

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
April 27, 1983

This Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

REPORTS OF COMMITTEES

Private Members' Bills

Deputy Clerk: — Ms. Zazelenchuk, from the standing committee on private members' bills, presents the third report of the said committee which is as follows:

Your committee has duly examined the undermentioned petitions for private bills and finds that the provisions of rules 56, 57 and 60 have been complied with in each case: of the Crossroads Pentecostal Assembly Corporation of the city of Prince Albert, praying for an act to provide for exemption from taxation of certain property situated in the city of Prince Albert; of the Rosthern Junior College of the town of Rosthern, praying for an act to amend its act of incorporation; of the Sisters of Mission Service of the city of Saskatoon, praying for an act of incorporation; of Athol Murray College of Notre Dame in the town of Wilcox, praying for an act to amend its act of incorporation.

While your committee has accepted the petition from the Rosthern Junior College, the committee has some concerns that the advertising of this petition was done in the Regina daily paper, rather than in a newspaper having wider circulation in the locality affected.

Ms. Zazelenchuk: — Mr. Speaker, I move, seconded by the member from Cumberland:

That the third report of the standing committee on private member's bills be now concurred in.

Motion agreed to.

MOTION

Substitution of Members on Crown Corporations Committee.

Mr. Sveinson: — Mr. Speaker, I move, seconded by the member for Saskatoon South:

That the names of Messrs. Sauder and Weiman be substituted for that of Messrs. Devine and Klein on the list of members comprising the standing committee on crown corporations.

Motion agreed to.

INTRODUCTION OF GUESTS

Mr. Klein: — Thank you, Mr. Speaker. As you are no doubt aware, this week we are celebrating National Secretaries Week. With this in mind, I would like to introduce to you, and through you to this Assembly, 49 secretaries sitting in the Speaker's gallery from various MLA constituency offices throughout the province. They are with us for a two-day seminar to learn a little bit more about this building and how government functions, so that they can go home and be of even more service to our good Saskatchewan electorate. I hope they find their seminar and visit enjoyable and informational and I ask you to welcome them to this Assembly.

Hon. Members: Hear, hear!

WELCOME TO STUDENTS

Mr. Martens: — Mr. Speaker, I'd like to introduce to you, and to the Legislative Assembly, the grade 12 class of the Herbert High School. They are seated up behind me, their chaperons and teacher are Mr. Jake Block; their bus driver is Verna Reynolds. I'm going to be meeting with them later. The town of Herbert has special significance to my family. My grandfather came there from the Soviet Union and settled in that area. My father was born in the town, and so was I. So I take special pride in what those people do there. I hope their time will be both educational and informative, and I'd like to have you join me in welcoming them to the Legislative Assembly.

Hon. Members: Hear, hear!

Hon. Mr. Schoenhals: — Mr. Speaker, I have the honour today of presenting to you, and through you to this Assembly, a group of 43 grades 7 and 8 students from St. Augustine School in my Saskatoon Sutherland riding. Accompanying the class from Saskatoon is Mr. Warren Noonan. They are sitting in the west gallery. Unfortunately, I will be leaving for Saskatoon immediately after question period and won't be able to meet with them, but my colleague, the member for Saskatoon University, will meet with you at 3 for pictures and refreshments. I understand that's very appropriate; I think he has relatives attending your school, and I would ask that all members of the Assembly join me in welcoming these students and their teachers to Regina and this Assembly.

Hon. Members: Here, hear!

Mr. Weiman: — Thank you, Mr. Speaker. It's again an honour and a privilege to make an introduction of students that are here with us today. I would like to point out that the students that I will be introducing are from Vincent Massey School. It's a second visit from that fine school in my constituency of Fairview. I would like to indicate to the students that it's common knowledge within the House here, among the MLAs and the ministers, that probably the best behaved students that have visited us this far this past year have been from Vincent Massey. So I want to offer you the challenge to do that much better than the last class we had from that school.

At the same time I would like to introduce the teachers that are accompanying them. They are Harold Semchuck and Don Hibbert, as well as the bus driver Arnie Wourms. I will be meeting with the students at 3 o'clock for pictures in the rotunda and for refreshments. And if I may be permitted one other indulgence, Mr. Speaker, I don't get the opportunity very often, being down here and as busy as MLAs are, to introduce and thank a very hard worker from my constituency. And I know it's already been alluded to previously by the other member from Regina, but at the same time, I want to introduce my secretary, Lillian Ives.

Hon. Members: Hear, hear!

QUESTIONS

Crow Rate

Mr. Engel: — Thank you, Mr. Speaker. I have a question to the Minister of Agriculture today. Indications are that the federal government looks like they're weakening on their position on the Crow.

Some Hon. Members: Hear, hear!

Mr. Engel: — I'm wondering, Mr. Minister, what has taken place in the last few days that you have caused the government to change its mind and are maybe coming on as though they're maybe not so anxious to see the Crow change.

Hon. Mr. Berntson: — I question the political wisdom of the member opposite giving me such a forum. I suffice to say, Mr. Speaker, what we have been doing has been effective. And I don't know, I don't have a direct pipeline to the federal cabinet as the member opposite may have, but speculation is that there will be changes to the federal Pepin proposal. Those changes, I understand, will be changes to the federal Pepin proposal. Those changes, I understand, will include a safety net by tying freight rate increases to a fixed percentage of the price of the commodity, and removing the 31.1 ceiling. I haven't seen the legislation. I haven't seen the amendments. I'm going on pure speculation as you are.

Mr. Engel: — Supplementary, Mr. Speaker. I ask the minister if he has changed his mind in the last couple of days. You came on after we pushed you for a long time. You finally decided that you're going to get on side . . . (inaudible interjections) . . . Members opposite were cautioning the school visitors to behave. I'd caution them that . . .

Mr. Speaker: — Order, please. Does the member have a question?

Mr. Engel: — My supplementary to the minister that you didn't answer is: have you changed your mind in the last days on this Crow issue, or are you still strongly in support, like your ads came out that you're . . . No change in trying to do away with the Pepin plan?

Hon. Mr. Berntson: — Well, I'll answer the question by asking a question: have you seen any ads that would suggest that we have? We have worked very hard to get to the level that we're at in the Crow debate, and I think there's some credit due to this government for that.

Some Hon. Members: Hear, hear!

Mr. Engel: — A new question, Mr. Speaker. I was at a meeting yesterday where it was strongly indicated that both you and the Premier have changed your mind. Mr. Emmett Hall came to meet with you yesterday after question period, spent close to an hour with the Premier and some time with you, and reported to us at a Crow coalition committee that he is heading, that includes SARM (Saskatchewan Association of Rural Municipalities), and SUMA (Saskatchewan Urban Municipalities Association), and

Federated Co-ops, and many groups right across Saskatchewan, people from Manitoba and people from Alberta, and shared with us that you refused to participate or have any one of your members participate in this Crow coalition.

Hon. Mr. Berntson: — Now, he may have said that, and I'm under no obligation to tell you what discussions went on in the Premier's office at a meeting with Mr. Emmett Hall yesterday that I attended, but I will. And what I said to him, quite frankly, when he came asking this government to fund their Crow coalition . . .

An Hon. Member: — MacMurchy.

Hon. Mr. Berntson: — . . . MacMurchy, my predecessor . . . What I said was, no, you're not getting any money. We are spending money — I think we've spent to date \$85,000 where it is effective, not preaching to the choir back here in Saskatchewan, and I quite simply said, 'No, you're not getting any money.' I didn't tell nay of my colleagues — none of them — that they couldn't participate in that Crow coalition, or whatever you call it. But I did tell them that they weren't getting any money from the government.

Some Hon. Members: Hear, hear!

Mr. Engel: — This is a new question, Mr. Speaker. Mr. Minister, the committee that he's agreed to work with and co-ordinate and form a coalition of a broad base right across Saskatchewan, the intent wasn't necessarily to get money. It would be great if the province would decide to fund this organization. Apparently they asked for about \$20,000. The intent wasn't necessarily to get money, but to get your approval and your support in principle like we got from the Government of Manitoba, like we got from other organizational groups — just to indicate that you would support it. Are you saying that you will support the committee by sending one of your representatives or officials and have the PC Party represented on this committee?

Hon. Mr. Berntson: — I'm not going to send anyone from the PC Party. If anyone from the PC Party wants to go down there and sit there, they can. I'm not going to stop them. If anyone wants to go sit with Palliser, I'm not going to stop them. If anyone wants to sit with canola crushers, I'm not going to stop them . . .

An Hon. Member: — NFU.

Hon. Mr. Berntson: — . . . NFU, I'm not going to stop them. But I'm not going to oblige this government to the commodity coalition, to the Save the Crow coalition, to anyone else. We have taken our position. It's clear. It's been effective, and we make no apology for it.

Some Hon. Members: Hear, hear!

Mr. Engel: — Just one final supplementary, Mr. Speaker. The idea of the coalition was to prepare and draw together a factual information and dual presentation to the committee and legislature when in Ottawa. The idea is to speak as a spokesman for all of Saskatchewan. The only ones, Mr. Speaker, that are not represented on this coalition is the PC Party. Officially, I challenge the PC Party to endorse the work that Emmett Hall is trying to do and the stand that he's solidly taking, a solid stand he's taking against any changes to the Crow rate.

Are you officially saying that you don't believe what this coalition is saying by not joining him? Or are you telling the Saskatchewan farmers that you maybe are sorry for the stance you did take?

Hon. Mr. Berntson: — Well, Mr. Speaker, what I'm officially telling this House and the people of Saskatchewan is that I have a great deal of respect for the credibility of Mr. Justice Emmett Hall on matters relating to transportation. And I would have no objection to seeing Mr. Justice Emmett Hall go to Ottawa as a witness at the committee stage of the legislation. What I'm a little offended by, quite frankly, are some people who would hang on the coat-tails of Mr. Justice Emmett Hall's credibility. And if you want, I speak specifically of my predecessor, Mr. Gordon MacMurchy, who somehow wants to take the credit for saving the Crow, when in fact it's this government and the efforts of this government that have had the effect that they've had.

Some Hon. Members: Hear, hear!

Mr. Koskie: — I'd like to ask the Minister of Agriculture a question in respect to his recent reply indicating that certain members, presumably of our party, is hanging on the coat-tails of Emmett Hall. Are you in fact denigrating against the character of Emmett Hall and indicating that he is being used by one political party? Is that what in fact you are saying?

An Hon. Member: — I can't hear you.

Mr. Koskie: — You got ears big enough to hear, so you should if you'd listened. I certainly indicated that I wanted to know this . . .

Mr. Speaker: — Order, please! It's very difficult for a member to make himself heard, and for the minister to hear the question that is being asked. And I would ask for order in the Chamber so that we can proceed.

Mr. Koskie: — Thank you, Mr. Speaker. I'm asking the minister: are you inferring by your previous answer, by saying individuals were hanging on the coat-tails of Mr. Emmett Hall, are you indicating that former Mr. Justice Emmett Hall is being used by our political party, and is capable of being used?

Hon. Mr. Berntson: — I would suggest that that is not the case but I would suggest that perhaps the attempt to do just that is there. And I make no apology for the disproportionate size of my ears. Other portions of my anatomy are clearly proportionate to the rest of my body.

Mr. Koskie: — I could make a comment on that, too. But this is question period. I don't want to be unparliamentary.

I want to ask the minister, though, a new question, Mr. Speaker. You indicated that you are refusing certainly, categorically to give any government funding for the coalition which the member from Assiniboia-Gravelbourg raised and alluded to. I'm asking you whether in fact your government has, during the course of the year, funded the Palliser Wheat Growers Association, who are eminently opposed, who are definitely opposed and are fighting for the development of the Pepin plan.

