

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
July 8, 1982

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

NOTICE OF MOTIONS

HON. MR. ANDREW: — Mr. Speaker, I give notice that I shall, on Monday, July 12, 1982, move first reading of a bill, An Act to amend The Department of Finance Act.

I further give notice that I shall, on Monday, July 12, 1982, move first reading of a bill, An Act to amend The Prescription Drugs Act.

I further give notice that I shall, on Monday, July 12, 1982, move first reading of a bill, An Act to amend The Heritage Fund (Saskatchewan) Act.

HON. MR. SCHOENHALS: — Mr. Speaker, I give notice that I shall, on Monday, July 12, 1982, move first reading of a bill, An Act respecting the Department of Culture and Recreation.

I do also give notice that I shall, on Monday, July 12, 1982, move first reading of a bill, An Act representing the Consequential Amendments resulting from the enactment of The Department of Culture and Recreation Act.

HON. MR. McLEOD: — Mr. Speaker, I give notice that I shall, on Monday, July 12, 1982, move first reading of a bill, An Act respecting Prairie and Forest Fires.

HON. MR. SANDBERG: — Mr. Speaker, I give notice that I shall, on Monday, July 12, 1982, move first reading of a bill, An Act to amend The Credit Reporting Agencies Act.

HON. MR. THATCHER: — Mr. Speaker, I give notice that I shall, on Monday, July 12, 1982, move first reading of a bill, An Act to amend The Municipal Tax Sharing (Potash) Act.

INTRODUCTION OF GUESTS

HON. MR. McLAREN: — Mr. Speaker, it gives me a great deal of pleasure to introduce to the Assembly this afternoon, two girls from Paris, France, Maryvonne and Michele Kruczowy. Their father has been selling equipment for the company that I used to work for, in France. They are visiting Canada, and especially Saskatchewan. I would like you to recognize them. I hope that you have a pleasant stay in Saskatchewan.

HON. MEMBERS: Hear, hear!

HON. MR. ROUSSEAU: — Merci, Monsieur l'Orateur. C'est un plaisir pour moi au nom du Premier Ministre et des desputes de chaque cote de cette Chambre de vous souhaiter une chaleureuse bienvenue a notre province et a notre ville. J'espere que vous allez jouir de votre sejour ici.

HON. MEMBERS: Hear, hear!

MR. LUSNEY: — Mr. Speaker, I would like to introduce through you to the House, and recognize the presence of a member of parliament who is with us today, the member for Yorkton-Melville, Mr. Lorne Nystrom. I hope he enjoys his visit with us here this afternoon and we wish him a nice visit in Saskatchewan this week.

HON. MEMBERS: Hear, hear!

QUESTIONS

Provincial Participation in Study of Regina's Water

HON. MR. BLAKENEY: — Mr. Speaker, I don't know whether the member for Saskatoon Fairview wanted the floor or not . . . (inaudible interjection) . . . Oh, sorry.

Mr. Speaker, I have a question for the Minister of Urban Affairs or the Minister of the Environment. I think perhaps the Minister of Urban Affairs is the correct one. This concerns public statements by the mayor of Regina with respect to provincial participation in certain water projects of the city of Regina. Of the mayor's three-point statement, I will include just the second point:

The provincial government should be pressed to proceed with the second phase of the long-term water study. The first phase, completed in April, sets out four options for a long-term supply system and calls for the second phase to come up with a final recommendation designed by 1984.

My question to the Minister of Urban Affairs is: will the Government of Saskatchewan participate with the city of Regina in the second phase of a study of the long-term supply problems of Regina? Has the city of Regina been advised that the province will so assist?

HON. MR. SCHOENHALS: — Mr. Speaker, the province, particularly our office, has been in contact with both Mayor Taylor and Mayor Schneider. We have arranged a meeting for June 27 at which time we will discuss the whole matter. Excuse me, that should be July 27.

HON. MR. BLAKENEY: — Supplementary, Mr. Speaker. The next point in the mayor's statement dealt not with long-term supply, but with taste and odor problems. The short summary here is that Mayor Schneider has said that Regina calls upon the provincial government to pay 75 per cent of a project of approximately \$13 million for taste and odor improvement in the water systems of Regina and Saskatoon. My question to the minister is: has the province made any commitment to the city of Regina with respect to any project for taste and odor improvement?

HON. MR. SCHOENHALS: — Mr. Speaker, I believe we're discussing Regina and Moose Jaw. I've lived in Saskatoon for the last 20 years or so, so I'm not as familiar with this problem as the people who have lived in Regina. It must be a relatively new problem though, since in the last 11 years very little has been done to alleviate it.

SOME HON. MEMBERS: Hear, hear!

