

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
June 29, 1982

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

NOTICE OF MOTION

HON. MR. McLAREN: — Mr. Speaker, I give notice that I shall on Monday, July 5 move first reading of a bill to amend The Power Corporation Act.

QUESTIONS

Wage Control for Provincial Civil Servants

HON. MR. BLAKENEY: — Mr. Speaker, it will be known to all hon. members that there was a federal budget last night. It will also be known that, in the federal budget, there was a proposal for the control of wages for federal civil servants and a proposal that the province join with the federal government in controlling the wages of provincial civil servants. The question I ask is directed to the Deputy Premier, in the absence of the Premier. Is it the policy of this government to control the wages of provincial civil servants in the manner suggested by Mr. MacEachen?

HON. MR. BERNTSON: — Mr. Speaker, I think any government would be ill-advised to take counsel from the federal government on economic matters, based on its record of the past seven months, when the deficit has gone from \$10 billion to almost \$20 billion. I don't think that this government will be taking counsel from Pierre Trudeau or Mr. MacEachen or, for that matter, from the Leader of the Opposition, whose colleagues in Ottawa were responsible for putting those people in power.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — Supplementary, Mr. Speaker. Will the Deputy Premier then give us an assurance that there will be no wage controls on the salaries of the provincial public servants while other incomes, such as professional incomes and returns from interest and dividends in this province, are uncontrolled?

HON. MR. BERNTSON: — Mr. Speaker, I don't see how control of the public sector wages will significantly help the situation in Ottawa when, by their own admission last night, they said they would save about \$250 million in the first year. That pales in significance relative to the \$20 billion deficit that they're ringing up. As it relates to assurances, I will give no such assurance. Our position, relative to that, will be articulated by our Premier in Ottawa.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — Mr. Speaker, I have one final question along this line. The Deputy Premier will know that part of the rationale used by Mr. MacEachen last night for imposing controls on the wages of civil servants was that they enjoyed a certain security of tenure not enjoyed by people in the private sector. Then he applied his rules

to the CNR, which must have been viewed with some wry disdain by employees of the CNR who have just been laid off. I don't think they are impressed with security of tenure. My question is this: will the Deputy Premier give us an assurance that employees of the Potash Corporation of Saskatchewan will not be subject to any wage controls while employees of the private sector potash companies in this province are not? Will he give us the similar assurance that employees of the Saskatchewan Power Corporation will not be subject to wage controls while the employees of Calgary Power or Northwestern Utilities, as it once was known, in Alberta, are not subject to wage control?

HON. MR. BERNTSON: — Well, Mr. Speaker, our position relative to wage controls is quite simply that we have yet to be convinced that they are either fair or necessary. But I remind the Leader of the Opposition that this government is leading the country in measures to control inflation and interest rates. We have brought in a 13.25 per cent mortgage interest subsidy program. We have frozen utility rates for one year. We have brought in a public utilities review commission — legislation to control utility rates.

All right, as it relates to the public sector wage controls, first, we have yet to be convinced that they are either fair or necessary. Second, we lead the nation as it relates to controlling those things which affect wage earners. Third, our position will be articulated by the Premier in Ottawa.

SOME HON. MEMBERS: Hear, hear!

Budget Deficits

HON. MR. BLAKENEY: — I have a new question, Mr. Speaker. We were delighted to hear the Premier, the Deputy Premier, not Premier yet, deal with the issue of the budget deficit at Ottawa and indicate that any government that runs a budget deficit of that magnitude is clearly irresponsible. That was the import of what he said. Indeed, it is the belief on this side of the House, that any course of budget deficits is irresponsible at times of high interest rates such as this. The question I direct to the Deputy Premier is this: will he give an assurance that his government will not embark upon a policy of budget deficits of the kind which has us into difficulties in Ottawa?

HON. MR. BERNTSON: — Mr. Speaker, I can give the House the assurance that we will do by any measure a hell of a lot better job than the members opposite did when they were over here.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BERNTSON: — By crunching the numbers of that party, while they were in government, we found that the projected deficit this year would have been in the neighbourhood of \$400 million following your programs and your budget. I can tell you, Mr. Speaker, that we will be targeting for a much lower deficit than that.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — Mr. Speaker, I ask a question of the Deputy Premier. In view of the fact that the government which preceded his government had 10 successive budgetary surpluses . . . (inaudible interjections) . . .

MR. SPEAKER: Order, order. Would you give the gentleman the opportunity to ask his question?

HON. MR. BLAKENEY: — Mr. Speaker, in view of the fact that the government which preceded the one opposite had 10 successive budgetary surpluses, certified by the provincial auditor, whose views I accept over those of the member for Thunder Creek, will the Deputy Premier give us an assurance that the government of which he is a member will have at least two successive budgetary surpluses?

HON. MR. BERNTSON: — I will give the assurance, Mr. Speaker, that we will in fact provide good and responsible government. I would hope to say that after our 20, 24, or 28 years or whatever it is in here, we will have far more than two.

SOME HON. MEMBERS: Hear, hear!

Federal Grant to Home Buyers

MR. HAMMERSMITH: — Mr. Speaker, in the absence of the minister responsible for Sask Housing, the Minister of Revenue, Supply and Services, and the Premier, a question to the Deputy Premier. Given the announcement by the federal Minister of Finance last night of a \$3,000 cash grant to the purchasers of new houses and to first-time buyers of existing houses, what steps is the Government of Saskatchewan proposing to assure that Saskatchewan home buyers are eligible for this grant?

HON. MR. BERNTSON: — Well, Mr. Speaker, I'll simply answer the question by saying that we are looking into the administrative problems of dovetailing the two — our 13.25 per cent program with their \$3,000 program. Beyond that I'll have to take notice of the question and have the Minister of Finance or the minister responsible for Sask Housing respond to you.

You will know, of course, that the Premier, the Minister of Intergovernmental Affairs, and the Minister of Finance are in Ottawa at the first ministers' conference.

MR. HAMMERSMITH: — A supplementary. The federal government announcement says that it's intended that home-owners should be able to benefit from both the federal plan and the programs offered by provincial governments, and that maximum stimulus will thus be provided. Will the Deputy Premier, in his efforts to look into the program, give us assurance that the government opposite will consider amending section 4, subsection 1(a) of the bill to establish a mortgage interest reduction plan, which outlines the amount of interest reimbursement . . .

MR. SPEAKER: — Order, order! It is not possible in question period to be moving amendments on bills that will be before this House, and I would ask you to refrain from that practice.

MR. HAMMERSMITH: — Mr. Speaker, my statement was not to move an amendment. My question was would the government consider amending the clause of the bill which refers to the amount of reimbursements payable on the subsidy, which says, "less any amounts received (by the person eligible) from other government sources with respect to his mortgage"? Will you consider amending that to guarantee that potential Saskatchewan home buyers will not be faced with a disincentive by taking advantage of the federal grant?

HON. MR. BERNTSON: — Mr. Speaker, the normal procedure in this House is to deal

with legislation during second reading debates in committee of the whole. According to my calendar, and subject to the agreement of the House Leader opposite, we will be dealing with that particular legislation tomorrow at 10:30 a.m.

MR. HAMMERSMITH: — What steps is the government prepared to take to require that all mortgage lending institutions in the province include both the federal grant and the Saskatchewan Mortgage Interest Reduction Plan subsidy in determining eligibility benefits under the Saskatchewan plan?

HON. MR. BERNTSON: — As I said earlier, Mr. Speaker, we are looking into the administrative problems that may have surfaced as a result of the federal budget last night. I will take notice of the question. The Minister of Finance or the minister responsible for Sask Housing, in all likelihood, will have an answer for you in due course.

Controls on Senior Citizens' Incomes

MR. LINGENFELTER: — Mr. Speaker, my question is directed to the Minister of Social Services. Last night the federal Minister of Finance announced that increases in incomes of about 69,000 senior citizens in the province of Saskatchewan, and a large number more in Canada, would be frozen for the next two years at 6 per cent this year and 5 per cent next year.

I am wondering if the minister will assure this House that she, or representatives of the government, will be lobbying the federal government to remove this group of people from that most illogical and ridiculous freeze which is facing these people, who at the present time earn \$233 per month for singles and \$466 per month for a couple, so that they will get the increases that they are eligible for.

HON. MRS. SMITH: — Mr. Speaker, I assure the member for Shaunavon that, yes, we will be lobbying for the best interest of Saskatchewan senior citizens.

SOME HON. MEMBERS: — Hear, hear!

MR. LINGENFELTER: — Supplementary, Mr. Speaker. In light of the very simple answer that we will be working in the best interest of seniors, I would like to know whether or not the government will be asking that the freeze be removed from those seniors to whom it has been applied as a result of last night's budget, and whether or not the government will lobby to see that the freeze is removed from the 69,000 seniors.

HON. MRS. SMITH: — Mr. Speaker, we are and will be looking at the program for senior citizens. We will also, in light of the budget that came down last night, look at what the implications are for our senior citizens. If it is going to hurt, certainly we will be looking at lobbying and, from that, if we don't get anywhere with the federal government, we will take some initiative on our own.

SOME HON. MEMBERS: Hear, hear!

MR. LINGENFELTER: — Supplementary, Mr. Speaker. I don't think it will take very much studying to realize that a 5 per cent increase for people who are at \$466 per month is going to hurt. What I would like to know is whether or not, in light of the fact that this freeze is now on, the minister will assure the seniors of the province that the government will go ahead with the shelter allowance, which was proposed by the

previous government, to see that the rent and power bills and telephone bills, which make up a large component of the expenses seniors have, will be taken into consideration.

HON. MRS. SMITH: — Mr. Speaker, I would remind the member that the utility bills are frozen for at least a year. That affects seniors. I would also remind him that the school rebate has gone up over and above the level proposed by the NDP.

MR. LINGENFELTER: — Final supplementary, Mr. Speaker. The question is whether or not the minister would assure the seniors of the province that the shelter allowance which was proposed by the previous government would be implemented. Just be straightforward; will the shelter allowance be implemented or not?

HON. MRS. SMITH: — Mr. Speaker, at this time I am not going to assure the senior citizens of that. At this point in time, because the administrative cost of that program was \$0.75 million, I will be asking the department to pinpoint the target group of senior citizens who are having the most financial difficulties, in light of the budget last night.