Hon. Mr. Berntson: — Mr. Speaker, this government has funded no commodity group, no farm organization, no one relative to the Pepin plan.

Condition of Darke Hall

Hon. Mr. Blakeney: — Mr. Speaker, I would like to direct a question to the Minister of Advanced Education, and this concerns Darke Hall, which is a building in Regina. And the minister will be aware that the theatre portion of that particular building has been closed by the board of governors of the university. He will be aware of statements by university officials to the effect that it would cost approximately \$1 million to repair the building and make it usable and that approximately \$150,000 had been provided for in the budget. He will be aware also that at least according to officials of the university, he, as minister, has been approached for immediate payment of money needed to carry out the repair job. But my question to the minister is this: are you in a position to give an answer to the Board of Governors of the University of Regina, indicating that money will be found promptly for repairs which are needed for Darke Hall?

Hon. Mr. Currie: — Well, Mr. Speaker, I don't care to get into the state of repair of Darke Hall and its history, although I can't help but volunteering a little bit of information because my wife, who . . . I can't think of the proper words, but is no spring chicken. Mr. Speaker, I'm not as articulate as I choose to be and my wife, recognizing that lack of articulation in me, I'm sure will be forgiving. But my wife did say to me that when she used to come in from Francis, Saskatchewan, to take singing lessons in the Darke Hall that all of the rest of the kids, along with her as a child, were frightened at that time. Now that's some years ago, so this condition has existed over a period of time.

Some Hon. Members: Hear, hear!

Hon. Mr. Currie: — I meant the condition at Darke Hall.

Some Hon. Members: Hear, hear!

Hon. Mr. Currie: — And I apologize, Mr. Speaker, I apologize; I did not intend to get carried away this way.

Yes, in answer to the Hon. Leader of the Opposition, we are aware of the situation. We were informed by the board of governors, and we are addressing ourselves to that situation as soon as we possibly can. And what we are waiting for is a report with regard to the total development in Regina campus, because that seems to be part and parcel of the whole plan. And, as I recall from reading the history of the reporting on that particular building, whatever was to be done in regard to Darke Hall was contingent upon the total planning of the Regina campus, College Avenue Regina campus.

Hon. Mr. Blakeney: — Mr. Speaker, a supplementary. Without inviting any comment on either the age or the condition of your wife, sir, I wonder if I might ask you when you would expect that an announcement might be made with respect to the likely future of Darke Hall. A goodly number of organizations are planning their next years affairs and would be interested in knowing whether, in your judgement, Darke Hall will be available for public performances, say, a year from now.

Hon. Mr. Currie: — Well, Mr. Speaker, I really would be less than honest if I did make a commitment with regard to an exact date. We will do it as soon as we possibly can. We recognize the inconvenience that it causes the community and the board of governors. The people responsible for Darke Hall, the Board of Governors of the University of

Regina, have addressed themselves to this problem and have made special arrangements for the activities that were scheduled for the Darke Hall. But we will certainly try to come up with an answer as soon as we possibly can.

Mr. Shillington: — A question on that subject. As you seem to acknowledge, Mr. Minister, the Darke Hall is not only an important cultural centre in this city it's also a valuable heritage resource. Do I take it we have the minister's commitment that money will be found to preserve this building for the people of Regina?

Hon. Mr. Currie: — Mr. Speaker, I think that my reply would be that we would wait for the total plan and we'd be advised by the people to take the time and have the expertise to make that decision, and I think we would be guided by them. If my memory serves me right, I would think that the heritage committee, or a group like that, would have a certain amount to input into that decision as well.

Cruise Missile Testing in Saskatchewan

Mr. Shillington: — New question, Mr. Speaker, to the Minister of Justice. It has to do, Mr. Minister, with your pious statements yesterday and over the past few days that your government has strongly and often protested to the federal government over plans to test the cruise missile over northwestern Saskatchewan. Frankly, you could have fooled a lot of the people last Saturday. And I ask the minister: what form did your protest take? Have there been letters? Have there been telexes? What form did your protest take?

Hon. Mr. Lane: — Well, yes, in telephone conversations. But secondly, my officials had communicated that, as I indicated last summer when the question first came up: in inter-officials' meetings.

I would like to take the opportunity to respond, as well, in reply to the hon. member's allegations today, that statement that my predecessor did not in fact continue the agreement and that my statement the other day was an outright falsehood: I would like to simply indicate to the opposition section 7 of the addendum, signed by the then attorney-general and minister of intergovernmental affairs, which reads:

The terms, covenants and provisos contained and expressed in the principal agreement shall continue as fully and as effectively as if the same had been repeated in full in this supplementary agreement, with such modification only as are necessary to make the same applicable to the said principal agreement as altered and amended hereby.

And I would hope that members opposite would unequivocally retract allegations that my statement was a falsehood, and make a public apology, because in fact this agreement was restated, reiterated and recontinued by the previous CCF-NDP Government in 1981.

Some Hon. Members: Hear, hear!

Mr. Yew: — Thank you, Mr. Speaker. I'd like to begin my question with regards to the cruise testing in Saskatchewan and in Canada, by reading a memo as a preamble. I have a letter here dated March 17, 1982, signed, sealed, delivered by the former government, his honour, the attorney-general of the day, Roy Romanow. It states on the first paragraph that, and I'll read it to you.

I read with respect the recent press statements indicating that Canada is presently negotiating an agreement with the United States government to cover the testing and evaluation of American defence systems in Canada, using Canadian test sites and air space. In particular (and I want you to note) in particular I write to express the opposition of the Government of Saskatchewan to the testing of cruise missiles at the Primrose Lake air weapons range under such an agreement.

This was unequivocally stated opposition of the cruise missile testing in northern Canada, Mr. Minister. I would like to see stated, written submission by your government tabled in this legislature as early as possible.

Hon. Mr. Lane: — I wonder if the hon. member has had the luxury as I have had of reading *Hansard*, March 17, 1982. Under questioning from the then member from Saskatoon University, Mr. Prebble, of the then attorney-general, regarding the answers by the then minister responsible for intergovernmental affairs. And you will not salient statements that we 'have not received similar representation from the federal government regarding this proposal.' Page 611. That this government, your government . . .

. . . expresses to him this government's disappointment, indeed extreme concern, that we were not consulted about this, as well as indicating our concern about the potential for accidents with respect to life and property, with respect to testing and transport, and anything associated with this missile.

Mr. Speaker, it was abundantly clear on March 17, 1982 by the then government of this province, that they were concerned not with the implications of cruise missile testing. They were mad and in a snit because they weren't consulted about it. That was their objection, Mr. Speaker, and it stands out clear. Mr. Speaker, it's clear and unequivocal in *Hansard* in 1982.

And I would just like to draw to the hon. member's attention, as well, when they tried to biasly state the other day, that in fact they weren't around and one of them said, 'I wasn't even in school when this agreement was signed,' that that agreement, that agreement did not exclude in Saskatchewan nuclear missile testing or nuclear – powered nuclear weapon testing in this province. And don't tell me that nuclear weapons didn't exist at the time that agreement was signed. I say to you that you signed a damnable agreement that has tied the hands of the people of this province, the government of this province, and I really hope, I hope in all sincerity, that when you have that happy little conference this summer you've got the political fortitude to condemn your predecessors and tell them what you think of the agreement that you signed and renegotiated and reiterated in 1981. Mr. Speaker, I suggest to you that the statements of this government, the public statements of our deep concern about this – we have made it quite clear to the people of this province, the people of this country, we stand deeply concerned. We regret, we regret and I regret, Mr. Speaker, the fact that we are bound by this damnable agreement.

Some Hon. Members: Hear, hear!

Mr. Shillington: — Mr. Speaker, I suggest it should be beneath the dignity of any member of this House to comment on the rubbish that just passed for argument from

the Attorney-General. My question, Mr. Attorney-General, is: where is your letter? We've shown you ours; where is your protest?

Hon. Mr. Lane: — I'm reluctant, Mr. Speaker, to talk about my years of legal experience, perhaps a little longer than those of the hon. member, because letters . . . I put that beside an agreement, a signed agreement, witnessed agreement, an agreement that was brought forward again by the former government. Mr. Speaker, the agreement of course and the letter made by the hon. members as it's placed beside this agreement, agreement allowing missile testing in this province, really holds no water.

And I think that the public statements in *Hansard* where your government was more concerned about not being consulted, as opposed to the concept of cruise missile testing, I think states in no uncertain terms the hypocritical position that you find yourself in. And I suggest as well that probably any government, if they had the opportunity again to review an agreement, would not sign it. And I hope, now that you're in opposition, that you would take the position that if you had another chance that you wouldn't sign such an agreement.

Mr. Yew: — Thank you, Mr. Speaker. Seeing as how we can't get a definite answer to our questions regarding the government's position of the testing of the cruise missiles in Saskatchewan, I will try to be more specific and get down to more local issues, Mr. Speaker. In terms of the — and this is a question to the Minister of Justice — people that participated in the demonstrations over the weekend opposing the testing of cruise missiles in Saskatchewan, is your government in support of those demonstrations?

Hon. Mr. Lane: — I have made it clear, and I make it clear publicly, I make it clear for the people viewing, I make it clear to the people in this Assembly, and I have said it again since last summer that this government is deeply concerned about the existence, or the proposed existence of cruise missile testing.

I wish, quite frankly, as minister, that I could do something about it. I really wish that I could. I really wish that the debate in this House was not coloured by the fact that a government has its hands tied by the position taken by your predecessors, the CCF. So I suggest to you, Mr. Speaker, we are concerned. We are concerned about the need for the whole debate. The Premier of this province has made it quite clear that this party and this government supports mutual disarmament. We don't support, as you do and many others do, unilateral disarmament. Mr. Speaker, there is a fundamental difference between the two of us, between the two parties, between the government and the opposition. We believe, Mr. Speaker, and we would be hopeful that Washington and Moscow can come to some arms settlement, some arms limitation treaty so that these weapons won't have to be tested. It would be in the interests of all of us if these missiles didn't even have to be developed. And I think we all share that sympathy, Mr. Speaker. But, in fact, yes we're sympathetic, we're sympathetic to the concerns being expressed. We share those concerns. We are concerned. We differ fundamentally from you in that we believe that disarmament should be mutual. You believe it should be unilateral, and that is the fundamental difference between your party and this party.

Some Hon. Members: Hear, hear!

INTRODUCTION OF BILLS

Bill No. 31 — An Act to establish the Indian and Native Affairs Secretariat

Hon. Mr. Berntson: — Mr. Speaker, I move first reading of a bill to establish the Indian and Native Affairs Secretariat.

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

MOTIONS

Referral of Bills to Standing Committee on Non-Controversial Bills

Hon. Mr. Berntson: — Mr. Speaker, before orders of the day, and with leave of the Assembly, I move, seconded by the Minister of Finance:

That the order for second reading of Bill No. 23, An Act to amend The Human Tissue Gift Act, be discharged and the bill be referred to the standing committee on non-controversial bills.

In addition, Mr. Speaker, I would move, with leave of the Assembly:

That the order for second reading of Bill No. 24, An Act to amend The Teachers' Life Insurance (Government Contributory) Act, be discharged and the bill referred to the standing committee on non-controversial bills.

Motion agreed to.

Hon. Mr. Berntson: — I move, seconded by the Minister of Finance, with leave of the Assembly:

That the order for second reading of Bill No. 24, An Act to amend The Teachers' Life Insurance (Government Contributory) Act, be discharged and the bill referred to the standing committee on non-controversial bills.

Motion agreed to.

Hon. Mr. Berntson: — Mr. Speaker, I move, seconded by the Minister of Finance, with leave of the Assembly:

That the order for second reading of Bill No. 25, An Act to amend The Teachers' Superannuation Act, be discharged and the bill referred to the standing committee on non-controversial bills.

Motion agreed to.