HON. MR. SCHOENHALS: — However, I think the answer to that question is consistent

with a number of answers that the opposition has received throughout the last week and one-half. We do not propose to put our bargaining stances or negotiation stances in public before negotiations have taken place. I indicated that I will be meeting with the two mayors. Until this time there have been some problems in that the demands or wishes of the two cities have not been parallel. I believe they straightened that out in their meeting recently. I will be meeting with them as I indicated and at that time we will at least begin the negotiations which will have to take place to reach the decisions which will be made to alleviate this problem.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — Supplementary, Mr. Speaker. I simply want to confirm what I think I heard the minister say: that the Government of Saskatchewan was prepared to negotiate with the cities of Regina and Moose Jaw with respect to providing provincial funds for a project for taste and odor improvement of the water of Regina and Moose Jaw. Am I correct in assessing your statement as meaning that?

HON. MR. SCHOENHALS: — I think, if you wanted to be exactly precise, we will be having preliminary discussions leading to negotiations. We are committed to doing what we can to alleviate this recently developed problem (as I indicated), and we will do what we can, and that will be the first step in the process.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — Supplementary, Mr. Speaker. We are, of course, delighted to hear the minister indicate that he is prepared to do what he can and that his government is prepared to do what it can. We'll all wait with a good deal of interest to see how the government performs in doing what it can.

MR. SHILLINGTON: — I have a related question, Mr. Speaker, to the same minister. I note in the July 7 edition of the *Star-Phoenix* (it was also in the *Leader-Post*) a statement by the city manager of the city of Regina, and I quote for the benefit of the minister:

The city of Regina simply cannot afford a new sewage treatment plant or the planned improvement of sewage sludge removal facilities, Mann said. For these projects to proceed, more money would simply have to come from the provincial government.

I point out to the minister (I'm sure it's unnecessary) that this has implications not just for the city of Regina but for other users in the Qu'Appelle chain, if the city is not treating its sewage properly.

My question to the minister is: is your government prepared to make additional money available to the city of Regina so that it can meet this need and, at the same time, create some job-creating projects?

HON. MR. SCHOENHALS: — Mr. Speaker, I believe that's a relatively hypothetical question, however we will negotiate with the city of Regina. The city of Saskatoon has similar problems. We will negotiate with people on an open basis and if there is a problem we will discuss the matter;—if there are things we can do to help, we will certainly do them.

MR. SHILLINGTON: — Mr. Minister, I don't think there's any negotiation process involved. They can simply ask, and you can simply say yes or no. Are you going to say yes or no when they ask?

HON. MR. SCHOENHALS: — Mr. Speaker, I believe it would be very easy to stand here and say that we will provide more money. The question that has to be answered, of course, is how much money will be provided. That is the negotiation that will take place. After we have moved into that stage and have had discussions on the matter, I will answer the question.

MR. SHILLINGTON: — Supplementary, Mr. Speaker. Do I understand from the minister's answer that it's not a question of yes or no, but how much you're prepared to make available?

HON. MR. SCHOENHALS: — I believe that at the present time the formula that is provided provides 10 per cent of the cost of such facilities. It has been indicated in very general discussions that there are concerns in the city that that percentage is too small. We will look at that situation.

MR. SHILLINGTON: — Final supplementary, Mr. Speaker. Do you have any meetings scheduled with the city of Regina to discuss this problem?

HON. MR. SCHOENHALS: — We have a meeting scheduled, and I believe the date, as I indicated, is July 27. That is primarily to discuss the combined problems of Moose Jaw and Regina. I believe that it is quite possible at that time we can look at some other problems, but that is the only meeting we have scheduled definitely at this time.

Dismissals from Mineral Resources Department

MR. HAMMERSMITH: — Question to the Minister of Mineral Resources. In the June 21, 1982 edition of the *Toronto Globe and Mail* the Minister of Mineral Resources, in responding to an allegation that he personally fired an employee, or employees, of the Department of Mineral Resources said, and I quote:

That's not true. I have not dismissed anyone personally.

My question to the minister is as to the accuracy of the quotation, and whether it is true that the minister has not personally fired or dismissed any employee or employees from the Department of Mineral Resources.

HON. MR. THATCHER: — Mr. Speaker, I have to confess to becoming so bored with this question period, I wasn't even listening. Could I ask the member to repeat his question?

SOME HON. MEMBERS: Hear, hear!

MR. HAMMERSMITH: — My question to the bored minister is, and I repeat: has the minister personally fired or dismissed any employee or employees from the Department of Mineral Resources?

HON. MR. THATCHER: — No.

MR. HAMMERSMITH: — I just want to get this clear for the record, Mr. Speaker. Is the

minister stating unequivocally that he has not personally, in writing, verbally, from the radio in his tractor, or by any means whatsoever, personally fired any employee or employees from the Department of Mineral Resources? Unequivocal.

HON. MR. THATCHER: — Mr. Speaker, perhaps the member has some difficulty with the English language. I believe I answered his initial question which was the identical question to his supplementary. I used a basic English word, known as no. I will repeat it. Perhaps if he requires the same answer in French, I could ask my colleague to respond to it.

SOME HON. MEMBERS: Hear, hear!

