Deputy Speaker, the Department of Labor, through its occupational health and safety branch, has the responsibility for administering a number of acts designed to protect the health and safety of workers, as well as the general public. The Electrical Inspection and Licensing Act is but one of these statutes. It is the policy of the government to continually review the safety services acts to ensure that they continue to promote safe and effective use of their respective technologies. This bill is but another example of the government's ongoing concern for the well-being of its citizens. Mr. Deputy Speaker, I move that this bill be now read a second time.

MR. KATZMAN: — Before the member takes his seat, will he answer one question? Regulations were referred to under certain conditions. Are the regulations available yet or not?

HON. MR. SNYDER: — No, the regulations have not yet been drawn up.

MR. KATZMAN: — Mr. Minister, I have perused the bill. Basically what the minister says is fairly correct.

AN HON. MEMBER: — Always.

MR. KATZMAN: — Not always, Mr. Minister. I remember yesterday when you weren't correct, but let's stick to the bill today. There are a couple of interpretations which some people, who have been reading this bill on my behalf, are concerned about. I have asked these to be checked by the legal people. For that reason, Mr. Chairman, I suggest that, even though I see nothing on the surface, I am concerned about one or two clauses which may restrict people who may have a journeyman's licence and are doing some work. Therefore, as soon as I can get those interpretations, I'll be prepared to move along with this bill. I beg leave to adjourn the debate.

Debate adjourned.

Bill No. 55 — An Act to amend The Executions Act

HON. MR. ROMANOW: — Mr. Deputy Speaker, I would like to move second reading of an amendment to The Executions Act. The three amendments to The Executions Act are of a minor nature but they do clear up certain inconsistencies of the law of debtor-creditor relationships. At the present time the sheriff, when seizing under a writ of execution, can seize most forms of personal property except books debts and other choses in action. Book debts are the uncollected accounts of a business or corporate body. The term "choses in action" encompasses all intangible accounts of a debtor like rent owing or other debt owed to an execution debtor. This amendment makes it clear that a sheriff may seize book debts and other choses in action.

The second amendment ensures that the debtor on the book debt, or other chose in action (namely being the person who owes money to the execution debtor) is relieved of his obligation to pay the execution debtor upon payment to the sheriff.

The third amendment establishes consistency between The Personal Property Security Act and The Executions Act with respect to allowing for the registration of an assignee's

interest in a writ of execution assigned to him. Under The Personal Property Security Act, assignments of secured parties' rights are provided for. This amendment provides for the assignment of an execution creditor's interest and registration in the personal property registry, in addition to registration in the appropriate land titles office.

Mr. Deputy Speaker, I move second reading of Bill No. 55 — An Act to amend The Executions Act.

MR. KATZMAN: — It's tough when I have to get up to reply to the Attorney General, but I'll make it short and sweet. The member who was going to reply is not available today, so I beg leave to adjourn debate.

Debate adjourned.

Bill No. 56 — An Act respecting Jurors and Juries

HON. MR. ROMANOW: — Mr. Deputy Speaker, it gives me great pleasure to move second reading of the brand new Jury Act, 1981, for the province of Saskatchewan. In September 1977, I requested the Saskatchewan Law Reform Commission to embark on a study of The Jury Act with the view to updating and modernizing the jury selection process and other aspects of jury trials. In May 1979, the commission released tentative proposals for reform of The Jury Act. This, Mr. Deputy Speaker, represents the first major reform of this bill in, I believe, about 50 years.

Many groups and individuals provided their comments and recommendations to the law reform commission on the tentative proposals of the act. In November 1979, the law reform commission then released its final report after the submissions on the proposals for reform of this bill. The legislation which is before the House today is based, in principle, on the recommendations contained in that final law reform commission report.

What does the bill do? The present Jury Act was enacted in 1907 and, with a few minor amendments, remains the same today. It (namely the present Jury Act) exempts from service such a wide array of persons that in many instances very few persons are actually eligible to serve on juries. Little justification exists today (as the law reform commission points out) for exempting, for example, all government employees, all bank employees, all chartered accounts, and in the words of the statute: "licenses ferrymen and millers in actual employment."

The philosophy of the bill before this Assembly is to make all persons over the age of 18 years, who are Canadian citizens and residents of the province, eligible for service as jurors, subject to the inevitable minor exclusions in the interest of justice and the right to apply for exemption in other certain instances.

By section 4 of the bill, persons engaged in the administration of justice such as judges, lawyers, and police officers, and persons confined in an institution, for example, are naturally excluded from service as jurors. Any other person summoned as a juror is required to serve as a juror, but may apply to the sheriff for exemption if: (a) jury service would cause serious hardship or inconvenience, (b) he or she is ill, (c) he or she is a member of a religious group which prohibits jury service, (d) he or she is over 65, or (e) he or she is incapable of serving as a juror because of mental or physical disability.