Hon. Mr. Berntson: — Mr. Speaker, I move, seconded by the Minister of Finance, by leave of the Assembly:

That the order for second reading of Bill No. 26, An Act to amend The Change of Name Act, be discharged and the bill referred to the standing committee on non-controversial bills.

Motion agreed to.

Hon. Mr. Berntson: — Mr. Speaker, I move, seconded by the Minister of Finance:

That the order for second reading of Bill No. 30, An Act to amend An Act to provide a Superannuation Allowance to a Certain Former Member of the Legislative Assembly, be discharged and the bill referred to the standing committee on non-controversial bills.

Motion agreed to.

ORDERS OF THE DAY

GOVERNMENT ORDERS

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Andrew that Bill No. 13 – **An Act to repeal The Universities Commission Act** be now read a second time.

Mr. Koskie: — Yes, thank you, Mr. Speaker. I want to make a few comments in respect to Bill No. 13, An Act to repeal The Universities Commission Act. I just want to say that I had hoped that the Minister of Education would have indeed entered into the debate. Primarily all we got was a very short dissertation from the Minister of Finance indicating the basic reasons for the repeal of the universities commission. And I note that one of the reasons indicated by the Minister of Finance was that the commission was originally established to provide an arm's-length vehicle between the universities on one hand and the government on the other hand.

I want to say that, in respect to the university commission, the idea of the university commission was a result of a commission that was established in Saskatchewan by the former government, under the auspices of Mr. Justice Hall. And I just want to indicate that while Bill 13 purports to deal only with the university commission I think it in fact deals with much more than that. I think it deals with the universities themselves, and particularly with the important matter of the relationship between the government and the universities.

In the work that was done by Mr. Justice Hall in establishing the commission, he outlined some of the basic history of the development of our universities in Saskatchewan, and I want to allude to that just to make a point further in my remarks.

He indicated that in 1903, an act to incorporate a university for the Northwest Territories was the first act. In 1907, the universities of Saskatchewan act was proclaimed. In 1909, the first classes began at the universities. In 1912, the first graduating class, and, following that, we saw the development of our universities with a reputation for excellence and for service to the interests to the Saskatchewan people. And then we saw the development of the Regina campus, based on the existence of Regina College, Luther College and Campion College.

I want to say that by the early 1970s, the university communities had reached a rather critical stage in their development, and with the advent of the new university here in Regina there were certain tensions between the two campuses that had developed.

And more importantly, there remained the concern of heavy-handed interference of government of the day, or of a previous government under the leadership of Mr. Ross Thatcher. And it was felt that there should be a substantive statutory guarantee of the independence and academic freedom of the universities.

It was in that context, Mr. Speaker, that the government appointed the commission composed of Mr. Justice Hall, Mr. Stewart Nicks, Mr. Gordon South, to examine the most critical issues and to make recommendations. And I want to say that as a result of that, Mr. Justice Hall's commission, the chief recommendations of this group were twofold, and they may be found on pages 8 and 14 of the report. And the first recommendation that they made is that the campuses of Saskatoon and Regina be established as independent universities. And that was a matter of, for a better word, contention at the time, Mr. Speaker, because there was an expansion of the Regina campus, and the question of what faculties would be open here on the expanded Regina campus, and to what extent it would have its own autonomy.

And that was one of the primary questions that was addressed by the Hall commission. And the second was that there be a body established . . . The second recommendation was that there be a body established to be known as the Saskatchewan Universities Commission. And I want to say that it should be stressed that while the Hall commission, and the entire university community were, of course, concerned about the matters of efficiency in the economy, these issues were never permitted to dominate their thinking as they somehow seemed to dominate and obscure the thinking of the present-day Tory government.

The key questions that were included in the commission was the question of academic freedom, responsible university government to promote excellence, social accountability with scholarship and service. And it should also be stressed that the Hall commission undertook an open public inquiry process, with public hearings around the province over a two-month period with some 80 briefs from interested parties, and with a final report which was published, widely circulated and discussed.

I want to say that that was an open, honest, and public inquiry process – stands, I think, in stark contrast to what is before us today. Where, I would ask, is this government's public inquiry into the matters of vital interest to the universities today? And where is its public inquiry into the issues of concern, not only of the university community, but all of Saskatchewan residents – support for the pure and applied research; measures to protect and advance academic freedom; the role of faculty and students in matters of university government; the adequate provincial funding support to maintain the development and traditional excellence at our universities?

I want to say also, as all members will know, our university system has benefited from those who have agreed over the years to serve on the universities commission. And I was rather surprised that in repealing . . . setting this bill before the House to repeal the universities commission, that some mention at least would not have been paid – some tribute paid – to those who served on the universities commission. We had Dr. Stirling McDowell, a distinguished resident of Saskatoon who gave strong leadership to the commission during his tenure. And at the present, we have as chairman, Dr. William Sibley, a distinguished scholar with national reputation, based in part on his previous senior position at Mount Allison University and at University of Manitoba. I think it's rather sad that we had here outstanding citizens from across Saskatchewan devoting their time and energies to the commission, and in the repeal of it no mention was made to the outstanding services that they had contributed.

We'll note that this bill purports to abolish the universities commission retroactively on April the 1st, 1983 – about a month ago. And last week in my early comments and my preliminary comments, I asked if Dr. Sibley and his fellow commissioners have in fact been notified that they have, positions have been terminated. And I would like certainly the Minister of Advance Education and Manpower to indicate if the staff of the commission have indeed been terminated, whether there will be any phasing down of their operation or whether they are retroactively going to be dismissed, whether there's any consideration for relocating of those people who have worked on the commission and whose jobs now will be removed.

I would have thought that a compassionate government, making a move to repeal the university commission, a commission made up, as I have said previously, of Dr. Stirling McDowell and the present chairman, Dr. William Sibley, I would have thought that a compassionate government and a caring government would have addressed these concerns and would have certainly paid a tribute for the services of these individuals. And I ask the minister to advise the House whether any provisions have been made for the staff which the commission had, because obviously it's going to be a repeal retroactive to the 1st of April.

I want to go on and say that while the universities commission was expected to perform several related functions, its major job can be briefly described to deal with the critical and fragile relationship between government and universities. As all members know, there are of course obligations on both sides. The government owes to the universities: a statutory regime which in fact protects their independence, appropriate levels of capital and operating financial assistance, and above all a positive attitude of trust and respect for the whole job which they perform in a free society.

And I say the universities have an obligation, as well. They must remain dedicated to the pursuit and teaching of truth and knowledge to the young people who attend, must demonstrate in all their affairs a commitment to academic excellence and a commitment to service to the broader society of which they are a part, and must be responsible and accountable stewards of all public resources allocated to them.

There is simply no doubt that both the University of Saskatchewan and the University of Regina have consistently and proudly fulfilled their obligations in this respect. And I want to say that in the formative years of the Regina campus, that the university commission certainly did the job which Mr. Justice Hall envisaged it to do.

I want to go on and say that unfortunately, however, at times in our province's history . . . And the previous right-wing government has been all too quick to threaten their ability, the universities' ability, to perform their job and even to threaten their very existence. And this happened. During the Thatcher years, for example, government members objected strenuously to the views on social issues expressed by students and faculty at the University of Saskatchewan. And comments were made: 'If this is the attitude of the faculty towards responsibility,' he threatened, 'then the time will come when we will have to take over academic control as well as financial control.' And that was a threat made by a previous right-wing government. And I hope that by eliminating the commission that – and as you are indicating in the comments of the Minister of Finance, it's going to be a more direct relationship with the government – I hope certainly that the independence of the universities will in fact be guaranteed.

There is, however, another danger, and perhaps even a more insidious one. It is the danger that under the guise of right-wing technocrats' theory about manpower and labour-marketing planning, there will always emerge strong government pressure on our universities to become little more than glorified training institutions. And that is a danger. I don't allege that that is the direction you're going, but I am concerned that the independence of the university will in fact be directed towards more of a glorified training institution than its historical role in the educational system.

And I've noted very carefully the remarks made by the Premier and the Minister of Finance, on occasion, and the Minister of Advanced Education. I alluded to some of those statements the other day, Mr. Minister of Education. I've noted the Premier telling teachers that the schools should concentrate on job skills. Now I don't want to take that out of context, but I want to say that the academic freedom of the university must be preserved.

And that is our basic concern, is that while you can have a direct relationship of government and your department, Mr. Minister, and the universities – one on one – I raise the issues of the . . . more readily, the possibility of the direct interference with the academic freedom of the universities. And I noted the Minister of Finance speaking on Bill 13 and indeed on Bill 17, talking only about manpower planning and job skills. And that is, to some extent, a concern to me.

Finally, I want to say that all Saskatchewan people should note that this government's attitudes and approach to the university sector have thus far been most clearly demonstrated in its rather arbitrary operating grants guide-lines, and at a time when both the University of Regina and the University of Saskatchewan are experiencing enrolment increases, at a time when the universities may be forced to go into a deficit position simply to keep up with the students' requirements for equipment.

I want to say that the funding for the university has been decreased at a time when the president of the University of Saskatchewan has warned the university senate that students may have to be turned away because of inadequate provincial funding. And so what I say is that when the commission was there it was a go-between the government and the university itself. And I want to say we see no discussion of broad university issues by this government, and I am concerned, as I said, with the Minister of Finance's speech, and I want to just to allude to another statement.

Our review (he indicates) disclosed, Mr. Speaker, that the university officials saw this commission as an unnecessary level of government bureaucracy and preferred to deal directly with the government. In addition, it was found that the universities commission was an obstacle to effective and integrated post-secondary education planning.

I want to say that what is indicated in those statements is, I think, rather a slur on the work of the commission, and what it had been doing throughout the years in, I think, a most efficient and in a way which benefited our educational system. And I am, in closing, I want to say, Mr. Minister, I would like you to address some of the concerns that we have, concerns with what is the arrangement with the staff, as I have alluded to before. I want to know what really was your reason for the abandoning the commission. I would like to know also, Mr. Minister, whether there was any previous discussion with members of the commission, a hearing so that they were allowed to put the input which may have in fact given you some further insight into the type and nature of service that they were providing.

I think that if I were able to have those questions addressed, and I would have thought on second reading that we would, indeed, get that. And I certainly would hope that the Minister of Advanced Education and Manpower would address some of those concerns.

Hon. Mr. Currie: — Mr. Speaker, I will attempt to address myself to some of the concerns that were expressed by the hon. member from Quill Lakes. And at the outset I can assure him that the academic freedom of the universities will be preserved in this regard. There are many variations at the present time throughout Canada, in regard to the governance of universities. And there are those who speak in favour of the universities commission, and there are those who speak in opposition to a universities commission. In other words, there are pros and cons, just like with most things.

I would say at the outset that the Department of Advanced Education and Manpower has the mandate to look after the direct responsibility for the entire area of post-secondary education in the adult education sector, and that this department encompasses many different areas in education. It encompasses the university sector, the technical institutes, the community colleges, the extension programs, the Outreach programs, special programs, and so forth.

There has been a tendency in the last number of years in many parts of Canada to individualize education, and to look upon education as having many different facets. And one of the disadvantages of that is that there has been a reluctance on the part of each one of these to dovetail their efforts and to communicate and to consult so that in many instances there has been a tendency to fragment the whole scope of education.

What this government is attempting to do is to approach education with a more unified kind of an approach. We see the need for a closer tie between all of the different facets of education. In this regard, I might mention, Mr. Speaker, that I did have the opportunity of holding a meeting with representatives from all of the different facets of education that I have alluded to. And it was mentioned to me at this meeting by people like Mr. Sibley and presidents of the university, as well as people who represented the technical institutes and community colleges, and so forth, that to their best of knowledge a meeting such as this had never been held previously. They saw the tremendous advantage for a meeting of this nature and were very, very positive towards the possibility of the outcomes that could be derived from such future meetings. So that it was in this context that some of the thinking related to the disbanding of the universities entered the picture.