Job Creation Programs

MR. HAMMERSMITH: — New question, Mr. Speaker, to the Minister of Labor. I refer the Minister of Labor to a *Star-Phoenix* article in the edition of July 7, 1982, with regard to unemployment in that area, and the fact that unemployment insurance recipients are up 60 per cent in the Saskatoon area, over the same period in 1981 — up from 5,300 to 8,500 recipients. There are also over 300 people on work sharing. That, combined with student unemployment, has led to a very, very serious problem indeed in terms of unemployment in Saskatoon. I want to ask the minister: when is the government prepared to act to get things moving in the construction industry, in the housing industry and in implementing the policy of low interest loans to small businessmen?

HON. MR. McLAREN: — Mr. Speaker, there are a lot of housing projects ready to get started, but for some reason we are being held up. When we get rid of that blockade, I am sure the construction will get started and get a lot of jobs going in this province.

SOME HON. MEMBERS: Hear, hear!

MR. HAMMERSMITH: — Supplementary to the Minister of Labor. How many new jobs is he projecting will be created in the Saskatoon area as a result of the mortgage interest reduction program?

HON. MR. McLAREN: — With all the houses that we are planning to start (and I understand there were some announced yesterday), there are going to be lots of jobs all over the province, not only in Saskatoon.

SOME HON. MEMBERS: Hear, hear!

MR. HAMMERSMITH: — I have a further supplementary, Mr. Speaker. The Minister insists on general terms like "lots," "many," and "all over," but refuses to state unequivocally how many jobs he projects. How many new jobs, in the minister's estimation, will be created in the Saskatoon area as the result of the removal of the road tax on gasoline?

HON. MR. McLAREN: — My understanding is that there could be around 2,200 jobs around the province due to the housing increase.

I would like to ask the member opposite: does he have the figure of the number of people who were unemployed in Saskatoon before April 26? I don't know if there is that big a difference between April 26 and now.

SOME HON. MEMBERS: Hear, hear!

MR. HAMMERSMITH: — I remind the minister, Mr. Speaker, that it is his task to answer questions in this House and it is the task of the opposition to ask them. I would have thought that he would have that information. Is the minister prepared to commit this government today to an emergency job-creation plan for students this summer?

HON. MR. McLAREN: — There are 1,500 jobs already started with the work-sharing program that was introduced in Saskatchewan through the federal government. I just received that information yesterday.

MR. HAMMERSMITH: — Final supplementary, Mr. Speaker. The work-sharing program, as the minister points out, is a program of the federal government. My question was with regard to the actions that this government is prepared to take. Can we expect any announcements from this government and from the Minister of Labor before the end of this summer that would confirm whether the government is prepared to take any specific action on its own to reduce unemployment?

HON. MR. McLAREN: — Mr. Speaker, we've announced a number of projects that are going to create jobs in this province — in construction, in oil and gas. Many projects are getting started and there are going to be jobs in this province.

MR. LINGENFELTER: — Mr. Speaker, my question is directed to the minister in charge of the public service commission. In light of the fact that the SGEU (Saskatchewan Government Employees' Association) has agreed to a contract, I am wondering if he can inform the Assembly and the people who work for the government when the retroactive pay will be sent out to the employees?

HON. MR. ANDREW: — The contract has in fact been ratified. The retroactive pay will be made available with all convenient speed in the normal course of government.

MR. LINGENFELTER: — Mr. Speaker, I wonder if the minister in charge of the public service commission can give a guarantee or a commitment that the cheques to these people will be received by the last day of July.

HON. MR. ANDREW: — In response to the question, Mr. Speaker, I can give the hon. member and the House the assurance that the money will be made available in the normal course. There will be no stalling or delaying. That is not a tactic that this government particularly intends to use. We intend to deal with our public service commission in a straightforward way, and we are going to pay them in the normal course of business. As to when the cheques are going to be made available, quite frankly I can take notice, if the hon. member wants, and get a letter back to him, but I don't have that information at my fingertips.

Northern Programs and Policies

MR. YEW: — Mr. Speaker, I would like to address my question to the member for Meadow Lake, the Minister of Northern Saskatchewan.

In view of the fact that a great number of programs and projects are on hold and under study, particularly in northern Saskatchewan, and in view of the fact that a great number of people and northern groups and organizations have raised concerns about

future economic development, about loan and grant applications, and about future economic development policy in terms of providing financial assistance to potential northern businesses, groups, organizations and individuals, would the Minister of Northern Saskatchewan give this Assembly and the people of northern Saskatchewan some indication when or how he intends to provide an economic development program or policy designed to assist Northerners, who need special consideration and assistance, such as were previously available through the economic development programs of DNS?

HON. MR. McLEOD: — Mr. Speaker, the hon. member is quite right in saying that the economic development programs of the former administration are under review. They are under review for a very good reason, Mr. Speaker. We have had that answer from others of my colleagues who have said that other programs of that government were under review. He said, "particularly northern Saskatchewan," and I can say that the programs in the Department of Northern Saskatchewan, in particular, needed review. They are under review, and he'll get his answer as soon as it's possible to give it.