It is our intention to make this process as convenient and as informal as possible, but still maintain the general overall reform of the act as indicated. If a sheriff refuses the application for exemption, then there is a right of appeal to a judge.

Mr. Deputy Speaker, at present, names of prospective jurors are selected by the sheriff from such things as city directories and telephone directories. The process is time-consuming and many prospective jurors are not listed in either of those sources. Section 6 of the bill provides that the sheriff will obtain names from the register which is maintained by the Saskatchewan Hospital Services Plan. Only the required number of names and addresses will be sent to the sheriff. The legislation very specifically directs (and I want to underline this point) that no other information can be provided. As a further safeguard, the regulation-making section of the act prohibits regulations respecting the selection of names from the hospital services register.

Mr. Deputy Speaker, the bill proposes several other changes:

(1) The number of persons on a civil jury, as opposed to a criminal jury, will be reduced from 12 to 6. This is set out in section 14.

(2) Under the present legislation (and I know this is a matter of particular interest to the member for Kelsey-Tisdale), a person may demand a jury in certain actions such as libel, slander and malicious arrest, and in actions where the amount claimed exceeds $1,200. The bill will permit any party to demand a jury in the particular cases I have mentioned, and where the amount exceeds $10,000.

(3) Under the existing law where the party demanding the trial is successful in his action, he is entitled to recover the costs of the jury. Pursuant to the proposed new legislation before the embers of the House, in actions for libel, slander, malicious arrest and the like, and in actions for personal injury or death where the amount claimed exceeds $10,000, a judge may split the costs of a jury, as he sees fit, between the parties or may order one or the other to pay the entire costs. in most other cases, the party demanding the jury must pay the entire cost of the jury.

Clearly, this is an effort to bring into the costs aspect of jury a degree of added responsibility in the request for a jury, both on the part of the claimant and, if you will, on the person who resists it.

Another amendment dealt with in this new legislation would permit a judge to order that any action may be tried by a jury where:

(1) The ends of justice will be well-served if findings of fact are made by representatives of the community;

(2) The outcome of the litigation is likely to affect a significant number of other persons.

This is an important reform, Mr. Deputy Speaker, because a judge who is concerned, as he ought to be in the particular case before him, with the ends of justice in the interest of the community at large, now will have the opportunity to have peers of the community have a determination of the factual situation before the court. In such a case, the court may order that there will be no costs to either party for the said jury.

Mr. Deputy Speaker, in conclusion, this bill is a major judicial reform in the province of Saskatchewan for which tribute must be paid to the members of the law reform commission, and to others who have taken time to make their points of view known. It

accomplishes, in summary, several objectives and goals:

1. It broadens the base of persons who can be selected for jury service, while recognizing that persons should, in some instances, be entitled to be exempted from jury duty service.

2. It reduces the expense of a civil jury, in the cases where the costs are to be borne by the parties, reducing the number of jurors from 12 to 6.

3. It recognizes that in many instances the costs of a jury should be shared by the parties, or, in the case where public interest demands, should be provided free of charge.

There are also other important reforms, which I will deal with in committee of the whole, Mr. Deputy Speaker, it gives me a great deal of pleasure to move second reading of Bill No. 56, An Act respecting Jurors and Juries.

MR. KATZMAN: — We should have some of the members of this House who have spent considerable time in the courts (like the member for Nipawin) reply to this bill. He would understand it better than any other member in the House, including, probably, the Attorney General.

On that point, I suggest that the member for Qu'Appelle will be responding and is not available today. Therefore, I beg leave to adjourn debate.

Debate adjourned.

Bill No. 63 — An Act to amend The Wills Act

HON. MR. ROMANOW: — Mr. Speaker, I would like to move second reading of Bill No. 63, An Act to amend The Wills Act. The amendments proposed in this bill will bring about two important changes in the law relating to wills.

First, a new section 16 is proposed. This section will deal with the situation which results when a person who has made a will, leaving property to a spouse or making his spouse an executor or trustee of the will or granting to the spouse a power of appointment, is divorced or the marriage of the person is declared void or a nullity. At present, the terms of the will, if unchanged, would continue to apply.

Frequently, a person who has made a will years before he is divorced forgets or is unaware that his or her former spouse named in the will is in a position to retain the legal status which the will provides with respect to inheritance or acting as an executor or executrix. The same situation exists in those cases where a marriage is declared void or a nullity. If a testator realized the situation, he would, in most cases, change his will.