We see with the new governance that we are setting up, that is direct communication with the university sector, we see that the big advantage is that communication will be direct, that it will be immediate, that it will not have to go through a buffer procedure, that it will be not by letter and telephone, but that there will be an opportunity for stronger departmental leadership and a better chance for long-range joint planning between the Department of Advanced Education and the university sector.

In addition, we recognize that there can be many cost-efficiencies in regard to the disbanding of the universities commission. Nine years ago, Mr. Speaker, it appeared that the government of the day established the universities commission, and they felt that it was a necessary part of university governments at that time. The goals of education and conditions in society have changed since that time, so that we see, as times change and conditions change, sometimes adaptations have to happen. And we

feel that there is not the need for arm's-length association between the university and the government at this time.

The university commission itself, I would like to say at this point, has given good service to the university sector. Dr. Sibley and the members of the commission, and the people who worked with the universities commission, were very dedicated people and they did an excellent and an outstanding job in performing the mandate that was given to them by the previous government.

As far as their placement is concerned, what we have in mind is that those who are working for the commission will be incorporated as much as possible into the Department of Advanced Education, and others will receive placement or consideration as much as we can possibly give consideration to placement in areas such as the technical institutes, or the other facets of education.

The problem, quite frankly, Mr. Speaker, was not with the commission, not with the people on the commission, I should say. The problem, rather, was the mandate and the operation of the commission and the purpose which it was serving. I would say that the commission and its management deserve a word of appreciation for the service that they have provided.

We do anticipate that the functions of the commission will be totally transferred to the universities affairs division of the Department of Advanced Education and Manpower on July 1st of this year. In the meantime, the Public Service Commission and the public employees benefits agency and the members of the Department of Advanced Education and Manpower are sparing no effort to relocate the members of the commission staff within the public service.

An example of this is that the universities commission has operated its own superannuation plan. I am informed that arrangements are almost complete that would enable the commission staff to transfer to the public service without loss of benefits.

I believe the universities commission has out lasted its usefulness. While I recognize and am extremely grateful for the past efforts of the commission members and staff, times have changed, and I am confident we can now do a better job by integrating that function within the new Department of Advanced Education and Manpower.

Some Hon. Members: Hear, hear!

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Andrew that Bill No. 19 – **An Act respecting Residential Care Facilities** be now read a second time.

Mr. Shillington: — Thank you very much, Mr. Deputy Speaker. I shall be relatively brief. The opposition, by and large, supports the bill. We have been in receipt of submissions from a variety of people, including the psychiatric nurses most recently, which suggest that there is a need for upgrading of residential care facilities. I am operating on the assumption that this is the purpose behind this bill. The government seeks to license them, the set standards, and thus, in due course, to upgrade residential care facilities.

I may say, Mr. Deputy Chairman, that we support that goal, and to the extent that the bill contributes to the goal we're prepared to support the bill. I don't know if I'd go so far as to say that the bill will be an entire answer to the problem, but I don't think it was ever suggested by the Minister of Finance that it was. So to the extent that this legislation is in furtherance of an attempt to upgrade the standards at what you'd call residential care facilities the opposition is in support of it. We'll be voting in favour of this legislation on second reading, Mr. Speaker. And I say to the Minister of Finance that if you wish to deal with this in committee of the whole today, as well, we will give leave to deal with it later on today.

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. 18 – An Act respecting the Department of Economic Development and Trade

Clause 1

Mr. Koskie: — I just want to address, as an opening comment, why it was necessary to split what was industry and commerce into a small business section . . . (inaudible) . . . and a new department, the Department of Economic Development and Trade, if in fact you are seeking efficiencies. I just would like the minister to indicate why the overriding need to separate the small business from Department of Economic Development and Trade. How will the objectives of one vary from the others, as you see it, that is, the objectives towards small business, in Tourism and Small Business, and what in particular will this be doing?

Will this in fact be seeking out, outside the province, going to the multinational corporations, the foreign investors, setting up trade missions in various countries, offices in various parts of the world? Is it the direction of this, then, to seek what you have been saying, this open for business concept, open to all the world? Is it your attempt, then, to in fact set up this new department primarily for the purposes of seek that international money? Many countries in the world, I may say, in the history of economic development in their countries . . . And I go to Sweden in particular. One of the basic concepts that Sweden found out that was necessary was that they – the country itself – be owned by Swedish people, or under the public sector.

I feel what we're doing here is going to mortgage our independence of developing it ourselves through Saskatchewan people and other Canadians. And I think it's a backward step. Certainly over 90 per cent of Sweden is owned by Swedish entrepreneurs, not outside, and accordingly the policies of economic policies that are developed by Swedish people in their economy are in tune and can be more directly communicated with government. And they do set up a new system of running the economy under that format because they involve labour, they involve business, and they involve government. But when they're speaking to business, they're speaking to Swedish entrepreneurs, not located in West Germany, or France, or in Saudi Arabia. And what I fear is that if you're going to open Saskatchewan, it's going to, in the future, bear a heavy cost to our basic economic freedom which we were so carefully structuring here in Saskatchewan through the crown corporations, but also in participation. But always, we had a major control in the resource development, I think

of in particular.

And what I fear, Mr. Minister, is that you're setting up here a bureaucracy to fulfil your commitment: open to the world – Saskatchewan for sale, cheap, come and get it. And I want to know the reason for . . . What we had was a industry and commerce department dealing with both facets – dealing with the marketing of Saskatchewan products, also assisting small business, also encouraging business opportunities from other Canadians. What I want to know is: are you mapping a new course where Saskatchewan is indeed open for business for whoever wants to come in? And down the road I fear our economic freedom will be jeopardized.

Hon. Mr. Andrew: — Well, you've raised a number of points. I will try to answer the technical questions first, and then I will try to answer the political questions second.

I think we have to bear in mind, number one, that there are several other jurisdictions across this land that basically tend to approach the private sector with a department of small business – many of them are tied to a department of small business and tourism.

Also, a department of economic development and trade, if you'll look at the federal structure, they're that way. If you look at British Columbia, Ontario, and Alberta, many of them are that way, in existence now.

I think you also have to bear in mind that the previous government had two departments – the department of industry and commerce. Then of course, I think it was couple of years ago you passed through legislation – department of economic development. Now that particular department was on the books; it had no people working for it, but it certainly was structuring the department and setting a department up.

Clearly, I think that the previous government must have . . . The previous government obviously saw a need by introducing that legislation to have two thrusts as well. I think that argument is well taken. What we have, first of all, looking at a department of small business and tourism, tying it together and tying in many of the small businesses that we know that exist in this province, one of their great potentials for furthering their business opportunities is if we can develop and build a better approach to tourism. So we tied those sectors.

The larger sector is to deal with the whole question of being able to export or to trade. Very often in this country, and I suppose in this province as well, we have not been cognizant of the fact that so much of our economic activity is tied directly to trade. We have, in fact, fallen behind many, many of our competitors in the world. You mentioned Sweden. You can go through all the other countries that trade in the world and they do a far better job than we do. They co-ordinate that attack far better than we do. This new department is our attempt, and our thrust to try to catch up to that competition; to co-ordinate how we are going to trade; to identify the potentials of areas that we can trade. There's not a great deal of sense of trying to encourage and build businesses in this province that process or manufacture or produce products if they can't be adequately and properly marketed throughout the markets of the world. That's the reason; that's the whole concept behind this. I think it is by and large supported by the private sector. The private sector accept, clearly accept the whole concept of the two department that we have created here.

I think if you go back to the political question that you raise . . . I am always amused by the members opposite where they stand up and tend to, in one quiet voice indicate that

well, we support the private sector. They say that with a quiet voice. Then they go zooming over here and start their great attack on the multinational crown corporations, etc., etc., etc. You always take that approach. And my counsel to you, and perhaps I shouldn't be giving you counsel on political advice, is that most businesses always take that to mean that you guys are always against the private sector. It's because of your approach to everything that anything you had to do with business you've got to be concerned that some multinational corporation is going to come here and take it all away from you.

We believe that we can market our product. We believe that we can develop an entrepreneurial spirit in this province, so our Saskatchewan people can be the leaders in that whole entrepreneurial movement. We believe that. That's the philosophy of our party; that's the philosophy of our government.

The members opposite probably don't have that view with regard to the entrepreneurial spirit.

The member made mention of their thrust and direction being the crown corporations. I know that was your thrust and direction. Our view is that is not the best way to go. If you want to compare countries that have had success economically, I would tend to want to concentrate on countries like Austria or countries like Japan, as opposed to countries like Sweden. Now clearly Sweden followed that view – clearly followed that view of government ownership. So if you want to . . . I suppose if we can sit down here and argue, the country of Europe, of western Europe that has the lowest unemployment, that has the lowest rate of inflation, that has the best productivity, that has the highest rate of growth, is Austria, my friend, not Sweden.

Mr. Koskie: — I don't want to prolong this, but I want to say that when you start using examples of other economies in developing and low unemployment, I want to say that those countries in the world, and Japan is a prime example, is that their biggest employer is small business, in the Japanese economy. And what I am saying here and to the business community in Saskatchewan that have contributed so much to the economy of this province in developing it, that the problem with the 'open to business' is that those individuals who have established themselves here and contributed, will be to a large extent overrun by some of the major mega-projects that come in.

I give you an example. Her in Saskatchewan you brag, and the Premier does, of how well off we are, and at the same time you criticize what we were doing in the past. And every single job and the health of this economy is on the economic planning that was done in 11 years. That has maintained this province, and when we left office I want to say we had the lowest unemployment; we had the greatest economic growth in Canada; we had the lowest per capita debt in Canada.

And I want to say that my concern here is only simply with this: that the route to go is the further development of small business – not at the expense of the multinational corporations who in fact do not have the same allegiance to the economic development of this province, I may say, because they're world-wide, as do local Canadian and Saskatchewan business people.

And therefore I want to leave it at that. But clearly, I think, the point is made that you can't have it both ways – inherit an economy which is the best in Canada and has been resistant to the throes of the recession, the basic structure which we provided to you, the development of crown corporations, the joint development, and our extended

programs of assisting small business . . .

And I want to say I've had phone calls where many of the programs for small business have been chopped off. The assistance programs that we had in place have been let go.

I want to say that you have made an electoral promise, one of the main planks, that you would give to the small business men interest loans at nine and five-eighths like they did down at – as you alleged in your campaign – the centre down in Regina here, the Cornwall. And I want to say that you have deserted the small business men of this province, and the direction that this government is going is like with other Tory governments – Alberta, for instance – and the consequences will be the same.

And so I just want to say that in developing this department, I am very concerned that there's going to be emphasis to your open for business, setting up a special department to deal with the foreign multinationals who want to come marching in here – Saskatchewan: Open for Business; Saskatchewan for sale, cheap. And the consequences . . . The losers are going to be many of the small business men that we have established here, and the people of Saskatchewan.

Hon. Mr. Andrew: — Well, I don't want to get into the question of the budget of the Department of Small Business and the Department of Economic Development and Trade. That's clearly more appropriately put into estimates, and the estimates will be coming up, and you can debate it at that point in time. I suppose you have two options: you can be open for business or you can be closed to business in the province. And quite frankly, we don't make any apology. We make no apologies for the fact that we believe that the private sector has a place in the economy of the province of Saskatchewan. We make no apology for that. And we want to see the business activity develop in this province, and that's exactly what we are doing with this particular legislation. That's exactly what we're doing with regards to the programs that we've advanced.