MR. YEW: — A supplementary, Mr. Speaker. Regarding those reviews and the proposal (I take it that he has proposed to consult with people in the North), will the minister assure this House that local loans committees, the district loans committees, the northern contractors' association, local governments and native organizations will be fully consulted with regarding the stages that he proposes?

HON. MR. McLEOD: — I will give this assurance, Mr. Speaker, to the people of northern Saskatchewan, through that member, and at any time when I meet northern people, that we have their concerns at heart. Certainly we have that. Whether or not I would give the commitment that we would continue with a similar structure that was in place — and he mentions things like the local committees and so on — is entirely another question. We will not commit to that necessarily, but I will give you this commitment, we will take into consideration northern people and northern economic situations in our policies.

MR. YEW: — A final supplementary, Mr. Speaker, to the Minister of Northern Saskatchewan. When can northern people expect some answers, Mr. Minister?

HON. MR. McLEOD: — I wish I could give you a date. I'm telling you that we are working as hard as possible, and covering as much ground as possible, in establishing our priorities in terms of economic development programs in the North. The answer will be forthcoming as soon as we can possibly do it, and I understand your concern and the concerns of northern people. We will have it for them as soon as possible.

MR. HAMMERSMITH: — A new question to the Minister of Northern Saskatchewan. He has stated clearly that it is not his intention to work through the existing structures, and that he is going to propose new structures, and certainly that's his right. The question is: will you consult with, and meet with, those structures which do exist, those structures on which northern people are represented that include local governments, the district chiefs, the Association of Metis and Non-Status Indians of Saskatchewan (Northern Board), and the school boards, and the local loans committees, and the district committee? Will you meet with them to discuss with them the new structures that you are proposing for them?

HON. MR. McLEOD: — Mr. Speaker, I believe it was clear. If it was not clear, I will reiterate once again. We are not committed to the former structure. We certainly will

meet with northern local groups. The hon. member for Cumberland mentioned the local loans committees. The former minister of northern Saskatchewan will know that the local loans committees aren't necessarily representative of local people as much as are northern local government which will consult with northern people through various structures. The members of the local committees, which you refer to, are your appointments. They don't represent the people in the communities all the time anyway. Some do;—some don't. That's part of the review process.

SOME HON. MEMBERS: Hear, hear!

MR. HAMMERSMITH: — Supplementary to the minister. He shows an amazing lack of information with regard to the local structures that are in place. Those committees, in every case, have representatives of the local governments on them. Will you meet with those committees that have representatives of the local governments on them? Which committees will you meet with and which are you refusing to meet with?

HON. MR. McLEOD: — I agree that they have representatives of local governments on them, but all members of the committees aren't necessarily representative of local governments.

SOME HON. MEMBERS: Hear, hear!

MR. HAMMERSMITH: — That was not the question, Mr. Speaker. The question was which committees, in your view, are representative and with which will you meet? Which, in your view, are not representative and with which will you refuse to meet?

HON. MR. McLEOD: — We are concerned about the people in northern Saskatchewan, as I've said to the hon. member's colleague. That concern I will reiterate one more time. I will not say which committees I will meet with or which I will not. As I indicated before, it's part of that review process that I said is very necessary. I believe strongly that that review is very necessary for the benefit of northern people.

SOME HON. MEMBERS: Hear, hear!

MR. HAMMERSMITH: — Mr. Speaker, will the Minister of Northern Saskatchewan then commit himself to supporting the process requested by the member for Athabasca for a legislative committee of this Assembly to conduct that review, involving members of the Assembly and the people of northern Saskatchewan?

HON. MR. McLEOD: — I won't commit or not commit myself. I won't express an opinion about a legislative committee for studying the problem in northern Saskatchewan, one way or the other. I will say that it is important, whether it is through a legislative committee or some other form (I agree with the former minister of this department in this regard), that all members of the legislature, whatever corner of this province they come from, understand the problems of northern Saskatchewan. I will attempt to do that in my caucus as I believe you maybe did not do in your caucus.

SOME HON. MEMBERS: Hear, hear!

Hospital Financing

HON. MR. BLAKENEY: — Mr. Speaker, I have question for the Minister of Finance. I refer him to an advertisement in the *Kindersley Clarion* of April 21, authorized by the

Kindersley Progressive Conservative Association.

AN HON. MEMBER: — A good organization. We got 68 per cent.

HON. MR. BLAKENEY: — Certainly there is no doubt about the efficiency of that organization and about the commitments which were made. I'll just read one of them and ask a question.

A new PC government will place great emphasis on improving the delivery of health services by providing more adequate financing to our hospitals.

My question to the Minister of Finance is this. As is clearly indicated, he felt that the financing of hospitals was inadequate. Will he provide to the Minister of Health additional funds so that more money may flow to the hospitals in Regina so that beds need not be closed this summer, and so that waiting lists in Regina may be substantially reduced?

HON. MR. ANDREW: — Mr. Speaker, I can make this commitment to the people of Saskatchewan through this Assembly. The new Government of Saskatchewan is committed to a health care program and, as our Premier indicated, we are committed to a health program that is going to make Saskatchewan not number eight in this country, not number seven, but number one.