The proposed new section 16 will revoke the inheritance or an appointment as executor or trustee of the former spouse in the case of a divorce of the person making the will. The power of appointment to a former spouse would be similarly revoked. The application of the new proposed section 16 will not be absolute. If the will shows that the person making the will wishes that it should stand in this regard, whether or not a divorce does take place, then section 16 providing the revocation effort would not apply.

The proposed part II.1, to be enacted by section 4 or the bill, will provide a procedure for the making and safekeeping of wills. This is recognized internationally by states which have adopted an international convention for the safekeeping and making of wills. Canada is one of the parties to this international convention. Saskatchewan has decided to agree to have its terms apply in this regard to the province as well.

Under the international convention, a registry system will be established to record and safekeep wills made under the procedure provided. With respect to the making of wills, the convention sets out that a will made in a state which is a party to the convention will be recognized as a valid will by the states which have agreed to that convention.

The rules as to the making of an international will (if I may call it that) are relatively straight forward. Lawyers in the province will be designated persons to act for the making of such wills. A person wishing to make such a will may write his will or have it written for him in any language, by any means. The person making the will will acknowledge to a designated person, the lawyer, and to two witnesses that he is aware of the contents of the will. All these persons will then sign the will in the presence of others.

I would like to make clear, Mr. Deputy Speaker, that the person making the will need not inform the lawyer or the witnesses of the contents of the will; he will only acknowledge, and he only need acknowledge, that it is his or her will and that he or she is fully aware of its contents. The testator will have an opportunity to store the will in the registry provided or may choose to retain it himself or herself. The choice will be the testator's.

Information from the registrar of international wills will only be released to persons who are entitled to have such information. This is specified in section 38.7, proposed to be added to the act.

Mr. Deputy Speaker, I believe the amendments proposed will help to bring up to date the areas of the law which are being dealt with by this very important area dealing with estates and will making.

Mr. Speaker, I move second reading of Bill No. 63, An Act to amend The Wills Act.

MR. KATZMAN: — Mr. Speaker, the member responding is not available, therefore I beg leave to adjourn debate.

Debate adjourned.

Bill No. 59 — An Act to amend The Provincial Lands Act

HON. MR. MacMURCHY: — Mr. Deputy Speaker, I am pleased to bring before this Assembly the amendments to The Provincial Lands Act. The amendments make significant changes to the lease-term maximums outlined in the act, and make new provisions relating to the sale of grazing lease land. The amendments before us constitute the first legislative changes in the lease and sale provisions of this act for many years.

Mr. Deputy Speaker, the province of Saskatchewan has a long and honorable history in the administration of land. Land first became the responsibility of the provincial government in 1930. In addition to mineral rights and forests, the natural resources transfer agreement of 1930 transferred all Crown lands from the federal government to the province. This included all land in the unsettled areas of the province, and nine million acres of land within the southern settled district.

The land was administered for the province by the Department of Natural Resources. Staff and facilities for homestead arrangements were part of the transfer, and the awarding of homesteads became a provincial responsibility. After 1930, significant new areas of the province were opened up for homesteads in the Hudson Bay to Nipawin areas as the depression forced settlers out of the dustbowl. Land in the northwest, including Meadow Lake, Pierceland, Goodsoil and Loon Lake areas, were also made available to those who had to move from the parches soil of the south.

The Anderson government form 1929-1934 was selling vacant Crown land at $1 an acre but there was no money, so little of the land, even at $1 an acre, was purchased. Leases of up to 42 years were offered on Crown lands in southern Saskatchewan.

In 1935, The Land Utilization Act was passed to permit the province to purchase abandoned land from municipalities for the amount of the tax arrears. Not only did this provide a way to administer the land but also it provided municipalities with much-needed tax revenues. Approximately two million acres of land were purchases under the land utilization board. Of this, one million acres were turned over to the federal government to be turned into PFRA pastures. The remaining one million acres were offered for lease.

When the war broke out in 1939, the Liberal government of the day stopped all long-term disposition of land. A decision was made to hold all the land so that when the veterans came back from war, it would be available for them. No homesteads were offered after 1939; the 42-year leases were stopped and no land was sold.

In 1944, the CCF government took office. In 1945, the veterans began returning from war. The Veterans and Rehabilitation Department under the Hon. Jack Sturdy, Minister of Reconstruction and Rehabilitation, took over the allocation of land to veterans. Veterans were provided with their choice of Crown land, often choosing sections 11 and 29 land which had been set aside in each township as school land. Most land obtained by veterans was good farmland. Lands were leased to veterans on a 33-year basis, with the option to purchase after 10 years. Mr. Deputy Speaker, 2,100 leases were allocated to veterans under this program. No leases were issued until after the veteran settlements had been made.