You folks can sit and say, 'You know, we've done so much, when we were in government for 11 years, for small business.' If you've done so much for small business, they weren't very thankful for it. And I suppose you look at it from that way and say, well, they weren't very thankful for it, because quite frankly the business community has never been happier in the last 11 years than they have in the last 11 months, and that's because of the new attitude and the new directions that's being taken.

The member opposite indicates that nothing is changed, that everything that's been strong has been because of what they did. Well, I'll go back and indicate to you just in one area, and that is in the oil field. We took office – 40 per cent of the capacity was all that was being used, 40 per cent. The sales of land were running – and this is a give-away program – the sales of the land were going at \$2 million for a land sale, \$2 million per quarter. Within three, four weeks of coming to office, we had the oil flowing again. We're at 100 per cent capacity. Our drilling program this year . . . I think the last two land sales were \$16 million and \$15 million, fourfold, eightfold over what the situation was when you were in office – eightfold increase. That means jobs, and that means economic activity. And I suppose you're going to say, well, you're against the activity that's taking place in the oils fields today. There's lot of companies. There's lot of diversified companies involved in the Saskatchewan program – small companies, larger companies – but by and large, I say, very good citizens, creating economic activity for the province of Saskatchewan, creating revenues for the province of Saskatchewan, and creating jobs for our people. And we make no apology of that. And

we are very proud of that.

Some Hon. Members: Hear, hear!

Mr. Koskie: — Well, I want to say a concluding short remark: that you have indicated how great things have been since you have taken over, and I want to say that that's not the facts. What you have done, Mr. Minister, has run up a \$537 million deficit in a year. And you talk about great oil activity. Read the letter from the chamber of commerce in respect to the Weyburn area. Even after you've given away \$140 million to them, it's down to 40 per cent. Read the chamber of commerce letter. Read what it is at Swift Current. It's around 80 to 85 and there are fears that it's going down even in spite of your give-aways. And I want to say that what you have done with your massive give-aways to the multinationals is, in fact, to cut services to this government, and to place upon the burden of the people of Saskatchewan a massive debt.

Hon. Mr. Andrew: — You know, we get the same . . . Now, you fellows haven't learned anything. You haven't learned anything in the last year. We've got the same approach. Well, we're in favour of business, and you will roll right back into the dirty, rotten, multinational corporation. That's what business means to you folks. That's what business . . . Anything that says, 'I'm a business' must be multinational corporation, must be all bad. And that's your attitude. That's your attitude.

Well, I simply say that you can at any point in time, and maybe this is the best age. You talk about your chamber of commerce. I suggest that you stand at a chamber of commerce meeting that's maybe coming up in this province in a weeks time, or a few weeks time, whenever it's coming up, and I dare say that you take the Leader of the Opposition and stand him up and see what kind of a cheer he gets. And then take the Premier and stand him up and see what kind of a cheer he gets. And then make a judge as to whether they're happier with you or whether they're happier with us. And that chamber of commerce . . . Now let's say, now, now here comes the member of Assiniboia . . .

Mr. Shillington: — I would ask the chairman for a ruling as to whether or not this falls squarely within the departmental act.

Mr. Chairman: — They were both straying a bit, so let's get back to the topic on hand.

Hon. Mr. Andrew: — If I could just complete that train of thought, and we'll go back to question at hand . . . (inaudible interjection) . . . Oh, I'm simply going to answer the question. I just want to answer the question, Mr. Chairman, so I can't leave the question unanswered. I will just simply — member from Assiniboia, member from Assiniboia, I thought I hear him say, yeah, you're in favour and your friends in the chamber of commerce. I thought that's what I heard him say. I thought that's what I heard him say from his chair.

I simply say that the chamber of commerce in the province of Saskatchewan to me represents and speaks for a large number of small businesses, a large part of the private sector of the province of Saskatchewan. We make no apologies to listening to those people. You say they don't like us. You say they like your programs better. I simply say, here's a simple way to do a test on it, and let's see what the results are. And I'll tell you, when the Premier stands up, I suspect he's going to get a few more hand claps than will the Leader of the Opposition.

Some Hon. Members: Hear, hear!

Clause 1 agreed to.

Clauses 2 to 17 inclusive agreed to.

The committee agreed to report the bill.

Bill No. 13 – An Act to repeal The Universities Commission Act

Clause 1

Mr. Chairman: — Will the minister introduce his officials, please?

Hon. Mr. Andrew: — Yes. Mr. Gil Johnson, who is the deputy minister of Advanced Education and Manpower.

Clause 1 agreed to.

Clauses 2 to 9 inclusive agreed to.

Clause 10 as amended agreed to.

The committee agreed to report the bill as amended.

Bill No. 19 – An Act respecting Residential Care Facilities

Clauses 1 to 12 inclusive agreed to.

Clause 13

Mr. Shillington: — Just want to make a comment. It's again a suggestion. I don't have an amendment now, and I'm not going to move it. I believe where the minister, though, has the power to refuse a license, some kind of appeal mechanism should be set up. I recognize the infallibility of members opposite, but perhaps your officials can make mistakes if you can't. And I think sometimes we can deny deserving people licenses. There are many precedents for an appeal mechanism. In our latter years in office, we used to simply provide an appeal of the Queen's Bench.

I would recommend to the members opposite, for future licensing statutes, that an appeal be provided for refusal of license. It can have a devastating effect, and mistakes can be made. So I make that suggestion for future reference.

Hon. Mr. Andrew: — It's certainly something we'll take under advisement.

Clause 13 agreed to.

Clauses 14 to 19 inclusive agreed to.

Clause 20

Mr. Shillington: — I wonder if the minister doesn't think the maximum is a little low

- \$200. I can imagine circumstances in which it would certainly be cheaper to take the fine than to comply with the act, and I wonder if that fine is not just a tad low. Why not use 500 or \$1000? I don't feel strongly about it, but I just raise the issue.

Hon. Mr. Andrew: — Well, I think the point raised by the hon. member is perhaps a broader point. That's the whole question of fine levels with regard to legislation, and I can indicate to the Assembly that we are certainly looking at that whole concept with regard to fine levels in the thing then and hope to be able to come back with what we see as appropriate.

Mr. Shillington: — I think that's entirely appropriate. It was a problem that bothered us. It is something that conceivably one might refer to the law reform commission, because it's a broadly based problem and not one, I think, with much political impact, so I'm pleased to see you reviewing it and perhaps one might consider referring it to the law reform commission for study.

Hon. Mr. Andrew: — I would leave that in the hands of the Attorney-General.

Clause 20 agreed to.

Clauses 21 to 25 inclusive agreed to.

The committee agreed to report the bill.

THIRD READINGS

Bill No. 18 – An Act respecting the Department of Economic Development and Trade

Hon. Mr. Andrew: — I move that this bill now be read a third time and passed under its title.

Motion agreed to and bill read a third time.

Bill No. 13 – An Act to repeal The Universities Commission Act

Hon. Mr. Andrew: — Mr. Speaker, with leave, I move the amendments be now read a first and second time.

Motion agreed to.

Hon. Mr. Andrew: — Mr. Speaker, with leave, I move the bill, with amendments, be now read a third time and passed under its title.

Motion agreed to and bill read a third time.

Bill No. 19 – An Act respecting Residential Care Facilities

Hon. Mr. Andrew: — Mr. Speaker, I move the bill now be read a third time and passed under its title.

Motion agreed to and bill read a third time.

INTRODUCTION OF BILLS

Bill No. 32 – An Act respecting the Consequential Amendments resulting from the Reorganization of the Structure of the Government of Saskatchewan

Hon. Mr. Berntson: — Mr. Speaker, I move first reading of a bill respecting the consequential amendments resulting from the reorganization of the structure of the Government of Saskatchewan.

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

Bill No. 33 – An Act respecting the Department of Revenue and Financial Services

Hon. Mr. Berntson: — Mr. Speaker, I move first reading of a bill respecting the Department of Revenue and Financial Services.

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

COMMITTEE OF FINANCE

CONSOLIDATED FUND BUDGETARY EXPENDITURE

RURAL DEVELOPMENT

Ordinary Expenditure – Vote 43

Hon. Mr. Berntson: — Mr. Chairman, I understand that as a result of a bill changing the name of rural affairs to Rural Development not receiving Royal Assent, we have a small technical problem in dealing with rural affairs estimates. However, opposition has agreed that this small technicality should be waived since there's no implication except the name change and that we should proceed with Rural Development estimates.

Mr. Shillington: — The latter part of that statement is accurate. The opposition is prepared to give leave to proceed. I can tell you, Mr. Chairman, the opposition has no interest in saving the government from the untold embarrassment that their estimates are going to cause them. So we have every interest in proceeding with them, humiliating them, and we have no interest in giving the House Leader an excuse to pull these estimates.

Item 1

Mr. Chairman: — Would the minister introduce his officials?

Hon. Mr. Pickering: — Thank you very much, Mr. Chairman. On my immediate right is my acting deputy minister, Dan Gilewich. Immediately behind him is acting assistant deputy minister, Nick Bichel. And just behind me is Larry Chaykowski, director of administrative services. And sitting at the back of the Assembly is Mr. Ernie Anderson, acting executive director of engineering services, and Lloyd Talbot, director of community planning.

Mr. Chairman, I would like to begin by stating that the Department of Rural Development will be expanding its scope of responsibilities over the months ahead. For an example, we are looking at several programs in other departments which may be

administered through Rural Development. Any and all programs which we assume will also have appropriate personnel and funding transferred to Rural Development from their original departments. We will not be hurried into any hasty decisions, rather, we will ensure that we can in fact offer improved services, and a more efficient level of program delivery prior to any changes being made. We are also looking at new programs which will further enhance and strengthen our commitment to the development of rural Saskatchewan. With that, Mr. Chairman, I will look forward to answering any of the questions that members of the opposition may have. Thank you.

Mr. Lusney: — Thank you, Mr. Chairman. As the minister just stated, and I can go to some news articles that have been in the paper in the past months . . . The minister talks about enhancing somehow the Department of Rural Development, and the Deputy Premier had also made a similar comment, and he stated that rural affairs will be there intact and enhanced, and will be a very important part of government, not today or tomorrow, but forever. ‘As long as we are around,’ the minister said. Now, I don’t know if that means only four years or how long, but as long as he is going to be around, somehow they are going to enhance Rural Development. What we see in the department of the former rural affairs department merely by a name change to Rural Development. There has been no additional funding put into the program, or into the department. We, therefore, can see very little happening in the way of improvements or benefits for the RMs and rural Saskatchewan.

One of the interesting comments that, again we go to the Deputy Premier, that he had made at the SARM convention . . . And he told SARM at that time that one of the side effects of the leaking of the paper was that it brought a black cloud over the civil service, and there are a lot of – well, I won’t say exactly what was said – a lot of prime professional civil servants serving Saskatchewan . . . (inaudible interjection) . . . That’s right. That’s what you did say, Mr. Deputy Premier. He had also made a promise at that time that if he was able to locate the individual that leaked that information he would fire them, and that’s what he said.

I suppose I will ask the minister that question later on, as to whether he did find the individual, and maybe that would be an appropriate time to do it now. Did you locate that individual that leaked that information – or individuals – and what course of action did you take?

Hon. Mr. Pickering: — No, I have not, and maybe you could ask the Deputy Premier when his estimates come up.

Mr. Lusney: — Well, Mr. Minister, you state that you did not locate the individual, or find out who leaked some of that information at that time. Did you conduct any type of internal investigation to try and locate how that information may have got out to the public or to the press?

Hon. Mr. Pickering: — No, I did not.

Mr. Lusney: — It would appear then, Mr. Minister, that you were not as concerned about the leak that went out there as apparently the Deputy Premier was, or the Premier, so I can only assume then that the leak may have been put out there on purpose, just to get a reaction from the public as to what would happen if you did decide to do away with rural affairs. And when you found that the public was not going to accept that, you

decided to leave rural affairs intact, and to do nothing more than change the name of it to Rural Development.