According to the *Leader-Post* of a couple of weeks ago — and one can assume what you read in there is true and right — 12,000 seniors, Mr. Speaker, in this province live near the poverty line. It also went on to tell us that many of them are single and are women. I want to remind this Assembly that that didn't happen overnight.

SOME HON. MEMBERS: Hear, hear!

HON. MRS. SMITH: — And I also want to ask the member opposite: where were you during the past 11 years? Miraculously, you appeared at election time with a program that would pump \$750,000 into administration and a greater bureaucracy. No, to answer your question, we are not going to assure the seniors of that particular program at this point in time. We are going to be looking at alternatives that will give the maximum benefit to the people who need it most, and that will not be for administration.

Rural Capital Fund Program

MR. LUSNEY: — Mr. Speaker, I have a question for the Minister of Rural Affairs. Mr. Speaker, I understand that the Minister of Rural Affairs has informed the R.M.s that his government is not going to go ahead with, or is going to eliminate, the rural capital fund program. I would like to ask the minister if he has any intention or any plan to introduce a new program to replace the rural capital fund?

HON. MR. PICKERING: — Mr. Speaker, I welcome the first question in the House. This desk has not been addressed for some three and a half years. With regard to the program that you bring to my attention, the R.M.s throughout Saskatchewan were notified in January of this proposed program. The political implications were indicated to treasury board that it would have a great impact in rural Saskatchewan. We cut the program because it never was introduced in the House; it was used as a political ploy.

SOME HON. MEMBERS: Hear, hear!

MR. LUSNEY: — Supplementary, Mr. Speaker. The minister did not answer whether he intended to introduce a further program or not. I would have to say that the program

that was introduced was not a political program; it was one that would enable the R.M.s to go ahead with some of the capital expenditures with which they couldn't go ahead on their present finances. It was something that would assist the R.M.s. I would like to ask the minister again: does he intend to bring in a program that would help these R.M.s go ahead with what they had planned and what they had budgeted for? The R.M.s had included in their budgets the funding that would have been coming from the rural capital fund.

HON. MR. PICKERING: — Mr. Speaker, I would like to advise the hon. member that we did increase the revenue sharing by 11.5 per cent this year. As proposed in your budget, the rural capital assistance program, as I indicated, was a political ploy. We will be looking at programs down the road that are not political ploys, but are programs to help R.M.s.

MR. LUSNEY: — Final supplementary, Mr. Speaker. I understand the minister to be saying that he does not intend to assist these R.M.s at this point. He is saying that his government . . .

MR. SPEAKER: — Does the member have a supplementary? You're not allowed a preamble.

MR. LUSNEY: — My supplementary, Mr. Speaker, is whether or not the minister intends to bring in the program, because the R.M.s included that expenditure, and made commitments with that funding in mind, when they put their budgets together this spring. Will the minister provide funding to cover that expenditure or is he saying to the R.M.s that they should be going to the taxpayer and increasing the mill rate to pay for that expenditure?

HON. MR. PICKERING: — Mr. Speaker, as I indicated before, the R.M.s were notified of this proposed program; it had to be passed by legislation in this House. It never did hit the floor of the House, and any R.M.s that are in trouble because they budgeted with a program that was never passed, that's their own responsibility.

Rural Community Development Program

HON. MR. BLAKENEY: — Mr. Speaker, I have a question for the Minister of Rural Affairs. I noted in the material used by the Progressive Conservative Party that they would create a rural community development program. I wonder if the minister would outline, even in a general way, the outlines of a rural community development program because, of course, it may replace the program which he has just indicated that he has axed.

HON. MR. PICKERING: — Mr. Speaker, in answer to the Leader of the Opposition, we have done more for the people of Saskatchewan in a measly two months that you did in the 11 years.

SOME HON. MEMBERS: Hear, hear!

HON. MR. PICKERING: — And as for rural development, we've had two months to look at it. You had 11 years and did nothing. We will certainly be doing something in the four years of our term.

HON. MR. BLAKENEY: — Supplementary, Mr. Speaker. The question I asked, and

perhaps I hadn't made it clear, was: what was the general nature of the rural community development program promised by the Progressive Conservative Party not two months ago, but three months ago, and talked about even prior to that? I wonder if the member would indicate just the general outline of the rural community development program.

HON. MR. PICKERING: — Mr. Speaker, in answer to the Leader of the Opposition's question, we are looking at all programs that we promised during the campaign. In the short two months that we have been in power, we have done a great deal more, as I indicated, than they did in the previous 11 years.

Compensation to Dismissed Public Servants

HON. MR. BLAKENEY: — Mr. Speaker, I have a question for the Deputy Premier. A week ago yesterday he indicated in this House, in response to a question from me concerning the discharge of public servants, that:

Any twinge of conscience that I may have had, if ever, would have been largely alleviated by the compensation package that has been offered for any of the former public servants who have been dismissed.

My reference is to the words "has been offered" and I wonder if the Deputy Premier can assure us that the public servants who were separated by means of a series of orders in council early in the life of his government have been offered compensation packages?

HON. MR. BERNTSON: — Mr. Speaker, "has been offered" was perhaps a poor choice of words. In the excitement of the moment, I perhaps wasn't choosing my words carefully. In fact, they are about to be offered. The order was to go to cabinet tomorrow. Unfortunately, with our Minister of Intergovernmental Affairs, our Minister of Finance, and our Premier in Ottawa, and the fact that subject to our little agreement we are sitting tomorrow morning on a Friday routine, we won't be able to deal with it tomorrow, but we will be dealing with it at the earliest opportunity.

INTRODUCTION OF BILLS

Bill No. 18 — An Act respecting the Consequential Amendments resulting from the enactment of The Public Utilities Review Commission Act

HON. MR. BERNTSON: — On behalf of the hon. member, Mr. Speaker, I move first reading of a bill respecting the consequential amendments resulting from the enactment of The Public Utilities Review Commission Act.

Motion agreed to and the bill ordered to be read a second time at the next sitting.

Bill No. 19 — An Act to amend The Wildlife Act

HON. MR. BERNTSON: — On behalf of the hon. member, I move first reading of a bill to amend The Wildlife Act.

Motion agreed to and the bill ordered to be read a second time at the next sitting of the House.

Bill No. 20 — An Act respecting Elections in Urban Municipalities and School Divisions and repealing The Urban Municipal Elections Act

HON. MR. SCHOENHALS: — Mr. Speaker, I would like to move first reading of a bill respecting elections in urban municipalities and school divisions and repealing The Urban Municipal Elections Act.

Motion agreed to and the bill ordered to be read a second time at the next sitting of the House.

Bill No. 21 — An Act to amend The Superannuation (Supplementary Provisions) Act

HON. MR. BERNTSON: — On behalf of the hon. member I move first reading of a bill to amend The Superannuation (Supplementary Provisions) Act.

Motion agreed to and the bill ordered to be read a second time at the next sitting of the House.

GOVERNMENT MOTIONS

Special Committee to Consider Regulations

HON. MR. BERNTSON: — Mr. Speaker, before orders of the day, with leave of the Assembly, I move, seconded by the Minister of Health:

That members Koskie, Bacon, Baker, Gerich, Sauder, Schmidt, Sutor, Thompson and Young be constituted a special committee to consider every regulation filed with the Clerk of the Legislative Assembly pursuant to the provisions of The Regulations Act, with a view to determining whether the special attention of the Assembly should be drawn to any of the said regulations on any of the following grounds:

- (a) That it imposes a charge on the public revenues or prescribes a payment to be made to any public authority not specifically provided for by statute;
- (b) That it is excluded from challenge in the courts;
- (c) That it makes unusual or unexpected use of powers conferred by statute;
- (d) That it purports to have retrospective effect where the parent statute confers no express authority so to provide;
- (e) That it has been insufficiently promulgated;
- (f) That it is not clear in meaning;

and if they so determine, to report to that effect.

That the committee have the assistance of legal counsel in reviewing the said regulations, and that it be given the power to sit after prorogation of the Assembly, and that it be required, prior to reporting, that the special attention of the Assembly be drawn to any regulation to inform the government department or authority concerned of its intention to so report; and

That the committee be empowered to invite any regulation-making authority to submit a memorandum explaining any regulation which may be under consideration by the committee, or to invite any regulation-making authority to appear before the committee as a witness for the purpose of explaining any such regulation; and

That the by-laws of professional associations and amendments thereto, as tabled, be referred to the committee and that the committee be empowered to review those by-laws and amendments to determine whether or not they are in any way prejudicial to the public interest.

I so move, seconded by the Minister of Health.

Motion agreed to.

Morning Sitting

HON. MR. BERNTSON: — Mr. Speaker, with leave of the House, I move, seconded by the Minister of Health:

That notwithstanding rule 3 this Assembly shall on Wednesday, June 30, 1982, meet at 10 a.m. until 1 p.m.

Motion agreed to.

ORDERS OF THE DAY

STATEMENT BY MR. SPEAKER

Proper Procedure for being Recognized by Speaker

MR. SPEAKER: — Under orders of the day, I would like to make one comment to assist the movement of business through the House. Many of the members have been rising and starting to speak without addressing the Chair. Sometimes you rise and, when you don't address the Chair, you're not very visible because there are many people moving around in the Chamber. You look just like someone else walking by. So, when you stand, would you please address the Chair and wait to be recognized before continuing to speak so that your words are recorded in *Hansard*. In many cases, you'll find the first sentence or two of many of the speeches are not in *Hansard*.

MOTION UNDER RULE 16

Representation to First Minister's Conference on the Economy

HON. MR. BLAKENEY: — Mr. Speaker, I rise under rule 16 to move a motion, notice of which was given on Friday last. The motion is in the terms set out in the blues, and is in the following terms:

That this Assembly recognizes we are in a time of severe economic strain for Canada and for Saskatchewan and urges the Saskatchewan delegation to the first ministers' conference to be held in Ottawa June 30 to:

(1) present detailed proposals for reducing the record interest rates,

- (2) urge the federal government and other jurisdictions represented at the conference to launch immediately significant job-creating and badly needed public works projects such as rail line and port upgrading and the construction of education, health, and energy facilities;
- (3) reject any proposals for wage controls which affect low- and middle-income earners, and
- (4) reject any federal proposal which call for increased transportation costs to farmers for moving their grain.