At the same time, the Douglas government ceased transferring title of grazing land to PFRA (Prairie Farm Rehabilitation Administration), and instead, leased land to PFRA for pastures. After a case in the Regina Beach area, PFRA indicated that it felt a certain parcel of land offered by the province for pasture lease was too small and the province began to administer its own community pastures, a program that is still in place today.

In 1948, the province started making lands available to farmers who were adjacent to Crown land. Long-term leases (33 years) for grazing and cultivation were provided, but no option to purchase was included in the agreement.

In 1948, the administration of agricultural resources was transferred to the Department of Agriculture. With this came the agricultural Crown land.

By 1949, there were 2,000 veterans' leases covering 600,000 acres. There were 12,000 grazing leases covering 5.1 million acres. There were 1,400 civilian cultivation leases covering 140,000 acres; 2.6 million acres of Crown land remained vacant.

During the early 1950s, interest in cultivation and grazing leases increased dramatically. By the end of 1953, the number of cultivation leases had increased from 1,400 to 3,900 and 140,000 acres to 480,000 acres. These leases were in addition to the 2,000 veteran leases. Grazing leases increased from 11,800 to 13,700. Vacant Crown land dropped from 2.6 million acres to 1.8 million acres.

Considerable new land was opened up for settlement. In the Hudson Bay-Carrot River area, approximately 200,000 acres were taken out of forest. The land was surveyed, bush was cleared, and the land was made available for lease.

In 1956 the first veterans, who had received the leases in 1946, became eligible to purchase their land under the 10-year option. The land was sold at what was termed "fair productive value." In practice, this meant assessed value of the land.

In 1964, 1,300 of the 2,000 veterans had purchased their leased land. As of today, there is only one veteran lease remaining unsold, and it is under water.

In 1960, the government authorized sale of cultivated leases to non-veteran lessees.

In 1964, grazing leases were reduced from 33 years to 21 years and cultivated leases were reduced to 10 years. The legislation continued to read "to a maximum of 33 years," but the regulations were passed to reduce the limits to 21 years for grazing and 10 years for cultivation, as I pointed out.

In 1965, the Thatcher government made a decision to sell grazing leases. First the limit was set at one-half section (320 acres), and it then was increased to one section (640 acres). It was later increased to 1,300 acres — just over 2 sections.

In 1968, the amount any individual could purchase was increased to more than five sections or 3,300 acres. By the end of the year, the policies allowing grazing leases to be sold resulted in 700 leaseholders opting to purchase the land. By the end of the Liberal government, when it left office in 1971, 2,200 grazing leases had been sold totalling over 500,000 acres; 2,900 cultivated leases had been sold totalling 623,000 acres. By the end of that regime, the number of grazing leases had dropped to 10,000, down from 12,000. The number of cultivated leases had dropped from 4,000 in '65 to 2,600 in 1971.

When the Blakeney government took office in 1971, we terminated the sale of grazing leases. Much of the land which had been sold as grazing leases was now broken, being used for crop production. Much of the land was simply unsuitable for cultivation. To break large amounts of land not suited for breaking would do no good for the land, obviously, or do no good for the livestock industry in the province. Additionally, our government suspended the sale of cultivated leases until we could develop an adequate policy. The land bank had been set up, and it did not make sense to purchase cultivated land, on the one hand, to help new and developing young farmers get established and to sell it, on the other hand, often at less than full market prices.

When we examined the situation, we discovered that most of the cultivated leases were small parcels — one-half section or less — scattered throughout the province. They had been farmed, in many cases, by the same family for many, many years. Our government decided to continue the sale of cultivated leases to the existing leaseholder of a particular parcel of land, but stipulated that the sale would be made at fair market value. The lease policies established in 1964 of 21-year terms for grazing leases and 10-year terms for cultivated leases were continued by this government.

And so we arrive at 1980 (and I'm using 1980 figures), Mr. Deputy Speaker, with 9,000 grazing and hay leases, and 1,500 cultivated leases. Total acres administered by the province (talking about lands branch) are 7.8 million acres in leases and 1.2 million acres in community pastures or PFRA lease pasture acres. In total, the province administers, through lands branch, 9 million acres of agricultural Crown land. Throughout the 1970s as well, the land bank was steadily gaining public understanding and public acceptance as a vehicle for land transfer.

The land bank purchased land voluntarily placed before it for sale, and made the land available to young and developing farmers for a long-term lease. The terms of lease under the Saskatchewan Land Bank Commission are guaranteed lease to the age of 65. Assuming an individual can become eligible for lease at age 18, the land bank leases provide for a maximum term of up to 47 years.