Mr. Minister, can you tell me what new activities have been undertaken – or new programs or new projects – have been undertaken by the department, as a result of this budget or the name change?

Hon. Mr. Pickering: — Perhaps the hon. member wasn't paying too much attention when, in my preamble, I mentioned that we are looking at many programs that could be phased into rural affairs, and I think this is about the third time I have told you in this Assembly that we are looking at programs such as in Agriculture . . . The Minister of Agriculture and myself, as the Minister of Rural Development, are dealing with exactly the same people on a day-to-day basis in rural Saskatchewan, and those are the types of programs we're looking at, and we'll be phasing them in over the coming months. And the appropriate staff will come with them, and the revenue to finance . . . (inaudible) . . .

Mr. Lusney: — Well, Mr. Minister, you're saying that you will be looking at phasing in programs with Agriculture, maybe into Rural Development. You're dealing with the same kind of people, and we understand that. But you've got specific budgets set out for Rural Development and for Agriculture, so I don't see how you can apply programs within Agriculture to what you've got in a budget for Rural Development. Could you be more specific in what you are going to be spending the money in the Department of Rural Development for – what projects? Be it in conjunction with Agriculture or whatever, how much of that money are you going to spend out of Rural Development to help people in agriculture or in any other area?

Hon. Mr. Pickering: — Any programs like I mentioned that we transfer over to rural affairs, the appropriate moneys to finance that particular program will come along with it. And I don't see any problems with transferring funds from the Department of Agriculture, or department of whatever, to the department of development to pay for the programs if we take them into our department.

Mr. Lusney: — I think in his comment from the seat the Deputy Premier made an appropriate comment. He said, 'If and when.' And that is exactly the question I have. You're saying that you're going to be doing a lot more in Rural Development, and that when you decide on what you are going to be doing and what programs you are going to be bringing in to there, you will bring along the funding that goes with it. All I ask is: do you have any specific projects at this time that you intend to bring into Rural Development, and what funding are you going to bring with it? I understand that your revolving fund will allow you to do that, from one department to the other, but could you indicate to the public just what it is that they could be expecting through Rural Development?

Hon. Mr. Pickering: — Well, I'm sure that if we make any particular moves within our department – from another department to this department – you will be made well aware of it through a press release or whatever. Until such time we will be looking, like I said, at all types of programs that we could possibly administer through the Department of Rural Development. Until such time, I can't announce any at this point in time.

Mr. Lusney: — Mr. Minister, that would indicate then that you really have no specific program in mind at this point, and as you say, you will be releasing it in a press release

when that time may come, if it does. But at this point you're not telling them anything different than what's in the budget at this point, and that is, a program or a department that is their old rural affairs department changed to Rural Development, with no additional funding for additional programs. In fact, you have brought it down to a point where the RMs at this time find themselves in some difficulty in maintaining the services that they have and what they are going to do is have to increase their mill rates in order to provide the basic services that they have in past years.

Have any of the RMs brought forward any concerns that their funding is not sufficient and that they are going to have to raise their mill rate in order to provide the services they have?

Hon. Mr. Pickering: — We're using the same distribution formula, so the RMs are receiving the same amount as they had in previous years.

Mr. Lusney: — Mr. Minister, in calculating your revenue-sharing formula have you made any changes to that formula? You've done away with one of the major, I think, components of it, and that was the E&H tax, the gasoline tax. How have you accommodated the loss of that revenue into the revenue-sharing formula?

Hon. Mr. Pickering: — Well, we have gone along with the restraint guide-lines. The increase in revenue sharing is at 7 per cent, and it has been accepted by the Saskatchewan Association of Rural Municipalities, and the 299 rural municipalities as a whole. So I don't see any problem coming out of this as a result of them agreeing with the guide-lines under our restraint program.

Mr. Lusney: — Mr. Minister, what I asked specifically was: how did you arrive at the revenue-sharing formula, or the amounts of revenue sharing when you had a major component of that revenue sharing not in there this year, and that is the gasoline tax? You had to get money from somewhere to put into that fund. How did you adjust that fund to come up with the money that was required to put into rural development?

Hon. Mr. Pickering: — It was the restraint guide-lines that we went by. It was inflation minus one, which was 7 per cent. That's how we arrived at the 7 per cent increase in the revenue-sharing program.

Mr. Lusney: — Okay, you're talking about your 7 per cent guide-line, inflation minus one. The revenue-sharing formula was a specific formula used with different revenue that were coming into the province. Now that was how you calculated the amount of money that was going to be spent or given to the RMs. Now there was a portion of that funding that wasn't there, and that was the gasoline tax. How did you decide on how much money is going to be put into that fund — into the revenue-sharing fund? Were you just saying that because we lost \$140 million there's a portion of this that we're going to use in the formula and we will just add that money into there? Or how did you arrive at the figure?

Hon. Mr. Pickering: — Well, as you're well aware, the gasoline tax was eliminated, and we couldn't use the same formula as we had used in previous years.

Mr. Lusney: — That is exactly what I was getting at, Mr. Minister. You said you were using the same formula, the simple formula, and it was being used all the time. Now you're saying that you had to change that formula, and that's what I was getting at, is that yes, you had to change that formula. What kind of formula are you using at this

point or have you used in this budget?

Hon. Mr. Pickering: — We're not using any formula right now. We're using restraint minus one, which is 7 per cent. It's as simple as that.

Mr. Lusney: — It seems a little different than what has been done in the past, Mr. Minister. Could you in writing then send over for me at a later time, just how you arrived at the amount of money that you're going to be providing to the RMs — what formula or what figures you used, or what criteria you used in determining that?

Hon. Mr. Pickering: — I'm sorry, I would like to ask the hon. member if he couldn't repeat that. I just didn't catch your question.

Mr. Lusney: — Mr. Minister, what I want to know is just what criteria you used in determining how much money you're going to give to the RMs. Are you saying that you used last year's amount of money that was provided to the RMs, and just applied your 7 per cent to it, and that was it?

Hon. Mr. Pickering: — Yes, we just used last year's revenue sharing plus 7 per cent, and then we've been using that same formula that's been used for years to distribute the moneys out to the RMs under the revenue-sharing program.

Mr. Lusney: — Mr. Minister, there has to be something in that formula that does change a little because some of the RMs this year are not receiving, especially in the unconditional grants, are not receiving a 7 per cent increase. How do you determine how much these RMs receive on the unconditional side?

Hon. Mr. Pickering: — The unconditional grant increase was 7 per cent of the total pool, and not all RMs receive this 7 per cent. Some receive more and some receive less than that because of the formula used to distribute the money.

Mr. Lusney: — Could you provide me with a list of RMs, of all the RMs and the amount that they received, the formula used to determine that amount, 'cause there are some RMs that are getting in the area of 1 to 2 per cent increase when you use a 7 per cent increase. This doesn't apply to all of them. So could you provide me with a list of the RMs, how you calculate their formula, their amount, and what they received?

Hon. Mr. Pickering: — I can provide you with the funds now and show you how we calculate them later, if you don't mind. I can send these over.

Mr. Lusney: — Mr. Minister, could you indicate if there was any . . . the special assistance provided for new municipalities created out of the LIDs? Are you still providing that special assistance for these areas?

Hon. Mr. Pickering: — That was a five-year phasing-out grant and it terminated last year.

Mr. Lusney: — Mr. Minister, has there been any changes made to the ferry service provided? How many of the ferries have been operating (maybe I can put more than one question to it); how many of the ferries have been operating in 1982, how many do you expect will be operating in 1983, and is there going to be any changes at all in the ferry service being provided?

Hon. Mr. Pickering: — There was 15 in operation in 1982 and there will be 15 operating in 1983. There could be more come on-stream, pending completion of some of the highways within the province.

Mr. Koskie: — I just want to indicate that in your opening statement, Mr. Minister, you seemed to be indicating, or at least holding out, that there was going to be an expansion of Rural Development. I think that that statement is just a cover-up from the fact that your department was in fact ready to be phased out completely and, because of the leaked document, there was a retraction. And now what you're doing is to try to cover up to the people of Saskatchewan that in fact less and less emphasis is going to be given to rural development.

What I want to ask you is: since you are alluding to the expansion of this department and holding out the plum, so to speak, that you're going to be a large, expanding department taking over others, I think it's only fair to ask you what specific areas do you intend, or are you considering, to be included in your department, and from what other departments are you intending to take these allocations of programs into this department?

Hon. Mr. Pickering: — Well, it was my understanding that the member from Quill Lakes, when he was sitting on this side of the House, was in cabinet. You mentioned something about the leak and so on. Perhaps you should have learned the process while you were there. Treasury board makes ongoing recommendations to the cabinet planning committee. If it's passed through the cabinet planning committee, it comes to cabinet. If consensus of approval is gone through there, then it perhaps will become a reality. But it never did get past the treasury board. It was leaked from that department.

As far as any programs being phased in, we're looking at programs in agriculture, specifically, and we might even be looking at regional parks. But we will not be making any significant changes until we contact the Saskatchewan Association of Rural Municipalities. And if you disagree with the regional parks coming into Rural Development, I think they are a rural park. They are used mainly by rural residents within the areas and I think it would be most appropriate if they were brought in under this department. But that hasn't been finalized at this point.

Mr. Koskie: — Well, you made one interesting statement in making your comment, and that is that you indicated that the document was leaked from the department or the treasury board. Are you confirming that the leak in respect to your department was, in fact, leaked from the treasury board? Because that's exactly what you indicated here.

Hon. Mr. Pickering: — Yes, I guess I made a mistake there. I should have said budget bureau.

Mr. Koskie: — Say that again, please?

Hon. Mr. Pickering: — Budget bureau.

Mr. Koskie: — In respect to the revenue-sharing formula, I'd like to ask you first of all to indicate what were the provincial revenues that were, in fact, shared in setting up and establishing the revenue sharing for the RMs? In the past, what were the various provincial revenues that were in fact shared in determining the revenue sharing for the rural municipalities?

Hon. Mr. Pickering: — We're not using that formula because we're just using the straight 7 per cent added onto last year's revenue-sharing program.

Mr. Koskie: — I'm not asking you whether you used it. I ask you, what in the past, because you said you had the revenue-sharing formula. I'm asking you: previously what were the provincial revenues which were used to establish the revenue-sharing pool for the RMs? What provincial revenues?

Hon. Mr. Pickering: — They would come from the Department of Finance.

Mr. Koskie: — Do you mean to say, Mr. Minister, that you administer the revenue-sharing formula, and you set up the rural revenue-sharing program and that you don't know the formula — the provincial revenues that were included in establishing the revenue-sharing pool for the RMs?

Hon. Mr. Pickering: — There is no formula used with the 7 per cent increase. The distribution does not take revenues into consideration.

Mr. Koskie: — Are you aware that there was a revenue sharing prior to it being superseded by the Tory restraint? That's what I'm getting at. There was a revenue-sharing formula. And all I'm asking you: in respect to the previous revenue-sharing formula, what provincial revenues were used in establishing the pool if you had used the formula? What provincial revenues?

Hon. Mr. Pickering: — Okay. There was a five-year agreement signed which ran out in the fiscal year '82-83, and we will be negotiating a further five-year agreement with SARM in the coming months. But for this year we're just going on the 7 per cent return guide-lines, and that doesn't come into effect until '84-85.

Mr. Koskie: — And I want to ask, have you carried out any negotiations to date in respect to establishing the new five-year agreement for revenue sharing with the RMs? Have you carried out to date? And can you indicate, since you have no longer the fuel tax on gasoline, the road tax that you eliminated, have you any proposal for substituting that loss of revenue as a part of the revenue-sharing formula? Have you in fact done any work in establishing, or any negotiations in establishing a new formula, and what is the criteria going to be in respect to what provincial revenues are likely to go into that, or has there been any discussions at all?