SOME HON. MEMBERS: Hear, hear!

HON. MR. ANDREW: — Obviously, Mr. Speaker, it is going to take some time in order to effect that purpose. We have that commitment with this government, with this party, that we will not only make Saskatchewan number one in health, we will make Saskatchewan number one in virtually every other aspect of life in this province.

SOME HON. MEMBERS: Hear, hear!

ANNOUNCEMENT

Media-MLA Softball Game

MR. KATZMAN: — Mr. Speaker, it is with deep regret that, as an unbiased umpire in last evening's ball game, I must report to the House the results of the MLAs versus the press (plus their import). The ball game was unimpressively won by the press, but they were victorious. The press was obviously concerned about the thumping they took last year, and they brought in an import — one of Canada's top three fastball pitchers who, either behind his back or through the normal means, had little trouble disposing of the overworked, dedicated MLAs. The press, somewhat sheepishly, now hold the Michael Sharp memorial trophy.

HON. MEMBERS: Hear, hear!

MR. KATZMAN: — Turning to some of the highlights, Mr. Speaker, two of our more illustrious newcomers share the honor of the king error award. Bill Sveinson and Jack Klein managed to catch each other as the ball fell between them, turning a pop fly into a stand-up three baser. The best infielder playing for the press, who may soon be seeking a new employer, was Garf Spetz, the government's soon to be former communications

officer. The best outfielder went to a man not so much for his skills as a ballplayer, but for the amount of leg that he showed, Miles Morin. The rusty gate award was shared by Bob Myers and Larry Birkbeck for most obvious reasons. Now, Mr. Congeniality went to a man whose good will, sense of fair play, ability to be a team player, and total unselfishness made him a shoe-in. I know the House will join me in congratulating the only cabinet minister available last evening, the Hon. Colin Thatcher.

SOME HON. MEMBERS: Hear, hear!

MR. KATZMAN: — The final award, and the most unfair award, for the person least likely to succeed as a ballplayer went to yours truly. Mr. Speaker, we await with bated breath the tackle football game that will be held this fall. I understand the press is busily recruiting and negotiating with Ronnie Lancaster. Mr. Speaker, if some of the members are slow in rising to their feet today, please take concern for them. The name that first comes to mind is Sherwin Petersen. Mr. Speaker, I only have one thing to say to the press: wait till next year. Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. LINGENFELTER: — Mr. Speaker, on behalf of the opposition, I would like to apologize for the fact that we did not have any members on the ball team last night. The report that we are getting from that ball game is not that the press improved at all from last year, but the quality of the players from this Assembly was drastically reduced. With the absence of people like MacMurchy, Allen and Monsieur Rolfes, certain speedsters on the bases just weren't there when they were needed, as well as at the plate. I also wanted to thank the media from the *Leader-Post*, particularly the person who took the photo of one Colin Thatcher, for the excellent shot. I think it did him justice. In closing, Mr. Speaker, I want to say that next year when we have more time (because we have been just really busy working at our job), we will be out there and there will be a different approach and a different result in the ball game.

SOME HON. MEMBERS: Hear, hear!

ORDERS OF THE DAY

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 26 — An Act to amend The Public Service Superannuation Act

HON. MR. ANDREW: — Thank you, Mr. Speaker. The first amendment to The Public Service Superannuation Act applies to some employees in the public service who have previous teaching service credited as qualified service only. Under the existing legislation a person with teaching service who became employed in the public service in a position that did not require the qualification and experience of a teacher could count the teaching service only to determine eligibility for an allowance. That is, the teaching service could be added to the public service to meet the minimum years of service required to retire.

At retirement the teaching service is not included in the public service pension calculation formula, but instead a separate annuity is provided by the contribution transferred from the teachers' plan to the public service plan. The employee then

receives a pension based on the years of public service only and the annuity for the teaching service. The combined total can be less than the pension provided by adding the teacher service to the pension service and including the total in a pension formula.

The amendment will allow the teaching service credit, in these cases, to be counted as full pensionable service for the purpose of calculating a superannuation allowance which will result in a better pension.

The second amendment proposed would apply to government employees who have become employees of the University of Saskatchewan. The government activity was transferred to the university and later some employees returned to government employment. A specific case: the agriculture machinery administration, the Department of Agriculture, was transferred to the university some years ago and the employees of the administration became employees of the university. In this move the employees were not afforded the opportunity to continue to accrue pension benefits under the public service plan and on their return to the public service there was no provision for them to get credit for university service. The reciprocal agreement that was made in 1972 with the university did not apply to these employees.

The amendment will allow the employees, in this situation, to have the option to obtain credit for university employment upon payment of a specific contribution and interest. Contributions will be based on their salary while at the university, using the contributory rates and interest rates applicable under the public service superannuation plan, that is, contributions that would be paid, had they continued to contribute, plus interest on these contributions.

That's a brief explanation of somewhat of a technical amendment to the public service superannuation plan. With that, Mr. Speaker, I move second reading of this bill.