Mr. Speaker, I will be moving that motion at the end of my remarks, seconded by my colleague, the member for Prince Albert-Duck Lake.

The motion is under four heads which I will touch on in order.

The first concerns interest rates. Last night's federal budget did nothing to ease the current high interest rates. It called for a reduction in inflation, and then interest rates would come down. That seems to us to put the cart before the horse. We call for the Government of Canada to act to bring interest rates down, and then inflation will come down. I don't need to tell this House how great a part high interest rates play in keeping prices high. In pursuit of this approach, this resolution calls upon the Government of Saskatchewan to present proposals to tomorrow's first ministers' conference on the economy to lower interest rates.

I commend to the government the policies advanced by the governments of Alberta, Saskatchewan, Manitoba and other provinces at last February's conference on the economy. I ask the government to outline briefly in this debate its approach to interest rates and what it will say at tomorrow's conference. We of this party believe that the federal government's high and rising budget deficit, and the huge jump in its need for borrowed funds — from \$6 billion to \$17 billion — will likely cause interest rates to rise. We ask the government opposite to assure this House that this province will not embark upon a policy of regular budget deficits, and so repeat the manifest folly of the Trudeau government and some other governments in Canada — folly that we are all now paying for with sky-high interest rates, unemployment, and a record number of bankruptcies.

With respect to the second aspect, projects to create jobs, the federal budget made some moves to launch projects to create jobs, particularly in housing but our party believes that much more should have been done to stimulate solid projects, projects like rail line upgrading and port improvements. I commend to hon. members opposite the port improvements of Prince Rupert, and the active part which the Government of Alberta has played. I am not suggesting that our government should play that part. I simply want to commend the Government of Alberta which has a great interest in that port. I wish to recommend energy projects such as our oil upgrader and other projects in the health area, the school area. Such a policy will provide jobs today and solid assets tomorrow. We call upon the provincial government to adopt similar projects. I compliment them for proceeding with the Nipawin project and call upon them to proceed with highway and road construction and other projects. I call upon the government to propose to the first ministers' conference measures to stimulate the economy and create jobs by undertaking solid and needed capital projects, including housing. We need to proceed with projects which will provide jobs, and the best way to

do that is to build things which will be useful and which will pay for themselves.

I turn now to the third item: wage controls. The federal budget imposes wage controls on federal public servants and asks provincial governments to impose controls on provincial civil servants.

Controls can only work if they are fair and seen to be fair. If wages are to be controlled, so must the incomes of those who are not paid by wages. If wages are to be controlled, so much prices be controlled. To say to the janitor at the courthouse, "Your income is controlled but not the lawyers who practice in the courthouse"; to say to the hospital orderly, "Zap, you are controlled but not the doctors"; to say that SPC is controlled but not Calgary Power; to say that Sask Tel is controlled but not Bell Telephone; to say that SGI is to be controlled but not The Co-operators or Pioneer Life, is clearly unfair and indefensible. The Prime Minister will undoubtedly be asking the premiers to implement similar wage controls at the provincial level. I call upon the Saskatchewan government to state clearly today that it will reject such a request.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — In his budget, Mr. MacEachen speaks of solidarity and sharing, of how all Canadians must help this country move from the 12 per cent world of recession to the 6 per cent world of recovery. But who is being asked to pay for this trek to recovery? Who has been told to show the spirit of solidarity and sharing? Wage earners whose incomes have lost ground to the rate of inflation for the last four years in a row. Half a million federal government employees will pay \$800 million over the next two years to pay for this trek. Old age pensioners, who have already seen their fixed incomes ravaged by inflation, will contribute \$105 million over the next two years through limitations on the increase in their old age pensions. Retired federal public servants will contribute \$100 million. Native people will contribute \$85 million, because the Trudeau government has shelved the native economic development programs. Canadian families will contribute \$155 million through limits on indexation of family allowances. These are the people who are supposed to pay for the Trudeau government's trek to recovery.

Where do Canada's lawyers line up for this display of solidarity and sharing? What about the doctors and the chartered accountants and the other professional people? Where does the line form for bank presidents? I heard nothing of that in Mr. MacEachen's budget. The Trudeau government wants to make this trek to recovery riding piggy-back on Canada's wage earners and senior citizens and the poor and the needy. It won't work because the plan is obviously inequitable and will be seen to be inequitable.

This federal budget provides the Devine government with its first big test. The job of governments is to make tough decisions. Will the government opposite jump into bed with Mr. Trudeau and say "me too" on controls or will it reject the plan as inequitable? That surely is the question.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — I call upon the government in this debate to state clearly and unconditionally, with no strings attached, that it will reject the Trudeau plan and ask other provincial governments to reject it as well.

The final portion of this resolution, Mr. Speaker, deals with grain transportation costs. Grain farmers are, once more, caught in the classic cost-price squeeze. Mr. MacEachen talks about getting out of the world of 12 per cent price increases into the world of 6 per cent price increases. Many farmers, for openers, would like to get into the world of 12 per cent price increases from a higher world that they suffer from. They would be overjoyed to get into the 6 per cent world. They would welcome 6 per cent increases in farm fuel, 6 per cent increases in farm machinery and fertilizer. If my reading of Professor Gilson's report is right, then the costs of transporting grain are going to increase much, much more than the 6 per cent and 5 per cent referred to by Finance Minister MacEachen. Without repeating the arguments in yesterday's debate, I call upon the government opposite to oppose unequivocally the introduction of the cost increases mentioned in the Gilson report. I further call upon it to state that unequivocal opposition here in the House today. Certainly that can't hurt anybody's negotiating position.

Mr. Speaker, I hope I have made clear the views of our group. I ask the government to respond and tell the people of Saskatchewan where they stand on these vital issues, arising in part from last night's federal budget. I read the motion earlier, I now move the motion, seconded by my colleague, the member for Prince Albert-Duck Lake.

SOME HON. MEMBERS: Hear, hear!

MR. GLAUSER: — I welcome the opportunity, Mr. Speaker, to remind the members opposite in the opposition that it was they who voted with the Liberals to replace the government under Joe Clark. You had an election. If that government had been allowed to implement the energy program that it had arranged, I suggest that Canada and Saskatchewan would not be experiencing the severe economic strain that now prevails.

Furthermore, Mr. Speaker, the federal budget of November last now resembles a distressed pregnancy more than a genuine birth. As a matter of fact, Mr. Speaker, it has been aborted and has now been replaced with another embryo that is to be the subject of the first ministers' conference.

In November 1981, following the presentation of his budget, Finance Minister Allan MacEachen conceded, more or less, that it was a mistake not to have consulted and discussed policy options in advance with the business sector and other experts outside the government.

What has happened, Mr. Speaker? A new budget has been presented. Not only did the minister surprise his own parliamentary secretary, he surprised the entire country. Mr. Speaker, after the fact, once again, a first ministers' meeting has been called, the purpose of which, I suppose, is to hold wake for the aborted and a celebration for the embryo.

Mr. Speaker, it will not be a celebration from the viewpoint of the delegation representing the government, on behalf of this Assembly and the people of Saskatchewan. This government has, by its actions since taking office, given evidence to the people of Saskatchewan, and this is recognized across this country, of playing a leading role in holding the line on increases in the cost of living.

The removal of the gas tax, post-haste, and the mortgage interest reduction plan, Mr. Speaker, that is up for consideration in this Assembly, are indicative of this

government's determination to help the people cope with high interest rates.

In 1980-81, interest rates began to climb, and people were renewing mortgages at a higher rate, increasing their monthly payments substantially. At that time, a financial institution made a submission to the NDP government to initiate a plan similar to the mortgage interest adjustment plan that is about to come into effect. That same financial institution has now come out in support of our program to the extent that it is prepared to allow the subsidy to form some portion to be taken into income in calculating debt serviceability.

Mr. Speaker, let us examine the contrast to the legislation placed in the statutes by the NDP. The NDP wrote The Home-owners' Protection Act. Did that act lower interest rates? Did it build houses? Indeed, it did not.

Perhaps the \$3,000 that was in the budget last night for the first-time home-owners will be able to be dovetailed into this program. That is something that we will have to look at very carefully.

Furthermore, Mr. Speaker, this government is committed to the farm ownership program providing loans at reasonable rates. Here again, it is taking the lead in another area, agriculture, that is so important to this province. Next after education, which was allotted the least in the NDP budget of March at 13 per cent, came agriculture at 16 per cent — the second lowest. Mr. Speaker, does that proportion of the provincial budget indicate to this Assembly that the former government showed the great concern for farmers and agriculture indicated in the fourth item of the motion?

Last Friday, Mr. Speaker, during a lengthy dissertation by the member for Prince Albert-Duck Lake, he spoke of Freezie. I do not know if he was talking about a person, a place, or an animal. However, Mr. Speaker, in the same breath, he referred to projects, namely, the Nipawin dam, about which he was pleased to be informed that construction was to proceed.

Mr. Speaker, I believe every taxpayer in the province of Saskatchewan, including those whose jobs with the contract were held up at that time, will not be displeased knowing that the delay produced savings of \$10 million. You do not have to be an economist to understand what that saving means to every man, woman, and child in this province. Mr. Speaker, if the delay in renegotiating the contract was a freeze, and if this is the message the member for Prince Albert-Duck Lake was endeavouring to convey, then this government has a duty, and indeed an obligation, to the cities of this province to scrutinize very closely all contracts and programs entered into by the former government. The people of this province have worked for and deserve a better deal.

Mr. Speaker, we have been repeatedly lectured by the Prime Minister on the subject of lowering expectations. On the other hand, the federal government used taxpayers' money with reckless abandon to the extent that we are probably looking at a \$20 million-plus deficit for the 1982 fiscal year. I suggest, Mr. Speaker, that if there is not the creation of a foreign investment climate in this country and, indeed, more incentive for local investors in the private sector, the aforementioned deficit could become even greater.

While this government recognizes the need for expansion and creation of public institutions, the private sector must be revitalized to generate the jobs and income to perpetuate the flow of funds to the public sector in order to carry out programs at all

levels of government. Mr. Speaker, I am most confident in the abilities of the delegation that will be representing this government at the first ministers' conference to present our case. I cannot support the motion.