Hon. Mr. Pickering: — Yes, we have had discussions with SARM on a new five-year agreement, and they will be ongoing during the fiscal year '83-84, and I'm sure there'll be another five-year agreement in sight by the end of that fiscal year.

Mr. Koskie: — I take it, Mr. Minister, if, as under the New Democratic government, we provided revenue sharing on the basis of a formula, included in that, part of it was the gas tax, and obviously you have deemed fit to eliminate that. What I'm asking you: have you done a calculation based on the previous provincial revenues, based on the previous government's revenue-sharing formula, and based on the anticipated revenues that would have been taken in by the government? Can you indicate whether or not your new Tory restraint formula of 7 per cent, whether or not having used the formula and all the criteria of the provincial revenue, whether in fact the municipalities would not have indeed got more?

Hon. Mr. Pickering: — Well, as I mentioned three or four times now, we're using 7 per cent for one year, and with the elimination of the gas tax, we're no longer able to use the old formula. So we are having ongoing negotiations and discussions with SARM, and I'm sure we'll come up with some type of a five-year agreement starting in the fiscal year 1984-85, and hopefully we can announce it later on, even towards the end of this year.

Mr. Lusney: — Mr. Minister, it's quite obvious that you're going to have a totally different method of providing funds for the RMs in the future because of the revenue-sharing formula that was used in the past will not be applicable now, simply because you don't have some of the revenues that were used within that formula.

Could the minister indicate: are you considering with the RMs, are you considering coming up with a method of increasing the assistance to them every year, or are you going to just be going into discussions with them at this point to decide what you are going to be putting down as a base grant to them, and then applying an inflation increase, or whatever rate you might decide to choose in subsequent years?

Hon. Mr. Pickering: — Well, like I said, there's ongoing discussions between the Department of Rural Development and SARM (Saskatchewan Association of Rural Municipalities), and I'm sure during our district meetings in the month of June – the half a dozen that we do have – it will definitely be brought up at that time and discussed also. And we're looking for all avenues and angles, or whatever you would like to call them, of ways that they would like to have input into establishing a new revenue-sharing formula for fiscal year '84-85.

Mr. Lusney: — Mr. Minister, has your department considered any changes, or have there been any proposals made to changes to the RM boundaries, or some reorganization of same?

Hon. Mr. Pickering: — Not at the present time.

Mr. Lusney: — Are you at this point conducting any studies into making some changes to the RMs – reorganization changes, or changing boundaries?

Hon. Mr. Pickering: — No, we aren't.

Mr. Lusney: — Are you going to be making any changes in providing technical and financial assistance to the municipalities in different categories, say, of roads or what have you?

Hon. Mr. Pickering: — Through the district offices we provide technical expertise as it relates to engineering throughout the province of Saskatchewan, and also through the community planning branch.

Mr. Engel: — Thank you, Mr. Chairman. Mr. Minister, I was visiting the SARM (Saskatchewan Association of Rural Municipalities) convention when they passed a resolution to suggest that – Well, it was tougher language than even suggesting – that the RMs wouldn't collect the school tax any more. Has your department studied this recommendation from the SARM (Saskatchewan Association of Rural Municipalities)? I'll leave it at that first.

Hon. Mr. Pickering: — We have had some in-house discussions on the education tax or the school tax as it relates to property in rural Saskatchewan, and there will be ongoing discussions in-house. And as you are well aware we have to provide moneys for education in our province, and if we can find another suitable way that works out so that it's more suitable for everyone making an equal contribution to it, we'll certainly look at something like that. But, up to this point in time we haven't come up with any solution.

Mr. Engel: — Your in-house study that the department has conducted and the work is done: do they feel that property tax is a fair way of funding education for rural Saskatchewan?

Hon. Mr. Pickering: — Well, until we come up with something better I guess we'll have to go along with it.

Mr. Engel: — Well, I'm aware of that and that aspect of it, but my question was: do you agree with SARM's resolution that it isn't a fair base for collecting property tax? Without making a judgement on it, do you feel that that is fair?

Hon. Mr. Pickering: — Well, that really is only one organization's viewpoint on the issue, and I think there would be numerous organizations throughout the province would have a different feeling perhaps. And at this point in time, I say, we just had in-house discussions on the thing, and needless to say have reached no solution or whatever.

Mr. Engel: — You're still not answering my question — if this is an equitable tax? — and I think the in-house discussion that you've had should lead you to be able to make a comment on that aspect of it.

Hon. Mr. Pickering: — Well, like I mentioned, it's only one point of view that they brought forward: it's only one position. And certainly there would be a lot of other areas to look at before we could come to any conclusion on them.

Mr. Engel: — What is the department's position? Our feeling, and even when we were sitting on that side of the House, felt that that tax base isn't necessarily equitable to everybody. So a program was implemented, continued and expanded on, that was actually even started before our time by the Liberal administration. That was the home-owner grant, or property improvement grant that it's been developed into. Do you feel that that kind of a grant helps equalize the tax base and makes it a little more fair to all concerned because of the heavier tax load that it's based on, property rather than giving everybody a chance, so that . . . I was just wondering what your comment or your department's feeling was about implementing that, and working at that kind of a tax relief to the taxpayer by implementing the property improvement grant, or continuing with that to make it more of an equitable tax.

Hon. Mr. Pickering: — Well, it seems like you're asking me for my personal opinion, more so than the department's or the government's position on it, and I don't think I'm in a position here to state my personal opinion at all.

Mr. Engel: — If you'd have listened to the question, or you could read it tomorrow . . . The question was: in your department's in-house study, have they come up and underlined the position that that is a way to equalize that tax base?

Hon. Mr. Pickering: — As I mentioned, it's an ongoing study, and we're not prepared to reveal any parts of it at this point in time.

Mr. Engel: — But are the rumours substantiated then that are about that you're proposing to eliminate that assistance to the property owner, or eliminate that advantage he's getting, because you haven't commented on whether that's a way of equalizing the tax base or it's making it a fair advantage to the property owner? And are you looking at improving on that situation or eliminating it completely?

Hon. Mr. Pickering: — You know, the property improvement grant is a way of equalizing, but it is administered by Urban, so it doesn't have a thing to do with Rural Development.

Mr. Engel: — Well, it seems to me the last time I paid my municipal tax, that my tax occurred, that I got a property improvement grant cheque, and if you'd look at your . . . I didn't pay an urban tax. I pay a rural tax. And my property improvement grant came back on the rural portion of the tax I paid.

Hon. Mr. Pickering: — But the grant came to you from Urban Affairs.

Mr. Lusney: — Mr. Chairman, could you tell me just what else that you're going to be placing in 1983 on the primary grid road system?

Hon. Mr. Pickering: — Well, as you're probably aware, the rural municipalities program their roads, and we anticipate about a 10 per cent increase this year.

Mr. Lusney: — Mr. Minister, how close to completion is the farm access road system?

Hon. Mr. Pickering: — Mr. Chairman, I would like to ask the hon. member if he would like me to send over the figures because it's the amount that is completed, the amount that was done last year, and the amount left to be completed in the farm access program. So I'll send that information over to you.

Mr. Koskie: — In respect to the primary grid roads, the assistance that is being given to the municipalities for the construction . . .

I want to ask the minister whether or not you have reviewed . . . Have you increased the funding for the assistance of building the supergrids or are you still using the Tory restraint formula?

Hon. Mr. Pickering: — We made a change in policy whereas the RMs don't necessarily have to belong to maintenance area, and they all qualify for an extra 10 per cent.

Mr. Koskie: — Okay. Can you outline the basic reasons for the change in the policy?

Hon. Mr. Pickering: — The 10 per cent, prior to this, was held back just for local autonomy.

Mr. Koskie: — What is the reason for . . . You said there was two changes. There is no longer need for a maintenance area, and that's a change. Then you indicated, it seems to me, that there was an increase of 10 per cent in funding. I'll come to that later, but I'm asking you in respect to the elimination of the need for a maintenance area: what was

your rationale?

Hon. Mr. Pickering: — There's not as much oil surfacing being put into place in the province to what we anticipated. As a result we made the maintenance area optional because of that. A lot of the RMs were in agreement with this. It came up at the SARM convention as a resolution. We had a look at it and it was passed, and changed the policy.

Mr. Koskie: — Has there been a change then in the funding for the maintenance provided to the municipalities? Have you increased it? I mean, you have indicated that no longer do they need a maintenance area. What I am asking you: have you correspondingly made provisions to increase the revenue for the maintenance of these supergrids within a given municipality? Part of the reason for having and establishing a maintenance area was because of the overall cost for the maintenance of those. And it was felt that a couple of municipalities going together could in fact pool the equipment and so on, in order to provide the maintenance at a more economical base. That was the reasoning behind it. Now what I'm asking you: if in fact you have changed the need for a maintenance area, have you correspondingly provided greater funding in respect to the municipalities for maintenance?

Hon. Mr. Pickering: — The funding still remains at 50 per cent and some of the RMs would have to spend as high as \$200,000 to \$250,000 for maintenance equipment, whereas they only had two or three miles of road, and I don't think you could call that a very viable investment. So, as a result, we made it optional to go onto a maintenance area.

Mr. Koskie: — Would you explain your logic as to how reducing the need for a maintenance area, if in fact you're promoting the supergrid, that eliminating the maintenance area is going to be . . . Well, how are they going to maintain it if you say some municipalities only have a few miles, and they aren't joined together with other municipalities for the maintenance of it and there's no sharing in the purchase of the equipment? How, by eliminating the maintenance area, are you going to in fact decrease the cost of maintenance to the individual?

The fact was before that you may have 20 miles in one municipality, 20 miles in another one, and various municipalities would go together and have maintenance equipment. Now you indicate that . . . I think you put forward the contradiction to the reason for what your policy is and how you arrived at it and how it's going to be advantageous to the municipalities?

Hon. Mr. Pickering: — First of all, we didn't eliminate them; we made them optional. And if the four RMs, where they joined at a corner, decided to belong to a maintenance area, and they bought machinery and shared it four ways, that was entirely up to them. But a lot of them didn't want to buy machinery, where they didn't agree with another RM, to the tune of 200 or \$250,000 for the maintenance of two or three miles of road. They could hire somebody in the business for this maintenance and at a lot less cost.

Mr. Koskie: — Basically what you have done, then, is to allow municipalities to opt out of the program and that the continuation of the emphasis of the development of a supergrid is no longer a priority of your department. It's as simple as that. Because, obviously if you can opt out, if a municipality decides not to go in with another one, then there will be no supergrids built. And simply what you're doing is abandoning the

program. Why don't you put that into a press release because obviously that's the nature and the direction that you're going?

Hon. Mr. Pickering: — We just made it optional. We didn't eliminate it. If they want to . . . And it was the wishes of the RMs. If they didn't want to belong, they wouldn't be forced to belong to these maintenance areas to maintain their roads. So as a result, we haven't added 10 per cent and I think there'll be more good roads built because of that.

Mr. Koskie: — That's obviously hog-wash. I have another word for it but I'll call it hog-wash, because there is a substantial amount of cost in the maintenance of these supergrids. And as I indicated to you, the rationale for having a number of municipalities go together into a maintenance area was that the cost of that equipment could be spread over more municipalities. Now you have eliminated that and if you do that . . . And let's say you have a supergrid which has been designated under the study, and it runs through one municipality and the other ones adjacent to it or lying next to it want to proceed, you're saying the one in the middle can opt out. And as a consequence, you've got a piece of road perhaps, and the one in the centre can effectively forestall, delay, or completely eliminate the construction. Isn't that the consequences of your opting-out provision?