MR. LINGENFELTER: — Mr. Speaker, I rise just to say a few words on this bill. I believe it's exactly the same as the bill that was introduced on December 1, 1981, and it's the intention of the members on this side to agree with and support the bill. I just wanted to say that we will be supporting the bill in second reading.

Motion agreed to, bill read a second time and by leave of the Assembly referred to a committee of the whole later this day.

Bill No. 27 — An Act to amend The Senior Citizens School Tax Rebate Act;—Bill No. 28 — An Act to amend The Renters Property Tax Rebate Act;—Bill No. 29 — An Act to amend The Property Improvement Grant Act

HON. MR. SCHOENHALS: — Mr. Speaker, I am pleased to rise today and introduce amendments to The Senior Citizens School Tax Rebate Act. Mr. Speaker, I will be speaking to the three bills at once. I'll make that motion on the one and then immediately move the other two.

These three acts provide the legislative framework for our government's '82-83 commitment to the Saskatchewan property tax rebate system. The property tax rebate system is a universal program that reaches every household in the province, whether that household is one that owns or rents its place of residence. I am pleased to report that our government has undertaken a close examination of the property tax rebate system.

Mr. Speaker, during the recent campaign leading to our election to government we examined the problems and needs of the ordinary taxpayer, the ordinary citizen and the ordinary home-owner. My colleagues and I knew that we had touched upon a nerve that showed Saskatchewan's people wanted and needed help with the day-to-day expenses of running a home. This is why we brought in fast, immediate results in the form of gas tax elimination, which is in effect now, and a mortgage plan, which has been legislated in this sitting of the legislature — at least it is in the process, and hopefully will soon be finished. That is why we have taken a closer look at the property tax rebate programs.

These three programs, the property tax improvement grant (the one we're discussing now), the senior citizens school tax rebate, and the renters property tax rebate, provide rebate of direct and indirect property taxes to all Saskatchewan households. We know that Saskatchewan taxpayers are concerned about their property taxes, as well as their homes. We have made our decision with the knowledge that renters and senior citizens will not benefit directly from the mortgage program.

The three bills that I am introducing as a package today, Mr. Speaker, are meant to link the property tax rebate system with the government's package of assistance to the average Saskatchewan family. I am happy to confirm that we intend to provide for an increase of \$35 in the maximum renters property tax rebate, which will take it from \$115 to \$150. We will also provide an increase of \$50 in the maximum senior citizens school tax rebate from \$460 to \$510 on a home, from \$250 to \$300 on a business, and from \$375 to \$425 on a farm. For all combinations of property, the maximum will increase from \$605 to \$655 per family. While the maximum grant in the property improvement grant program will not increase — it will remain at \$230 for a home, \$250 for a business, and \$375 for a farm — we will provide additional funds for the program to guarantee that all home-owners who are not yet receiving a maximum grant will continue to benefit from a formula that pays one-half of this year's property tax increases.

Mr. Speaker, before I outline in detail the financial impact property tax rebates will have on Saskatchewan household budgets, let me explain why we decided to increase only the renters property tax rebate and the senior citizens school tax rebate, not the property improvement grant. We have all heard the concerns of the Saskatchewan household — the rising costs, the higher taxes, the need for help in meeting municipal and school tax obligations. We recognize, Mr. Speaker, that as costs go up, and especially as property taxes increase, greater pressure is placed on our province's taxpayers. That is why we developed the strategy in our campaign to help our taxpayers. That is why we are now carrying out this strategy.

Let me explain the main points of this strategy. First, Mr. Speaker, comes the commitment to the ordinary family in Saskatchewan. My colleague, the Minister of Finance, has announced the main features of our mortgage plan. This program, Mr. Speaker, will go a long way to getting the housing industry moving, getting people working, and making home ownership a real possibility for Saskatchewan people. We estimate that by the time the three years of the program are up and mortgage renewals above 13.25 per cent or new mortgages above 13.25 per cent have gone by, most Saskatchewan households will be benefiting from this program. Because most households, particularly in the under-65-year group, will eventually benefit from this program, we decided that the resources of Saskatchewan are better put into a mortgage program that helps put a roof over our heads and a tax rebate program that helps pay for street lights and roads.

Let me hasten to add, Mr. Speaker, that in no way am I belittling the importance of helping Saskatchewan people pay municipal taxes for municipal services. So, now I am simply saying that at this time in Saskatchewan's history, it is not property taxes on the house, but the house itself that is worrying most people.

But what about the people who will not be participating in the mortgage plan? What about the renter who doesn't have or doesn't want to have a mortgage? What about the senior citizen who has already paid off the mortgage? What about the person under the age of 65 who is fortunate enough not to have a mortgage or to have a mortgage on a fixed rate that is below 13.25 per cent? We have thought of these people, Mr. Speaker. We have recognized their situations.