SOME HON. MEMBERS: Hear, hear!

MR. THOMPSON: — Thank you, Mr. Speaker. I rise today to speak on this motion that is before us and to offer some solutions that I have to reduce the high interest rates that we are faced with in Canada today and also that we are facing in Saskatchewan. I want to dwell, Mr. Speaker, on four parts of the economy in Saskatchewan that I feel are quite important — mining, tourism, forestry, and fisheries. I want to particularly zero in on job creation. I feel that job creation is vitally important if we are to reduce interest rates that we are now facing in Saskatchewan and the stagnating economy that we are now faced with.

First of all, I want to urge the provincial government to continue to encourage the development of our mining resources in northern Saskatchewan and also in southern Saskatchewan. I want to particularly point out the development of uranium and potash in the South. Massive layoffs, Mr. Speaker, in the potash industry and the high unemployment rate that this has caused are contributors to the high interest rates that we are now facing, and we have to solve these problems. We can't have high unemployment and low interest rates. This just doesn't work.

I think that another item I would like to touch on right now, in the short while I have to speak, is the forest industry — particularly the forest industry in northern Saskatchewan.

Mr. Speaker, if we were to develop the forest industry the way it should be developed, in the way I feel it should be developed in northern Saskatchewan, that would create many jobs and thus lower the interest rates that we are now faced with. I proposed to the department prior to our defeat at the polls, and I am proposing to the new Minister of Northern Saskatchewan that he take a serious look at the forest industry in northern Saskatchewan and the jobs that will come out of that.

I speak particularly of saw timber and fence posts for farmers. We have literally millions of fence posts in northern Saskatchewan that could be produced to create jobs to lower the interest rates. I feel that if we were to develop that industry — peel the posts in northern Saskatchewan, treat them and offer them for sale to the farmers in the rest of the province — that would not only create jobs in northern Saskatchewan but would alleviate a problem that farmers have in southern Saskatchewan, hauling fence posts and paying a high price in Manitoba and other such places.

Mr. Speaker, I want to zero in on the fisheries of this province and I want to explain a little bit about how I see the fisheries being developed to create jobs.

We are now controlled by the freshwater fish marketing corporation. It handles and sells all our fish. We produce in the province between 7 million and 10 million pounds of commercial fish. Of that 7 million pounds last year, less than 100,000 pounds of that commodity were sold to the consumers of Saskatchewan. The 7 million to 10 million pounds varies from year to year, but the fishermen in this province throw into the bush for the bears and the pelicans and the seagulls, and onto the ice for the ravens in the winter and for the coyotes, I would say, equally as much. There are 10 million pounds or

maybe 15 million pounds literally thrown away and destroyed — fish that could be used. The consumers of this province would dearly love to have that fish product we are actually throwing away.

I ask the Government of Saskatchewan, particularly the Minister of Northern Saskatchewan, to take a serious look at developing that fishery in this province, to maybe get away from the freshwater fish marketing corporation and take that resource that we have in northern Saskatchewan and develop it for the people of Saskatchewan. I want to explain what the impact would be, Mr. Speaker, the jobs that would come out of this, if we were to develop the fisheries that we have. When we sell 7 million pounds of commercial fish, it all goes directly to Winnipeg and is dispersed out of the country. Less than 100,000 pounds of that comes back to the consumers of this province. Let's use a figure of 10 million pounds that the commercial fishermen are throwing into the bush.

If we were to develop that resource, that 10 million pounds consists of mullets that can be ground up and sold as fish cakes. It consists of marias, a ling cod which is a beautiful fish and should be sold in the markets, and we are literally throwing it into the bush and out on the ice. There is not one community in northern Saskatchewan, Mr. Speaker, where the unemployment rate is not terribly high — up as high as 95 per cent this morning in a community like Ile-a-la-Crosse. There are lots of fishermen there, and thousands and thousands of lakes with millions of pounds of commercial fish that are being thrown away. And I ask the government to take a serious look at getting away from the freshwater and fish marketing corporation and setting up local co-operatives which can go out and sell this fish to the consumers of this province.

Maybe the hon. member for Wilkie doesn't believe in co-operatives, but I tell him that co-operatives, handled properly, are a benefit, and they do create jobs and most certainly would be lowering interest rates. I ask him to think about that, and to think about all the fish that we are wasting and throwing away in this province, and I think that he wouldn't smirk at that.

I think, Mr. Speaker, that I offer a proposal that is a serious one. I think that the consumers of this province would most certainly welcome that type of product, and I'm sure if it were handled properly, and a selling job was done, that all these fresh fish products could be in the supermarkets and small grocery stores throughout this province. All it needs is a little initiative and some money behind it and it would create very many jobs and, Mr. Speaker, I feel that it is a very important proposal. With that, Mr. Speaker, I thank you and I will be supporting this motion.

SOME HON. MEMBERS: Hear, hear!

MR. EMBURY: — Thank you, Mr. Speaker. The motion before us was put to us by the Leader of the Opposition, who I know is only trying to be helpful in assisting the government in its negotiations with the government in Ottawa, and I must thank him for his assistance. I think, though, that we all saw, and the nation saw, the last attempt by the last premier of the province to deal with the Prime Minister in Ottawa at the summit in February. It could be, I think, politely said that he was unsuccessful. I think the Deputy Premier has said that we will not rely on Mr. Trudeau to run our affairs and I think that that would go for the Leader of the Opposition as well. We will be the masters of our own house. We will put our house into order and, as much as he is trying to be helpful, I think that we will be able to do what we set out to do when we got elected without his assistance.

I think, Mr. Speaker, it is obvious that the Prime Minister has set out his proposals last night for the recovery of the economy. I think those proposals that he has set out obviously are inadequate and will fall short of their objectives. Before we even get to those objectives and those programs that he set out, the first thing that was announced by Mr. MacEachen last night was a \$20 billion deficit. On the other hand, he went on to say that he's going to instill confidence in investors in Canada. I suspect, by following his past policies, that if this deficit continues to grow, investment and confidence will not return to Canada. His proposals were allegedly aimed at: (a) inflation, (b) encouraging investment and confidence, (c) helping the unemployment situation in Canada.

Specifically, Mr. MacEachen, last night, in regard to inflation, proposed wage controls, indexing of income taxes to 6 per cent and 5 per cent, indexing of family allowances, indexing of old age security, and restraints on price increases regulated by the federal government. The motion before us requests that the province of Saskatchewan, when it goes to Ottawa, present detailed proposals for reducing the record interest rates.

Mr. Speaker, I think that the federal government would do well to follow this government's lead. We have already eliminated the gas tax which resulted in a zero per cent increase in the CPI (consumer price index) for the month of May. I think we need a definite program. Action, instead of proposals, on the part of the federal government might result in some positive turnarounds in our economy. This government has already put a freeze on utility rates for the rest of the year. We are introducing a mortgage reduction plan at 13.25 per cent. I submit, Mr. Speaker, that these three programs alone have done much more to reduce the inflationary pressures the country is facing than any other programs introduced by any other government in Canada to date.

Also, Mr. Speaker, the federal government was trying to encourage investment confidence in Canada. In order to do that, it came up with some proposals. They were not programs as such, but proposals that were to be studied and implemented or not implemented, depending on whether it thought they'd work or not, later this year. The first proposal was for a new type of term deposit or some type of deposit that would give the owner a return tax free up to the rate of inflation. The same goes for the capital gains on the new share plan for purchasing shares in Canadian corporations. The problem with these types of proposals is that although the recommendations of the committees set up to study them are supposed to come back by September 30, it in no way means that any type of program would be put into place this year, and none probably will be.

Mr. Speaker, these types of proposals, while they could be interesting and they could perhaps help in the long run, do not help the problem today, neither in the country, nor in Saskatchewan. The regulations of the Foreign Investment Review Act have been modified, but again there is that attitude, on behalf of the federal government, that business is not welcome in Canada and that we are not looking for foreign investment. Along with our \$20 billion deficit, that kind of investment will be difficult to attract in any case.

I think, Mr. Speaker, again, if you look at our government's programs to date, and that is in the last two months — the reduction of rates in mortgages, the utility freezes, and the tax reduction — we have literally told the world that we are open for business, and business will react to that. We will find more business investment in Saskatchewan

than in the rest of Canada in the next number of years.

Mr. Speaker, what the federal government did not do for Saskatchewan was change in any way at all the national energy program, which has a great effect on our energy industry in Saskatchewan. And at the same time, Mr. Speaker, while not part of the budget, the Gilson report was tabled yesterday. So, in effect, the two basic components of our provincial economy, agriculture and energy, were either ignored or were hurt yesterday. And I don't think that's good enough.

I am confident, however, Mr. Speaker, that the Premier, in Ottawa, will quite adequately present our views on the budget of last night, and he will defend our rights and will try to get what is required for this provincial economy from Ottawa.

Mr. Speaker, I would like to move an amendment to the motion before us. I move, seconded by the member for Melville, that the motion be amended by deleting all the words after "Saskatchewan" where it appears in the second line, and substituting:

And that this Assembly condemns the federal government for its failure in its budget of June 28 to recognize the productive side of the economic equation relative to Saskatchewan in that it failed to deal with, among other things, agriculture or energy.

MR. HAMMERSMITH: — Mr. Speaker, I understand that the debate continues on the motion and the amendment concurrently . . . (inaudible interjection) . . . Thank you. I'm pleased that the member for Regina Lakeview has gone to great lengths to point out the statements by the Deputy Premier that the Government of Saskatchewan will not rely on Ottawa, and that the Government of Saskatchewan will, in the words of the member for Regina Lakeview, "put our own House in order." Having said that, he then went on to ask Ottawa to put the house in order, and I find that a rather interesting approach to putting our own house in order.

Mr. Speaker, I want to address a particular part of the motion and a particular situation with regard to putting our own house in order. And that is the matter of job creation and badly needed public works projects — job-creating projects particularly.