Mr. Deputy Speaker, last spring Saskatchewan Stock Growers' Association approached us requesting that the lease policies of Crown lands or lands administered by lands branch be brought in line with land bank terms. The association approached us again last fall, and the government met once again with the Saskatchewan Stock Growers' Association shortly before the spring session to discuss the matter a third time.

Mr. Deputy Speaker, our government is prepared to bring the provisions of The Provincial Lands Act in line with the terms under which the Saskatchewan Land Bank Commission leases land in keeping with the request of the Saskatchewan Stock Growers' Association. Our government is prepared to provide the commitment to all lessees of lands branch land that they may retain the lease for a period of 47 years or until the lessee is 65 years old — whichever occurs first.

The amendments to section 20 of The Provincial Lands Act contained in Bill 59 provide this commitment. Section 26 provides the same commitment to the farm that may have established itself as a co-operative or a corporation. The lease applies for 47 years or until the age of 65 of the eldest member of the corporation. Currently, farmers or ranchers are required to actively farm or graze cattle owned by them on land leased from the Crown. This condition would not change under the new length of lease provisions.

Mr. Deputy Speaker, the stock growers also requested the right to purchase lease land. The government recognizes that a family which lives its entire farming life in one place puts down roots in the soil and in the community. They may well wish to remain in what has been their home for many years. Our government has responded to the request of the stock growers to allow families who are long-term leaseholders of grazing leases to purchase up to one section of the grazing lease. This would normally be the farmstead, perhaps one or two quarters adjacent to the farmstead which is already owned.

This commitment is enshrined in legislation in section 27 of the amendments before us. Certain lands, if they are deemed by the government to be required for a public purpose or if they are especially fragile, may be withheld from the sale for obvious reasons.

The administration of provincial lands in Saskatchewan has a long history, and an honorable history. As circumstances change, so the regulations governing the administration of those lands must change. The Provincial Lands Act has remained remarkably unchanged over the years. The amendments before us today represent the first substantive updating of The Provincial Lands Act in many years. The amendments proposed are progressive; they reflect a long-term commitment to the stability of farmers who lease provincial land, and they also reflect a long-term commitment to the land itself.

The amendments, in allowing the purchase of up to one section of land by the long-term leaseholder of grazing lands, reflect the commitment to rural Saskatchewan and to the rural community. I know that producers in this province will welcome these amendments, and therefore I am pleased to move second reading of Bill No. 59.

SOME HON. MEMBERS: Hear, hear!

MRS. DUNCAN: — In responding to the proposed amendments, I must say that we on this side of the House do agree with the intent of the bill. It is something that we have been urging the government opposite to do for many years: to bring about changes in the present lease policy and bring it more in line with land bank policy. I do think this may be a step in the right direction; however, as the minister indicated, the request came mainly from the stock growers. When the bill was tabled in the House the other day, I sent out copies of it to various people throughout the province. At this time, I'm still waiting to hear from them, so I would beg leave to adjourn debate.

Debate adjourned.

Bill No. 64 — An Act to amend The Liquor Licensing Act.

HON. MR. COWLEY: — Mr. Deputy Speaker, I will be very brief on this. We are introducing some amendments to The Liquor Licensing Act and I would like to list what they do, basically, and then move second reading of the bill.

The purpose of the bill is to provide amendments which will increase the number of commissioners, which will facilitate the commission's ability to conduct hearings in different areas in the province.

Secondly, the definition of an elector is made the same as the definition in The Election Act, which seems to make sense.

Thirdly, the licensing of provincial institutions, colleges and other post-secondary institutions is made possible when they are training students in mixology (or bartending) programs. They want to be able to use the real stuff to make sure it comes out okay.

Fourthly, there is a provision which will allow the licensing of private proprietary golf clubs, of which I believe there are two that we will be able to license. We now license municipal ones.

Finally, there are some changes with respect to the regulation of the closings that have to take place when there is a by-election in a municipality which has the ward system, so you don't have to shut the whole city down. This will conform with what is in the provincial legislation.

There are a few other administrative amendments, and I'm sure that this very important bill will receive careful consideration by the members of the House. I therefore move second reading of Bill No. 64.

SOME HON. MEMBERS: Hear, hear!

MR. TAYLOR: — Mr. Deputy Speaker, I would like to have a little time to look over some of these changes that the minister has been saying are in the bill. There are a few concerns I have concerning the whole topic of liquor licensing so, therefore, I would like to have time to prepare these. I beg leave to adjourn debate.

Debate adjourned.

The Assembly adjourned at 12:51 p.m.