First, for renters we have a \$35 increase in the renters property tax rebate. Secondly, as I said for senior citizens who have paid a lifetime of mortgage and property tax payments, we have a \$50 increase in the senior citizens school tax rebates. Thirdly, for the person under the age of 65 who does not have a mortgage or has a fixed mortgage under 13.25 per cent, we have decided to continue the formula used in calculating the property improvement grant. This formula, Mr. Speaker, guarantees that for a person not yet receiving a maximum grant on his home, the province pays for one-half of the year's property tax increase.

With these three situations recognized, Mr. Speaker, we have considered a short-term review of the rebate system, and are setting out on a fair and responsible course of financial assistance to Saskatchewan taxpayers. We intend, naturally, to carry out a longer-term review of the program as our term in office unfolds.

I may turn now to review the new benefits that will come to the Saskatchewan property owners and renters. First, we have the bill to amend The Property Improvement Grant Act. This bill, Mr. Speaker, does not increase the maximum grant but it does recognize one unique situation resulting from an increase in the renters property tax rebate program.

Let me explain how this combination of the renters rebate and a property improvement grant works. Under the three rebate programs, a family is entitled to only one principal residence rebate, whether that be a rented home covered under the renters property tax rebate program, or an owned home covered under either The Property Improvement Grant Act or The Senior Citizens School Tax Rebate Act. In addition, a family may qualify for certain non-resident rebates. Under the previous grant formula, the maximum a family could receive, if it received its residence rebates under the renters property tax rebate program, and a non-resident rebate under one of the other programs, was \$375. Now that we have increased the renters property tax rebate to \$150, it would be unfair to limit a person in this situation to \$375. That would, in effect, mean no increase. Therefore, Mr. Speaker, we are amending The Property Improvement Grant Act to stipulate a maximum of \$425, in this case, and give this renter an actual increase of \$35 as intended by the other two bills.

Now let me turn to the bill amending The Senior Citizens School Tax Rebate Act. This bill, Mr. Speaker, provides for a significant increase in the rebates available to senior citizen home-owners, farmers and business people. The senior citizens school tax rebate program is intended to recognize the special place senior citizens have in our province. We know that senior citizens have helped to build up our cities, towns and villages. They have established the farms that today provide grain to the world. They

have worked to set up the many businesses that provide jobs locally all over our province. They were the first to recognize that we must develop and keep a strong school system. These senior citizens have supported local taxes for an entire lifetime, Mr. Speaker. That is why we have concluded that senior citizens need and deserve a significant funding in 1982-83.

The senior citizens school tax rebate provides two main advantages to the senior citizens taxpayer. First, it provides a commitment that virtually all senior citizens will receive a rebate of all school taxes on their homes. Secondly, they receive a higher rebate on their homes. This is deliberately done because we recognize that senior citizens have paid school and municipal taxes all their lives. They have used the school system. They have supported municipal government, and they have paid the costs of living, and they have paid their way. We recognize that most senior citizens are not using the school system directly now. They have raised their families. They have perhaps a lower income than in the past, but must continue to pay school taxes.

I am also pleased to confirm that this bill to amend The Senior Citizens School Tax Rebate Act provides for an increase in the maximum business rebates from \$250 to \$300 for all categories. Furthermore, the maximum rebate for farm property that is not the applicant's home will raise from \$375 to \$425. The overall family maximum for any combination of the senior citizens school tax rebate which I have outlined will move from \$605 to \$655.

Finally, Mr. Speaker, I turn to the bill amending The Renters Property Tax Rebate Act. I have outlined details of how property tax payers, senior citizens, farmers, business people, and other property owners have contributed to the strength and development of our province. But renters are people who also make a contribution to the community. They do not pay direct taxes. They have paid their fair share of the property taxes on their homes indirectly through their rent. We deliberately examined the renters property tax rebate program as part of the review of the property tax rebate system, because we know that renters face a high cost of living also.

The formula of 5 per cent of rent to a certain maximum will continue to be used, because we recognize that this formula provides a rebate of property taxes paid to the apartment in the same proportion as the property improvement grant provides a rebate of direct taxes paid to a house. The formula, Mr. Speaker, continues to account for rent increases and property tax increases in two ways. First, the formula is based on the number of months rented and the amount of rent paid. The higher the rent paid, and the greater the number of months rented, the higher the rebate, up to the maximum.

I am pleased to confirm, Mr. Speaker, that this bill provides for an increase of 30 per cent in the maximum renters property tax rebate. The formula under the new rate will be 5 per cent of the rent to a maximum of \$150.

I am happy that our government has decided to continue to support renters in this way through a rebate program that does not hide the fact that renters face the same financial pressures that home-owners do.

By introducing this package of amendments to the property tax rebate system, Mr. Speaker, we intend to show that:

1. We are committed to local government, particularly its taxpayers, school divisions and municipalities.

2. We are conscious of the fact that we back up our commitment with real dollars paid directly to taxpayers, not only in rebates but in mortgage assistance, gas tax elimination and other financial policies of our government.

3. We are believers in this province's senior citizens, families, farmers and business people, and we back up our belief with a \$1.42 million commitment in this part of our program alone for 1982-83.