I want, in looking at the house that needs to be put in order, to share with this Assembly some of the most recent statistics with regard to the order in which we now find our house in Saskatchewan with regard to job creation, more particularly, what we find in Prince Albert. A year ago, in May 1981 unemployment in the Prince Albert region stood at 5.9 per cent. By May 31, 1982, that had risen two full percentage points. That's an increase of 25.5 per cent or over 1,000 additional people unemployed in the Prince Albert region alone. In La Ronge, a little farther north, the figures had increased from 11 per cent to 14 per cent. In Saskatchewan as a whole the increase in the number of people unemployed was 67 per cent. And so I think it is fitting that the member for Lakeview should suggest that the Government of Saskatchewan put its own house in order and that he should go to such lengths to point out that it is the intention and the style of operation of this government to set an example.

They have an opportunity in the Prince Albert region to set an example. I quote a headline from the Prince Albert *Herald*, Wednesday, June 23, which reads, "Series of Planned Layoffs has Pulp Mill Employees Uneasy." The employees there are concerned that in September 80 per cent of the 400 employees of that pulp mill will be laid off. That will have a negative impact, not only on those employees and their efforts to make

their car payments and their house payments, but on the Prince Albert business community, and there will be fewer dollars downtown. We have a quotation from the Prince Albert *Herald* of Saturday, June 26. A senior official of this government, recently appointed as deputy minister of tourism and renewable resources at a salary of \$76,000 a year, says, and I quote:

"Planning for the future in the forest industry must be done now," Bill Klassen, deputy minister of the Department of Tourism and Renewable Resources, told delegates to the annual meeting of the Saskatchewan Forestry Association" . . .in forestry we must deal with long-term cycles and planning must take into consideration the long-term effects."

Klassen told the delegates that time can be well spent now during the current slump to make plans for when the situation improves.

In the June 9 Prince Albert *Herald*, Mayor Dick Spencer is quoted as saying that he and city commissioner, Bob Linner:

will be meeting with several provincial government ministers, likely in Regina, near the end of June to discuss issues of importance to Prince Albert.

And he outlines among those issues the need to commence construction of the 6th Avenue East bridge and the construction of another pulp mill and newsprint facility at Prince Albert. He points out that the raw materials in the area justify construction of a pulp and paper facility which would be worth as much as \$250 million. And Spencer said he is confident the project will be undertaken. He also points out that it is of no major concern to the city of Prince Albert or the people of Prince Albert whether the project is a public investment or whether it is private sector investment or whether it is a joint venture. But he concludes by saying that the resources are obviously there and therefore it must be done. He goes on to say that he intends to press for this for Prince Albert.

The MLA-elect for the constituency of Prince Albert has said publicly that a high priority of his is the building of an aspen pulp mill and paper facility at Prince Albert. The Conservative candidate in the constituency of Prince Albert-Duck Lake promised such a project. But the response of the government opposite, when asked, was given by the Minister of Industry and Commerce, who said that the Prince Albert projects are off.

Is that the kind of example in the job creation area that the government intends to set, Mr. Speaker? I think that everyone recognizes that a \$250 million construction project would do a great deal to reduce those unacceptably high unemployment figures that I outlined, and it would do a great deal to stimulate the local economy and a great deal to assure long-term job creation and long-term economic benefits. It would also establish Prince Albert as a natural centre of the forestry industry in Saskatchewan.

We hear from the government's own sources that they are planning to announce a job creation strategy. When? In the fall of 1982. It may be understandable, Mr. Speaker, that they would wish to spend considerable time to make decisions on their strategy. We see press reports that they intend to establish a special committee chaired by the Premier to develop an industrial strategy. When? We are not told.

But those unemployment figures are there now. They are there now, and they are

getting worse. Federated Co-ops in Saskatoon yesterday announced a layoff. The pulp mill in Prince Albert has announced that there may be another shut-down and layoff in December. These kinds of layoffs, Mr. Speaker, are totally unprecedented. That pulp mill has never in its history been shut down with workers laid off or out of work for more than a weekend. And now, we're told that there may be one month, two month, or perhaps longer shut-downs.

It's a rule of thumb in the forestry industry, Mr. Speaker, as the deputy minister of tourism and renewable resources has pointed out, that during a time of slump capital investments are made in anticipation of the upturn in that industry, positioning the companies, whether private sector or public sector companies, to be able to take advantage of the upturn in that part of the economy and in the markets. That kind of decision can be made now. The pieces are all in place to enable that kind of decision to be made very quickly.

I think that is another area that the member for Regina Lakeview would endorse, if he's being consistent, as an opportunity for the Government of Saskatchewan to set an example and to take the position that they will not rely on Ottawa, that they will not rely on asking the federal government to take action, but that they will, in his words, "put our own house in order." This is an opportunity to do just that. Jobs are needed now and it's not necessary to wait while the job creation strategy is being planned for the fall, when the construction season will be nearly ended. It's not necessary to wait while the industrial strategy is being planned.

MR. SPEAKER: — Order. It is my duty to inform the member that his time has elapsed.

MR. SCHMIDT: — Mr. Speaker, I consider it my duty to rise on private members' day on a motion brought in by the opposition to ask for the wisdom of a backbencher in advising Ottawa what is to be done. I intend to display to them the wisdom of the government's backbenchers and the entire government.

The first point they raised was that they asked the delegates to Ottawa to present detailed proposals for reducing the record interest rates. Well, first of all, the simple fact that they asked us to tell Ottawa what to do confirms my opinion of the difference between the three major political parties in this country.

First of all we have the Progressive Conservative Party, which has always known what to do and has always been prepared to act. Unfortunately, at times the people of Canada have not been interested in listening to the truths we have told them. That's one difference. We know what is going on; we know what makes the world tick. For the learned gamblers opposite, who encourage us to create jobs for students, I have good news. These are statistics from the Canada Employment Centres in Saskatchewan, June 28, 1982, yesterday. Are you listening? The statistics show that in 1981, one year ago, there were 3,407 jobs created for students. Yesterday, one year later, after we have had a change in government, there are 3,566 jobs, an increase of 165.

SOME HON. MEMBERS: Hear, hear!

MR. SCHMIDT: — That's 5 per cent more students hired this year. In Canada during the last seven months, the rate of unemployment has gone up from 8 per cent to 10 per cent yet we have been able to encourage employers to hire 5 per cent more students. Now there must be a reason for this. We all know what the reason is. The reason is the

change in government in this province and the change in attitude.

SOME HON. MEMBERS: Hear, hear!

MR. SCHMIDT: — We don't wear yellow buttons that say, "Hire a student." We act and 165 students are hired.

SOME HON. MEMBERS: Hear, hear!

MR. SCHMIDT: — But I was indicating the difference between the Progressive Conservative Party and the other parties. We have in Ottawa the Ottawa Liberal Party. I have always given them the benefit of the doubt and said that they know what has to be done. It's just that they don't have the nerve to do it.

And then we have the NDP in Ottawa. I have no doubt that they don't know at all what is to be done. Unfortunately, I think I was too generous to the Liberals in Ottawa because after hearing the budget I think they are in the same position as the NDP. They, too, don't know what has to be done. So maybe that explains why politically they are married, live in the same house in Ottawa, sleep in the same bed and we have to put up with their budgetary offspring.

SOME HON. MEMBERS: Hear, hear!

MR. SCHMIDT: — Now for years I have told the NDP what makes the world tick. It's fitting that the remains of that party should be here, asking our opinion and consulting with our government on what does make the world tick.

They refer to interest. Dealing again with interest, let me say we have already acted. They know about the 13.25 per cent mortgages. As a matter of fact we set an example for Ottawa and in their budget they went a small way toward alleviating the problem, but certainly nothing comparable to our actions.

We will be introducing 8 per cent farm purchase loans. If that isn't of benefit to farmers, then nothing is. We have initiated the utilities freeze. We have campaigned on small business loans. During the course of our term in office, the people of Saskatchewan will see the continued action on our part.

But the problem here now lies with the federal government and, firstly, with the Bank of Canada. The Bank of Canada has to do two things. It has to promote lower interest rates, and it has to stop defending the dollar. But it is too late. The dollar has already fallen and interest rates have gone up, and we have lost the advantage of that remedy. Instead, the federal government runs a deficit of \$20 billion. We have to send a message to Trudeau and MacEachen that this money spent by the government, to the tune of \$20 billion, will never be seen again. They have to allow the business people of this country to use those type of funds to build up this country — a lasting improvement. So if the members opposite want us to send a message to Ottawa, the message is: let the small business people — the people of Canada — build this country, rather than have the government squander our money.

SOME HON. MEMBERS: Hear, hear!

MR. SCHMIDT: — With respect to jobs, we have heard about the Nipawin project, where we saved \$10 million and are proceeding to create jobs — a combination that was

rarely seen in the former government. But what do the opposition members want us to do ? They want us to tell Ottawa to spend more money on capital projects. Do they realize that this would increase the deficit and enlarge the problem? Ottawa is already spending too much. The cure for what ails this country cannot be found in a few minutes or a few months. It is going to take years of hard work to bring us back.

With respect to wages, I agree with the learned members opposite that we should reject wage controls for low- and middle-income earners, especially those who don't have the protection of unions. I say to those wage earners that they have been reasonable in their demands and, therefore, they haven't been able to keep up with inflation. I say to the unionized workers that they have their capable representatives, and that they can bargain with our government in the usual manner.

So, we are not in a position to take lessons from Ottawa. We will govern Saskatchewan sensibly. We believe that the people of Saskatchewan are reasonable, have always been reasonable and, given a proper example, they will remain reasonable in their demands. But, certainly, there is no proper example from Ottawa, where federal spending is still up 17 per cent.

The fourth point of their motion is with respect to the crowrate increases. We spoke at length on that yesterday. But what is more important is what is not in the budget. Therefore, I speak in favour of the amendment.

Agriculture is short-changed again. There is no suggestion of a reduction in diesel fuel. There is band-aid help for farmers who are in trouble. I can tell you, and I can tell the government in Ottawa, that all farmers are in trouble. They haven't had an increase in years.