Hon. Mr. Pickering: — Well, Mr. Chairman, I guess the member from Quill Lakes doesn't understand and I will say it again, that it was the wishes of the RMs. They wanted us to make it optional, whether they belonged to the maintenance area or not. And if that's the wishes of the RMs, we'll go along with it. If there were four of them could get together and buy the equipment and have a maintenance area to provide maintenance for their oil-surface roads, that was entirely up to them. We didn't take anything away. It's just optional.

Mr. Koskie: — I want to say that, you know, the municipalities have also been requesting a capital fund . . . (inaudible interjections) . . . Oh, no. I'm changing the subject. Do you mind? And they have been requesting that and requesting a capital fund. And I want to say in 1982, the last budget that we brought down, over \$12 million was set out for a capital . . .

An Hon. Member: — 12.5.

Mr. Koskie: — 12.5. Thank you very much. Twelve thousand, five hundred thousand was set out in a fund for a capital fund. And that has been a request. That has been a request of the municipalities. And in your first year of office, you destroyed it.

Now what I'm asking you: have you made any plans to give assistance to the rural municipalities through some form of a capital fund as we do with the urban centres?

Hon. Mr. Pickering: — Well, I guess now we're going back to about February of 1982, Mr. Chairman, where the then minister of rural affairs sent a letter out to all the RMs indicating that there would be a rural capital assistance program with \$12.5 million in it, but also indicated in that memo to the RMs . . . not the budget because it would have to be passed through legislation in this legislature. So the legislature was called into session in March. It never hit the floor of the legislature because you called an election. And I can say to the member opposite that all it was was a political ploy, misleading the public and the people of rural Saskatchewan. And as far as the revenue sharing, the automatic escalator for the fiscal year '82-83 was 8.3. We increased that

to 11.5 and the RMs and rural Saskatchewan were happy with that.

Mr. Koskie: — Would you answer the question? I ask you: are you anticipating, have you put into place, have you discussed with the rural municipalities and their association the development of a capital fund for them? That's the question, not a political speech. By the way, it wasn't very good.

Hon. Mr. Pickering: — Neither was your question.

Some Hon. Members: Hear, hear!

Hon. Mr. Pickering: — Well, I would just like to inform you that we are looking at programs, providing we can finance them. And you call everything that we do cuts. We have ongoing negotiations with SARM, and at the district meetings in June, I'm sure there'll be RMs asking for further programming coming into rural development, and we'll certainly be looking at ways that we can improve rural Saskatchewan at that time.

Mr. Koskie: — I would just like to ask the minister, as my colleague did, and that is whether or not he, as the minister of rural Saskatchewan, has a commitment to the maintaining and the keeping and the established program of property improvement grants? The reason I ask you that is that many of the farmers are very concerned, because in a leaked document, one of the options that were being looked at by this government was in fact the elimination of the property improvement grants. What I'm asking you here, as the minister representing the rural Saskatchewan, I ask you: can you in fact give a commitment to the rural municipalities that you in fact stand four-square behind the principle of property improvement grants which help to alleviate the tax burden to many of the . . . and particularly to the small farmers? Or are you going to eliminate it and reduce that very good benefit to the . . . particularly the small farmer?

Hon. Mr. Pickering: — I don't know why you wouldn't ask that question when Urban Affairs were in estimates. We don't supply the funding for the property improvement grants in this department. They're supplied . . . The revenues are supplied out of Urban Affairs. So why wouldn't you ask them that question?

Mr. Koskie: — Obviously the minister is very frightened about this. And I want to say that I think it is the position of this government — your government — to get rid of the property improvement grants because that was a consideration. And all I asked you is: do you agree in principle with the concept of the property improvement grants, which was of considerable assistance to the small farmers, the small-business men and the home-owners of this province? Can we get a commitment that you agree in principle with that particular assistance to rural Saskatchewan?

Hon. Mr. Pickering: — Well, I think that's rather obvious because we're giving them the same grants.

An Hon. Member: — You cut it; you cut it to . . . (inaudible) . . .

Hon. Mr. Pickering: — We did not cut it. It was exactly the same. And one thing that I think should be looked at, if you're going to come out with rebates, why aren't they taken off at the rural municipality office or the town administrator's office? Why not take it off there? Why all this administration costs? That's how you created your big bureaucracy — with administration of programs. That's something we want to eliminate, and probably will, down the line.

Mr. Engel: — Mr. Chairman, Mr. Minister, you're always referring to the property improvement grants as, to ask Urban Affairs. What are the criteria for me to be able to get a property improvement grant? What relationship do I, as a farmer, have and what commitment do I have to fulfil before I can get that property improvement grant?

Hon. Mr. Pickering: — The first thing you have to do, you'll have to go and pay your taxes.

Mr. Engel: — The tax I pay is a municipal tax, Mr. Minister, and has nothing to do with Urban Affairs. And that property improvement grant is based on me fulfilling a commitment with your department and paying my municipal tax. And the point I'm trying to make, Mr. Minister, is that it's up to your department whether you're going to provide that assistance to the small farmer. Now I can see where you would want to eliminate the property improvement grant and make a blanket reduction so that the guy with the 20 sections of land will get the reduction on all his land and the guy with only one section of land would get a very small reduction. And the thing with the property improvement grant is that it helps the small farmer and is a special assistance that he gets to help him, and to stay in farming in this competitive world.

Are you going to cut that assistance out and give another advantage to the large farmer? Or what is your position on that – personally, and as a department?

Hon. Mr. Pickering: — Well, certainly we're not going to cut it out because it's not within my department. It's administered through Urban. And I'll say that once again; how many times do I have to say it? You know, is your head that thick? Next time you pay your taxes – if and when – would you have a look at your property improvement grant cheque when it comes back? And look in the left-hand top corner and see what department it comes from. Would you just have a look at it? And perhaps that would indicate exactly who administers the property improvement grant program.

Mr. Engel: — Thank you, Mr. Chairman. You were making a reference that you would like to see that being reduced and taken care of at the municipal office. How can you implement that kind of a program and still provide the assistance where the smaller operator gets the larger portion of the grant, because it cuts off at a certain amount of dollars and no matter how much you farm, you only get that size of cheque. How can you implement that through the municipal office without having a policing that is broad based?

Hon. Mr. Pickering: — Well, I think the formula is pretty simple. It could be worked out at the RM office just as well as in here in some department. There's a maximum and then there's a formula if your taxes are below that amount, where you qualify for the maximum. I am sure it could be worked out. Maybe you're discrediting the RM secretaries and the town administrators that they don't qualify to do this particular formula. Well I feel that they do qualify, and that's the reason they're out there administering the revenues and the programs that we have in place.

Mr. Engel: — Mr. Minister, what kind of pressure would you place on a RM clerk in your own municipality, for your taxes, when you're paying taxes in four or five RMs? Or take the Minister of Agriculture, for example, that pays taxes in more than one RM. How would you suggest that the clerk . . . How would he know how much more land you have besides what's on your tax notice that you're getting from RM A, if you've got land in B, C, D and E?

Hon. Mr. Pickering: — I would hope they'd find it out the same way as they do now.

Mr. Engel: — That's not the case, because when you do it now you pay your taxes and send your application in and if it's . . . The cheque's sent back from Urban Affairs, like you say, in Regina and they only send out one cheque. But if you'd have an automatic deduct, when the Minister of Agriculture goes into RM 1 and pays the taxes on that five or six sections he's got in that RM, he'll get his cheque back and when he goes to the other RM, he'll get another one and the other one, another one and so on. If he's paying his taxes at four or five RMs, how would they be able to police it on that basis?

Hon. Mr. Pickering: — Okay, when you fill out the application form for the property improvement grant, the first thing you do is list all the properties that you pay taxes on, whether it be in RM 299 and 9 and 17 and 36; they'll all be on there. So you'd submit that to the RM secretary. He knows it and he'd know whether they were paid or not. You would have to submit your receipts, so he could pay you your \$375 right there, take it off. Do you have any problem with that? You do. Okay, I'll look forward to your next question.

Mr. Lusney: — Mr. Minister, I think the one thing that maybe you didn't mention was the reason for the property improvement grant established the way it was to begin with and why it was refunded from the Department of Urban Affairs, and that was a tax advantage to the property owner. If it's deducted at the RM level, automatically that is deducted off his income tax and he doesn't have that benefit. So the property owner had the advantage of getting a grant from the government which was not a taxable grant. That was the purpose it was set up in the manner that it has been, and that is why it was kept that way, although it could have been done the other way, but it was a disadvantage to the property owner at that time.

In order to get this completed, Mr. Minister, could you provide me with the names and salaries of the executive assistants, special assistants, Legislative Secretaries, or trust secretaries, all the people that you may have working within your office?

Hon. Mr. Pickering: — Yes, I have the salaries here. Rather than read them into the record, would you mind if I sent them over?

An Hon. Member: — Read them out. I can't hear you.

Hon. Mr. Pickering: — Rather than read this — it's rather lengthy — could I send it just over to you?

Item 1 agreed to.

Items 2 to 4 inclusive agreed to.

Item 5

Mr. Lusney: — Thank you, Mr. Chairman. In community planning you have some additional people in there apparently, from 9 to 12, with an increase in expenditures also. Could you indicate what these extra people will be doing?

Hon. Mr. Pickering: — Those include one secretary in Saskatoon, one community

planner in Saskatoon, and a secretary in Regina.

Mr. Lusney: — That's additional staff that wasn't there before, or why has the staff been . . . adding the additional secretaries?

Hon. Mr. Pickering: — When the department was split, we didn't have sufficient staff, and so we made those additions, but they were trade-offs from other department branches.

Mr. Lusney: — You mentioned that when the department was split — what do you mean by the department being split?

Hon. Mr. Pickering: — Municipal affairs when it was split between urban and rural . . .

An Hon. Member: — 1980.

Hon. Mr. Pickering: — . . . 1980.

Mr. Lusney: — Yes, how come that from 1980 to '82, they were operating with nine people, and now you're saying that you need additional staff in these different offices? Didn't they have secretaries in those offices before?

Hon. Mr. Pickering: — We were just operating from 1980 up to this point in time with temporary staff.

Mr. Lusney: — Just for the record, Mr. Chairman, what you're saying now is that from the temporary staff that was being used before, you're saying that what you did was put in place permanent staff?

Hon. Mr. Pickering: — That's true.

Item 5 agreed to.

Item 6

Mr. Lusney: — Mr. Chairman, you have an increase there of about 8 . . . exactly 8, okay, if the Minister of Agriculture insists. You have additional funding in there for 1983. Could you just indicate what this additional funding is for?

Hon. Mr. Pickering: — It's 592,000 that's taken from Highways for legal surveys.

Mr. Lusney: — And the remainder of it? There's about \$800,000, roughly, difference.

Hon. Mr. Pickering: — Well, besides the 592,000, there's a lot of incidentals such as telephones and field lab facilities and travel and materials and so on. If you would like a list I can send it over to you.

Mr. Lusney: — One other question, Mr. Minister. The services who moved from Highways into rural affairs, or Rural Development, is this their engineering service that were in Highways, or engineering services that were provided by Highways in the past will now be provided by rural affairs?

Hon. Mr. Pickering: — Everything else is the same, but the funding is in our department.

Mr. Lusney: — The actual people then will remain with Highways? It's just a funding that will be provided out of your department, is it?

Hon. Mr. Pickering: — It's under central surveying and mapping agency now. This used to be all in Highways at one time. Now we have \$592,000 over in our department, and the administration is done by the central survey and mapping agency which is under the department of revenue, supply and services.

Item 6 agreed to.

Items 7 to 12 inclusive agreed to.

Vote 43 agreed to.

Mr. Chairman: — I'd like to thank the minister and his officials for answering the questions.

The committee reported progress.

The Assembly adjourned at 5:19 p.m.