Mr. Speaker, I urge all members to support the three bills I have mentioned.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — Mr. Speaker, we will be supporting all three bills. I have a few comments to make. They are more properly made under Bill 29 and, accordingly, I will be supporting Bill 27.

Motion agreed to, bill read a second time and by leave of the Assembly referred to a committee of the whole later this day.

HON. MR. SCHOENHALS: — Mr. Speaker, I would like to move second reading of Bill No. 28, An Act to amend The Renters Property Tax Rebate Act.

Motion agreed to, bill read a second time and by leave of the Assembly referred to a committee of the whole later this day.

HON. MR. SCHOENHALS: — Mr. Speaker, I move second reading of Bill No. 29, An Act to amend The Property Improvement Grant Act.

HON. MR. BLAKENEY: — Mr. Speaker, I commend the government for the changes in the senior citizens school tax, and the renters property tax rebate. I regret that the same views were not carried forward in The Property Improvement Grant Act.

The minister properly points out that senior citizens are getting benefits, and renters are getting benefits, and home-owners who have mortgages at higher rates of interest or who will have higher rates of interest are getting a benefit. For the latter, people whose mortgage is now under 13.25 per cent but where it will be at a higher rate next year or the year after, the benefit is clearly delayed.

There are two categories of people who are getting no assistance. People who have mortgages, who have homes whose mortgages are less than 13.25 per cent, are getting no increase in their assistance. They are getting the same amount as they got last year when everybody else is getting more, for the very good reason that the costs of operating a home are more.

Another group of people who are getting no assistance is people who are under 65 and who have, perhaps through scrimping and diligence, paid off their mortgage. It just happens that a good number of such people live in ridings such as mine where homes are modest, incomes are modest, and frugality is the order of the day. People do not ordinarily have large mortgages because they know they are going to have great difficulty handling large mortgages. It is, I think, therefore, regrettable that they are receiving no extra assistance even though local property taxes, both for municipal and school purposes, doubtless will increase.

I noted in a press release issued by the minister that it was indicated that it was not felt necessary to increase the property improvement grants because of the mortgage interest reduction program. That is obviously correct for a large number of home-owners, but incorrect for also a large number, particularly people such as those who live in my constituency. Some of them have mortgages at less than 13.25 per cent and they find themselves not only no better off but somewhat worse off. Not only are they not getting anything under the mortgage interest reduction program, not only are they getting no increase under The Property Improvement Grant Act, but they are suffering a decrease because their mortgage interest tax credit has been removed, effective January 1, 1982.

I make these points because, in our judgement, home-owners who have mortgages at less than 13.25 per cent should not have been penalized in this way. They should have been given some benefit (perhaps a small benefit) by an increase in the property improvement grant and, similarly, home-owners who do not have a mortgage and who are under 65 years of age, many of whom live on small incomes (and that's why they don't have a mortgage), should have been given some increase in assistance because they, too, are suffering from the ravages of inflation which are increasing the costs of maintaining a home.

The bill itself, which is before us, contains a very small change to which we obviously take no objection. Accordingly, we will be supporting the bill and expressing regret that it does not include an increase in the property improvement grant payable to home-owners, farmers and small businessmen.

Motion agreed to, bill read a second time and by leave of the Assembly referred to a committee of the whole later this day.

COMMITTEE OF THE WHOLE

Bill No. 27 — An Act to amend The Senior Citizens School Tax Rebate Act

HON. MR. SCHOENHALS: — I would like to introduce Henry Kutarna from the grants branch of urban affairs.

Clauses 1 to 7 inclusive agreed to.

The committee agreed to report the bill.

Bill No. 28 — An Act to amend The Renters Property Tax Rebate Act

Clauses 1 to 6 inclusive agreed to.

The committee agreed to report the bill.

Bill No. 29 — An Act to amend The Property Improvement Grant Act

Clauses 1 to 3 inclusive agreed to.

The committee agreed to report the bill.

Bill No. 26 — An Act to amend The Public Service Superannuation Act

Clauses 1 to 5 inclusive agreed to.

The committee agreed to report the bill.

THIRD READINGS

Bill No. 27 — An Act to amend The Senior Citizens School Tax Rebate Act

HON. MR. BERNTSON: — Mr. Speaker, I move this bill be now read a third time and passed under its title.

Motion agreed to and bill read a third time.

Bill No. 28 — An Act to amend The Renters Property Tax Rebate Act

HON. MR. BERNTSON: — Mr. Speaker, I move this bill be now read a third time and passed under its title.

Motion agreed to and bill read a third time.

Bill No. 29 — An Act to amend The Property Improvement Grant Act

HON. MR. BERNTSON: — Mr. Speaker, I move this bill be now read a third time and passed under its title.

Motion agreed to and bill read a third time.

Bill No. 26 — An Act to amend The Public Service Superannuation Act

HON. MR. BERNTSON: — Mr. Speaker, I move this bill be now read a third time and passed under its title.

Motion agreed to and bill read a third time.

The Assembly adjourned at 3:11 p.m.