With respect to energy, the national energy program continues to haunt us. There is no suggestion that any consideration is to be given to heavy oil. The Alaska pipeline, which would help Ipsco, is still gone, and we were sold down the river by the people in Ottawa, sold down the river to the Americans, and they were forewarned. For these reasons, I must speak in favour of the amendment. It is truly necessary to send a message to the people in Ottawa, and the message that they are going to get from this member is that we were fighting inflation before their budget and we will continue to fight inflation.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — Mr. Speaker, I want to say a few words in closing this debate. I appreciated the contributions of the member for Melville and the member for Regina Lakeview. I want to comment on a couple of their remarks. With respect to the member for Regina Lakeview, he made the very valid point that the government opposite is master of its own house. This is undoubtedly accurate. The authority is yours, and the responsibility is yours. I predict that in short weeks you will be less willing to assume that responsibility, and will be saying that indeed some of the problems are generated in Ottawa. But you will then know, as I say now, that the responsibility is yours.

The member for Regina Lakeview said that the Premier would ably present our views. And I am sure he would ably present the views of this legislature if anyone knew what the views of this legislature were. But no member of the treasury benches laid down any policies of your government with respect to interest rates — none whatever. No steps were offered by your government, as by our government which preceded you, or as by

Premier Lougheed, or as by Premier Davis, proposing methods of reducing record interest rates. Those were proposed by Conservative premiers in Canada, but your government has no proposals — no proposals to equal those of Premier Lougheed, no proposals to equal those of Premier Buchanan. You are silent, silent as to what you think should be done to reduce interest rates in Canada. I think this legislature should know what the policies of your government are with respect to the reduction of interest rates in Canada.

I think this legislature should know where you stand on controls. But where do you stand on controls? We have heard nothing from any member of the treasury benches as to where that government stands on controls. Not in this debate, because no member of the treasury benches has stood in his or her place and spoken. Members opposite, and particularly the cabinet, feels there is no obligation to share with this legislature the views that are going to be put forward, ably or not, by the Premier and by the Minister of Finance. I think this legislature ought to have a right to know what the Government of Saskatchewan is saying to the Prime Minister of Canada with respect to the most vital economic issues which are facing the people of Canada today. But there is perfect silence, perfect silence from the cabinet opposite. I think that's not good enough.

I hear the member for Melville saying that he doesn't think that the federal government should engage in any capital works. He doesn't think that they should spend any money upgrading rail lines. That's certainly not our view — that's yours. He doesn't think that the federal government should spend any money upgrading ports. That's your view, but it's not ours.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — He doesn't agree. He believes for some reason unknown to me that spending by the CNR will add to the federal deficit. That, of course, is false. He ought to know it's false, but he tries to lead this House into believing that spending by the CNR is going to add to this \$19 billion or \$20 billion deficit. Not true. It will create jobs just as surely as doing work on Prince Rupert would create jobs and stimulate the economy. The member for Melville says no. We say yes. We say yes and we are sorry that members like the member for Moosomin are saying no to rail line upgrading.

I was amused by the little interjection of the member for Melville who said, "Look we have hired more students through Canada Manpower this year than last." Anybody who is familiar with those figures at all would know what when we have a good year Canada Employment places practically no students. They all find jobs for themselves. The number of students which Canada Employment places is a pretty good measure of how tough it is to find jobs. The true test is not how many students are placed but many are not placed. I predict that when the unemployment figures come down a few days hence, on July 7 or 8, we will find that unemployment in Saskatchewan is higher this July than last because you people have done nothing to provide employment for students. Mr. Speaker, we do not know where members opposite stand. We do not know where they stand on what the Government of Canada should do to reduce interest rates. We do not know where they stand on what should be done to provide employment by work-creating projects. We do not know where they stand on wage controls. They are ducking this one.

MR. SPEAKER: — Order. I must inform the hon. member that his time has elapsed.

Amendment agreed to.

Motion as amended agreed to.

COMMITTEE OF THE WHOLE

PRIVATE BILLS

Bill No. 01 — An Act to amend An Act to incorporate the North Saskatchewan Bible Society, Auxiliary to the Canadian Bible Society.

Clause 1 to 6 inclusive agreed to.

The committee agreed to report the bill.

Bill No. 02 — An Act to amend An Act to incorporate the South Saskatchewan Bible Society, Auxiliary to the Canadian Bible Society.

Clauses 1 to 6 inclusive agreed to.

The committee agreed to report the bill.

Bill No. 03 — An Act to amend An Act to incorporate Canadian Theological College

Clauses 1 to 5 inclusive agreed to.

The committee agreed to report the bill.

INTRODUCTION OF GUESTS

MR. DIRKS: — I beg leave to introduce two guests who have a significant interest in the bill which has just been passed. I'd like to introduce to the members of the Assembly the president of the Canadian Theological College, Mr. Rexford Boda, and the director of student development, Mr. Ray Matheson, who are here in the Speaker's gallery with us today. Would you welcome them, please?

HON. MEMBERS: Hear, hear!

THIRD READINGS

Bill No. 01 — An Act to amend An Act to incorporate the North Saskatchewan Bible Society, Auxiliary to the Canadian Bible Society

MR. FOLK: — Mr. Speaker, I move that Bill No. 01, An Act to incorporate the North Saskatchewan Bible Society, Auxiliary to the Canadian Bible Society, be now read a third time and passed under its title.

Motion agreed to and bill read a third time.

Bill No. 02 — An Act to amend An Act to incorporate the South Saskatchewan Bible Society, Auxiliary to the Canadian Bible Society

MR. FOLK: — Mr. Speaker, I move that Bill No. 02, An Act to incorporate the South Saskatchewan Bible Society, Auxiliary to the Canadian Bible Society, be now read a

third time and passed under its title.

Motion agreed to and bill read a third time.

Bill No. 03 — An Act to amend An Act to incorporate Canadian Theological College

HON. MR. BLAKENEY: — Mr. Speaker, I move that Bill No. 03, An Act to incorporate Canadian Theological College, be now read a third time and passed under its title.

Motion agreed to and bill read a third time.

STATEMENT BY MR. SPEAKER

Resolution Numbers 6 and 8

MR. SPEAKER: — Order! I wish to draw to the attention of all hon. members that resolutions 6 and 8, standing on the order paper, appear to be the same subject matters as Bills 1 and 3, respectively. I refer all hon. members to Beauchesne's *Parliamentary Rules and Forms*, Fifth Edition, page 119, which states in paragraph 340(1):

The rule of anticipation, a rule which forbids discussion of a matter standing on the *Order Paper* from being forestalled, is dependent upon the same principle as that which forbids the same question from being raised twice within the same session.

Further, in paragraph 341(1) and (2):

(1) In determining whether a discussion is out of order on the grounds of anticipation, the Speaker must have regard to the probability of the matter anticipated being brought before the House within a reasonable time.

(2) In applying the anticipation rule, preference is given to the discussions which lead to the most effective results, which has established a descending scale of values for discussions, such as Bills which have priority over Motions, which in turn have priority over Amendments.

I also refer members to the rulings of the Chair dated March 20, 1979, *Journals of the Legislative Assembly of Saskatchewan*, page 75, and March 22, 1977, *Journals of the Legislative Assembly of Saskatchewan*, page 159.

I, therefore, rule resolutions 6 and 8 out of order on the grounds of anticipation.

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 2 — An Act to amend The Income Tax Act by eliminating the Mortgage Interest Tax Credit as a consequence of the establishment of the Mortgage Interest Reduction Program.

HON. MR. BERNTSON: — Mr. Speaker, just a few remarks on second reading for Bill No. 2. The objective of this government, Mr. Speaker, is to provide very real and substantial

assistance to the Saskatchewan families who are forced to pay unacceptably high mortgage interest rates. The objective will be achieved with the passage of Bill No. 1, which enacts the mortgage interest reduction plan. Without question, Mr. Speaker, this program will provide Saskatchewan home-owners with the best protection against high mortgage interest rates in this entire country. Bill No. 2, which will amend The Income Tax Act to eliminate the mortgage interest tax credit, is a natural consequence that flows from our plan to provide real mortgage interest assistance to Saskatchewan people.

Mr. Speaker, the NDP didn't want to help the home-owners facing high mortgage interest. The NDP simply wanted to pretend it was providing assistance. The mortgage interest tax credit provided a maximum of \$250 in assistance, and the average benefit to Saskatchewan home-owners was barely in excess of the \$100 minimum payment. Mr. Speaker, the program was simply a sham that allowed the NDP to pretend it was protecting people from high interest rates. They preached to us that this was the only such program in Canada. It is no wonder most governments would have been embarrassed to admit to having such a program.

The members opposite should remember, I might add, that their mortgage interest tax credit was not a refundable tax credit. It was only available to people who owed Saskatchewan income taxes. Anyone in low-income ranges who paid mortgage interest that did not have a tax liability received no benefits from the program. So, Mr. Speaker, Bill No. 2 will eliminate the mortgage interest tax credit. In fact, it is simply being replaced by a real and substantive interest reduction plan that will provide benefits, and not simply rhetoric, to Saskatchewan home-owners.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BERNTSON: — I move second reading of Bill No. 2.

MR. HAMMERSMITH: — Mr. Speaker, the Deputy Premier, the Minister of Agriculture, has gone to great pains to assure the Assembly that this is a simple matter of replacement, and that all good things will happen as a result of Bill No. 1. I am interested as to his reasons for not calling Bill No. 1 prior to calling Bill No. 2; however, let that be as it may.

I want to point out that this program that is of no consequence in the view of the Minister of Agriculture had \$9 million budgeted for the 1982-83 fiscal year, and that is likely one of the sources of financing the mortgage interest reduction plan called for in Bill No. 1. It isn't altogether clear, and the government opposite certainly hasn't supplied the House with any facts, as to who pays with regard to the removal of the mortgage interest tax credit. How many people, Mr. Speaker, who will not be eligible for benefits from the mortgage interest reduction plan will lose under Bill No. 2 their mortgage interest tax credit? How many of those who also lose their mortgage interest tax credit have been denied an increase in the property improvement grant by the Minister of Urban Affairs, as this government seeks to find some ways to pay for part of its promises under Bill No. 2? How many of those who have their mortgage interest tax credit removed will also not be getting, because it's too much trouble for the Minister of Social Services to administer, their senior citizens shelter allowance? How many of those people will there be, Mr. Speaker?

How many of the people who will not receive any benefits from what was billed during the election and after the election as a universal program that everybody was eligible

for, but that is no longer universal, will lose under Bill No. 2 their mortgage interest tax credit while they are losing an increase in the property improvement grant? How many of those people under Bill No. 2, Mr. Speaker, will be asked to finance the proposals that the House will deal with when the Minister of Agriculture has determined that the press gallery is sufficiently full for his performance? How many of those people will be losing benefits that they would otherwise have had? How many of those will finance a program that has no income ceiling, and that is not based on level of need?

I think that members on this side of the House will have a great deal to say in second reading of Bill No. 2, as they will in second reading of Bill No. 1. I want to give my colleagues the opportunity to participate in this second reading debate, therefore I beg leave to adjourn the debate.

Debate adjourned.

Bill No. 3 — An Act to provide for the Imposition of Taxes on and the Collection of Taxes from Certain Purchasers of Certain Fuels and for the repeal of The Fuel Petroleum Products Act.

HON. MRS. DUNCAN: — It gives me great pleasure to rise today, and move second reading of this very important bill, Bill No. 3, An Act to provide for the Imposition of Taxes on and the Collection of Taxes from Certain Purchasers of Certain Fuels and for the repeal of The Fuel Petroleum Products Act.

Mr. Speaker, I feel that this bill is important because it marks the fulfilment of the first of many commitments that we, as a party, made during the election — commitments which we plan to keep. People were concerned about the high fuel prices for operating their motor vehicles, and this government responded by announcing the elimination of the provincial tax on fuel, effective midnight, May 8, 1982, the very same day that we took office. I might add, Mr. Speaker, that with the elimination of the gas tax, this represents the single largest tax cut this province has ever experienced.

The bill which is before us today will formalize this first official act of Premier Grant Devine and his government. On the average, we estimate that the elimination of fuel taxes will initially save each passenger car owner between \$200 and \$300 per year. And, you know, if the 20 per cent tax on gasoline had not been removed it would have reached 60 cents per gallon by 1986, and the average vehicle operator in the province would have had to pay more than \$500 in taxes per year.

But the bill does much more, Mr. Speaker, than just remove the tax on motor fuel. It eliminates the transfer of 20 per cent of the net revenue from road taxes to subsidize the automobile accident insurance fund. The former government planned to transfer \$23 million in this fiscal year alone to hide the true cost of the insurance scheme. Mr. Speaker, this will not happen under our government.

Motor fuel will not be taxed to provide a source of revenue to cover automobile accident insurance losses. The bill also removes the inequities and financial burdens created by fuel taxes. When Alberta removed their fuel tax in 1978, Saskatchewan dealers located near the western part of our province were placed in a difficult competitive position. Although the members opposite did introduce a program to rebate a portion of this tax, it was insufficient to prevent these dealers from having to reduce their profit margin, or go out of business.

For example, Mr. Speaker, in my home constituency of Maple Creek, a community that is less than 30 miles from Alberta, dealers received a rebate of 25 per cent of this tax. This meant that before the tax was removed, they had to pay 4.8 cents per litre more for their gasoline than their Alberta counterparts, and this truly put them at a distinct disadvantage. And even though the budget for this program was \$2.23 million for this fiscal year, it did not solve the problems faced by these dealers.

With the elimination of the tax in Saskatchewan, however, the competitive disadvantage has disappeared and the gasoline competition assistance program can be cancelled.

Mr. Speaker, we have discontinued or will be discontinuing the costly program of colouring fuel. There is no longer a need to dye fuel that is not taxable as was formerly required for enforcement purposes. This means that farmers and bulk fuel agencies will not have to maintain separate storage tanks for purple fuel and the government will save about \$328,000 per year in dye costs alone. This Bill also eliminates the need for approximately 2,500 retail dealers to annually obtain licences to sell fuel petroleum products. In addition, it removes the administrative burden placed on approximately 800 interprovincial transportation firms, many of which are based in Saskatchewan, of having to complete monthly tax returns.

Mr. Speaker, this bill not only removes the tax on fuel consumed in licensed vehicles, it also eliminates the tax formerly imposed on purchasers of fuel used for off-road purposes. For example, there is no longer a tax on fuel consumed in motorboats and private or local aircraft. Similarly, the tax is abolished on fuel used for industrial, commercial, construction, manufacturing, mining and processing activities. The tax remains, however, on locomotive fuels used by railway companies and aviation fuel consumed by commercial airlines. These companies are based outside of Saskatchewan and, hence, they will continue to pay taxes for the right to carry on business in this province.

In summary, Mr. Speaker, I feel that the action taken by this government truly benefits all the citizens of this province while ensuring that multinational railway and airline companies do not have a free ride.

I think that the effects of the removal of this particular tax are already being felt in the province. If we look at the consumer price index for May, Mr. Speaker, we see that, and I'm quoting from *Saskatchewan Statistics*:

In Saskatoon, the decline in gasoline prices resulting from the removal of the provincial gasoline tax offset the impact of increases in food prices, air fares, reading expenses and shelter costs.

In Regina, the impact of higher food prices, increased shelter charges and higher air fares was virtually offset by a sharp decline in gasoline prices, reflecting the removal of the provincial gasoline tax.

I think, Mr. Speaker, that it is safe to say that we on this side of the House did recognize the need to take off this very costly tax and felt that by removing it, each person in the province would benefit from it. The saving to R.M.s, for instance, with the removal of the tax, is very significant. School units will have their bussing costs lowered substantially as a result of the removal of this tax. And the list goes on and on, Mr. Speaker.

Therefore, it gives me great pleasure to move second reading of this bill.

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

Bill No. 4 — An Act to amend the Statute Law

HON. MR. BERNTSON: — Mr. Speaker, on behalf of the hon. member, I would like to say that each year The Statute Law Amendment Act is presented to this legislature as a means to correct errors of a non-controversial nature in the Statute Law which have become apparent since the passage of the acts affected. Recently, with the preparation of the loose-leaf statutes, errors have become more readily identifiable, and in an effort to keep the loose-leaf statutes as accurate as possible the legislative counsel and law clerk has prepared this bill for consideration at this session. Most of the amendments proposed by this bill are of a totally non-controversial nature involving consequential amendments as a result of changes to other legislation, correction of internal references, correction of spelling and editing error or minor drafting errors.

Particular sections of interest in the bill are:

1. Clause 5 of the bill, amending The Certified General Accounts Act, changes all reference in the act from "student members," to "registered students" at the request of that association.
2. The change to The Housing and Special-Care Homes Act in clause 24 of this bill clarifies the intent of that act that certain protective provincial legislation be suspended only in relation to loans under the federal National Housing Act for special-care homes rather than for all national housing loans.
3. The amendments proposed in clause 17 and 50 are designed to eliminate duplication since the provisions are contained in other provisions of this same or another act.
4. Since both The Denturists Act and The Ophthalmic Dispensers Act give the Lieutenant-Governor in Council the power to set certain dates by regulation, and those dates have already been set, the amendments contained in clauses 11 and 43 incorporate the dates that have been set into the legislation rather than having it remain in the regulations.
5. The repeal of section 3 of The Jury Consequential Amendment Act in clause 26 of the bill will ensure that a provision of the new Medical Profession Act is not repealed when The Jury Act, 1981 is proclaimed.
6. The amendment contained in clause 69 amending The Vehicles Act is designed to rectify an incorrect section reference in the section dealing with the provincial offence of driving while disqualified. In coming into force, this amendment is deemed to be retroactive to the date The Vehicles Act amendments were made to deal with the problem created by the disallowance by the supreme court of the Criminal Code offence of driving while disqualified in the Boggs decision.

As I have already mentioned, Mr. Speaker, amendments contained in this bill are non-controversial and merely clarify the intent and purpose of the provincial legislation.

Mr. Speaker, I move second reading of The Statute Law Amendment Act, 1982.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — My colleague, the member for Quill Lakes, is reviewing this, and he is unable to be with us at this time. So that he might have an opportunity to speak to it or let it pass as he sees fit, I beg leave to adjourn the debate.

Debate adjourned.

Bill No. 6 — An Act to amend The Provincial Court Act

HON. MR. BERNTSON: — Mr. Speaker, on behalf of the hon. member, this bill is the same as the bill introduced and given first reading in the last session of this legislature. Following the proclamation of The Provincial Court Act in 1978, the provision of court services to outlying areas of the province has greatly improved. At present there are 42 judges of the court plus the chief judge in this province, pursuant to The Provincial Court Act. The chief judge has substantial administrative responsibilities for the court which are enumerated in section 11.

With the increase in the number of judges of the provincial court, the administrative workload of the chief judge has increased substantially. In order to relieve some of the administrative burden on the chief judge, and to provide a quicker response to problems in areas of the province away from the city of Regina, this bill proposes that the position of associate chief judge be created, and that the associate chief judge perform such duties as assigned to him by the chief judge of the court.

Although this act speaks of one or more associate chief judges it is anticipated that in the near future only one associate chief judge would be appointed.

Mr. Speaker, I would move second reading of An Act to amend The Provincial Court Act.

HON. MR. BLAKENEY: — Mr. Speaker, I, or one of my colleagues, would like to address a few words to this bill at a later time and, accordingly, I beg leave to adjourn debate.

Debate adjourned.

Bill No. 8 — An Act to amend The Regulations Act

HON. MR. BERNTSON: — Mr. Speaker, on behalf of the hon. member, the majority of this bill is identical to a bill which was introduced and died on the order paper at the dissolution of the last session of this legislature.

For some time government departments have been engaged in a review of regulations in an effort to consolidate and update regulations and delete obsolete and outmoded provisions. The end result is the revised regulations of Saskatchewan. These regulations are now published as part 2 of the *Saskatchewan Gazette*. Although this procedure is proceeding well, providing a simple, concise and easily accessible record of regulations, it is a mammoth undertaking. It will take a considerable amount of time to complete the project.

The amendments contained in this bill have been recommended by the office of the

legislative counsel and law clerk to accommodate the revised regulation process. Sections 3 and 4 of the bill establish a numbering and citation system for the revised regulations similar to the one used for the revised statutes.

Subsection 5(1) of the bill makes provisions for repealing a large number of old regulations that no longer have any effect with one order in council, rather than having one order in council for each regulation which is to be replaced.

Subsection 5(2) will allow for corrections of errors in regulations in one order as is now similarly done with The Statute Law Amendment Act.

The repeal of subsection 20(2) is necessary to ensure that the version of the regulations contained in the *Saskatchewan Gazette* is the only official version.

Section 7 of the bill makes the amendment retroactive to November 25, 1980, which is the date upon which the first revised regulations were enacted.

Mr. Speaker, I move second reading of An Act to amend The Regulations Act.

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

Bill No. 9 — An Act to amend The Legislative Assembly and Executive Council Act

HON. MR. BERNTSON: — This bill is a very short and simple one. It merely repeals subsection 78(2) of The Legislative Assembly and Executive Council Act. That's the subsection which sets the maximum number of legislative secretaries that may be appointed at six. It's quite a simple bill. I would point out to the members opposite that this government has a significantly smaller cabinet than that of the former administration. We also have a great number of highly skilled and extremely competent members sitting in the backbenches. They could make a very significant contribution to cabinet ministers, in the roles of legislative secretaries to cabinet ministers, at a significantly lower cost to the public purse. I, therefore, Mr. Speaker, move second reading of this bill.

HON. MR. BLAKENEY: — Mr. Speaker, I have a good deal to say on this one so I beg leave to adjourn the debate.

Debate adjourned.

Bill No. 10 — An Act to amend The Education Act

HON. MR. CURRIE: — Mr. Speaker, it is my pleasure to move second reading of Bill No. 10, An Act to amend The Education Act, and particularly section 18.

Mr. Speaker, in 1981, the previous administration of this province brought about a major change in the method by which the election of members of school division boards would be conducted in Saskatoon and in Regina. Legislation was introduced and passed which had the effect of eliminating the system of electing board members at large, and replacing it with a ward system for school elections, in our two largest systems.

Mr. Speaker, I have assessed the objections and the acclaimed merits of the ward

system, as submitted by the de Vlieger report, and also the subsequent oral and written presentations made to me. One thing for sure, there is a diversity of opinion about the implementation of the ward system as a method of electing members to the board of education in the city systems.

Those who oppose the ward system contend that the ward system can only lead to parochialism and partisan politics. They indicate that there is a real danger that board members would place too much emphasis on what is good for their own particular ward rather than what is in the best interests of the total city system. The result, they feel, would be pitting ward against ward, increased friction and extreme difficulty in prioritizing the needs of the system. The overall effect would be that the dynamics of decision making would be made more difficult.

In addition, those who oppose the ward system contend that there would be problems arising from establishing the boundaries for wards that are coterminous with municipal wards. There would, for example, be unequal distribution of schools and students in wards. Some school communities would be divided by coterminous boundaries. In one case, one school community would be divided among three wards. Perhaps the best example of some of the boundary problems that were presented was through the separate, or Catholic, school systems. In the case of Saskatoon, they have requested a coincidence of the ward boundaries with the parish boundaries so that they can more efficiently fulfil their religious mandates.

The previous minister concurred with deviating from the original plan to accommodate this request. That would have required an amendment this session — an amendment before the act was actually implemented. So it would appear that there were very obvious problems, regarding boundaries, with the ward system.

They (those who opposed the ward system) also point out that the present at-large system does allow for communication with representation to the total school system. They claim that the focal point of a school system is on all students within our system, that the most natural way to communicate or to make representation about programs and other factors which affect students is by a direct line to the teachers, a direct line to the principals, or, if need be, to the central office staff, all of whom serve the board of education. Each board has the mechanism to provide representation to them.

It has also been stated by those who oppose the ward system that the general public did not call for the ward system for electing board members, that there was no real dissatisfaction with the at-large system. They point to the fact that the Regina and Saskatoon boards of education have functioned very well indeed. They administer systems, that is, Saskatoon and Regina, in which the performance, rapport and morale have been outstanding. They have given leadership in innovative initiatives for other systems. In fact these systems, Regina and Saskatoon, have served as models to other areas of Canada and, as a matter of fact, to other countries.

So many of the public say, "Why change? What is the purpose for change? Why argue with success?" Mr. Speaker, I have listened to, read and weighed the opinions for and against the ward system. I have noted, for instance, that in the de Vlieger report 67.2 per cent of the briefs either opposed the ward system or were neutral, that boards of education are negative to the implementation of the ward system, particularly those boards that are directly affected by the legislation of last April.

It also is evident that the public was not truly represented in the discussion to

implement the ward system. So, because of the obvious diverse opinions, it is evident that the public would require greater input before a decision could be made to implement the ward system.

Therefore, Mr. Speaker, after assessing all the present circumstances relating to this issue and finding no compelling reason to make changes to a system that has functioned well, our government has decided judiciously to rescind the legislation relative to implementing the ward system for the electing of boards of education in the cities of Regina and Saskatoon. Thus, I am introducing legislation to restore the at-large system that has served these cities well for decades, and I take pleasure in moving second reading of this bill.

MR. LINGENFELTER: — Mr. Speaker, I ask for leave to adjourn debate.

Debate adjourned.

Bill No. 11 — An Act to amend The Teachers' Superannuation Act

HON. MR. CURRIE: — Mr. Speaker, I am pleased to move second reading of Bill No. 11, an Act to amend The Teachers' Superannuation Act. On April 2, 1982, a provincial collective bargaining agreement was concluded by the boards of education, the Government of Saskatchewan and the teachers of the province. One item that was bargained at the provincial level was superannuation for teachers. The signed agreement includes a provision that necessitates amendments to The Teachers' Superannuation Act.

Mr. Speaker, whenever changes are agreed upon by the parties to the provincial collective bargaining agreement, the government trustee committee further agrees that the Government of Saskatchewan will proceed expeditiously to place before the Legislative Assembly such amendments to the superannuation act and to make such amendments to the regulations under the said act as are necessary to implement the provisions of the agreed-upon changes. Mr. Speaker, the amendments being proposed serve several purposes: first, to clarify existing legislation; second, to serve to reflect the intent of earlier negotiated conditions; third, to specify certain administrative procedures of the teachers' superannuation commission; and, fourth, to allow for the implementation of the additional benefit which was included in the agreement signed on April 2, 1982. That additional benefit is the early retirement option, which is the "30 contributory years and out" clause. That is, an early retirement is made possible for teachers who have 30 years of contributions in the teachers' superannuation fund, irrespective of age.

The increased costs, due to the increased number of teachers now eligible for superannuation, has resulted in an increase of teacher contributions. The amendment being proposed to section 15 will provide for an increase of 0.15 per cent in the contribution rate being paid by teachers. That is, the rate has increased from 7.5 per cent to 7.65 per cent of the full annual salary. An additional equivalent amount will be contributed by the Minister of Finance.

Mr. Speaker, further to the early retirement option, I now refer to the amendment proposed to section 28, which proposes to add clause (d) to subsection 28(2). This clause allows for the early retirement option, and also includes a reduction factor that applies whenever the superannuated teacher is less than 55 years of age. In brief, if the

teacher has less than 35 years of service and is less than 55 years of age, the amount of the superannuation allowance is subject to a reduction factor of 0.33 per cent for each month that a teacher is less than 55 years of age.

Mr. Speaker, I shall refer to the remaining amendments very briefly. Section 12.1 removes an error in the numbering sequence. Sections 14, 18, 22, 24, 29, 35 and 70 allow for the administration of the plan in accordance with procedures that have been adapted by the teachers' superannuation commission.

Mr. Speaker, the proposed amendments improve upon one of the best superannuation plans in Canada. It is therefore, with pleasure, that I move the second reading of this bill.

HON. MR. BLAKENEY: — Mr. Speaker, there are a number of detailed provisions in the act. We, on this side of the House, agree with the principles contained in the act. We therefore will support it on second reading, and raise some of the more detailed issues in committee, and I therefore indicate our support for the bill.

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

Bill No. 12 — An Act to amend The Teachers' Life Insurance (Government Contributory) Act

HON. MR. CURRIE: — Mr. Speaker, I am pleased to move second reading of Bill No. 12, An Act to amend The Teachers' Life Insurance (Government Contributory) Act.

Briefly, may I provide some background information about the teacher's group insurance? It is administered by the teachers' superannuation commission. The policy covers term life insurance and accidental death and dismemberment. The policy provides insurance for teachers and for other full-time designated employees such as secretary treasurers. The premium is paid for equally by the Minister of Finance and the teacher who is employed by the board. The Minister of Finance makes no contribution to the payment of premiums for other designated employees.

On April 2, 1982, the provincial agreement was signed by the participants, that is, the boards of education, the Government of Saskatchewan, and the teachers of the province. One of the items of the agreement pertained to group insurance. A number of superannuated teachers will be affected by the agreement after August 31, 1982. Therefore, Mr. Speaker, it is necessary that The Teachers' Life Insurance Act be amended at this sitting of the legislature so that the provisions of the agreement can be implemented.

The major amendment provides authority for teachers who superannuate in 1981-82 to maintain life and accidental death and dismemberment insurance beyond August 31, 1982, by paying for the entire premium. They many continue to have insurance coverage by paying the full annual premiums until they reach the age of 65. This amendment is accommodated by the addition of subsection (4) to section 5 of the act.

Mr. Speaker, the other amendment refers to the designated employees of school divisions who will become eligible to participate in the accidental death and dismemberment portion of the coverage. This group includes persons such as secretary treasurers. This group had previously been participants in the original life

insurance plan, but had not been included when additional coverage was added to the plan. The Minister of Finance does not make any payment on behalf of this group of employees. This amendment is accommodated in section 5(1) of the act. Mr. Speaker, the insurance company which is the present carrier of this life insurance and accidental death and dismemberment plan has agreed that the above amendments can be made to the plan, with no alterations to the existing premiums as a result of their inclusion.

Mr. Speaker, it is with pleasure that I now move second reading of this bill.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — Mr. Speaker, we stand in support of the principle of this bill. We note that the additional coverage, other than for active teachers, is going to be coverage which will not be paid for by the crown directly. We note that, in effect, school administrators and retired teachers are getting the benefit of the group. While that may add an infinitesimal amount to the amounts charged, because they may or may not be as good a risk, the amount is indeed small. We would think that this is sound in principle. There are matters we would like to raise in committee. Subject to that qualification, we will be supporting the bill.

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

The Assembly adjourned at 4:42 p.m.