

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
May 25, 1983

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

MR. SHILLINGTON: — Thank you, Mr. Speaker. I want to introduce to you, and through you to the House, members of the building trades who are here today, who were on the front steps. Appropriately enough, Mr. Speaker, the lights have been turned out in the government galleries. I say appropriately enough — this government has sought to keep these people in the dark, and I assume this is a symbolic way of doing it today. I know you'll want to join me in welcoming them today to the House.

HON. MEMBERS: — Hear, hear!

WELCOME TO STUDENTS

HON. MR. CURRIE: — Mr. Speaker, I wish to introduce to you, and through you to the members of this House, some visitors from St. Dominic Savio School in Regina. They are presently sitting in the Speaker's gallery. There are 24 Grade 8 students, along with their principal and chaperon, Mrs. Vanderlind. I hope that you young people will find your visit interesting and educational. I shall be meeting with you immediately following question period in the rotunda for pictures and following that, in the members' dining room for refreshments.

I would ask the members on both sides of this House to join with me in extending a cordial welcome to our guests.

HON. MEMBERS: — Hear, hear!

MR. HOPFNER: — Mr. Speaker, it today give me great pleasure because it's the first time that I've had visitors come all the way from my constituency which, I would think, is the furthest travelled distance than any of the other members on the government side, and today I would like to introduce through you and to you a group of five, along with 10 adults, accompanied, I would believe, with the adults, as well as the children, the chaperone of Mr. Milton Toews from Neilburg. This is a unique situation because this is a school, a private school, and the students are of grades 4, 6, 8 and 9. And I would just like to say that I have not been, at this particular time, able to visit their school but I would like to inform them that I will be visiting them in the future and I would like to ask the members of the government side as well as the members opposite to give them a hearty welcome to Regina and this legislature.

HON. MEMBERS: — Hear, hear!

QUESTIONS

Unemployment in Saskatchewan

HON. MR. BLAKENEY: — Mr. Speaker, I have a question for the Minister of Labour and in his absence, I will address that question to the Deputy Premier. Today, Mr. Speaker and Mr. Deputy Premier, on the steps of the legislature, a goodly number of Saskatchewan construction workers gathered to voice their concern about the efforts of your government, or the lack of efforts of your government to create jobs. In several of the building trades, the unemployment rate is running between 50 per cent and as high as 75 per cent and I'm glad the Minister of Labour is here so that I will . . . (inaudible interjection) . . .

AN HON. MEMBER: — Start over again.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Speaker, I will indeed start over again and address this question to the Minister of Labour. Today on the steps of the legislature, Mr. Minister, a large number of construction workers were on hand to voice their discontent about the efforts of your government to create jobs, or the lack of efforts of your government. In several of the building trades, unemployment is more than 50 per cent. In April, the statistics indicated that 59,000 people in the province were looking for jobs, an increase of 26,000 over last year. Do you, Mr. Minister, agree that the job crisis is the number one problem facing the economy of Saskatchewan today?

HON. MR. McLAREN: — Mr. Speaker, certainly I'd have to agree with the member opposite that the job situation is number one in Saskatchewan, and also in all of Canada. It's not just in Saskatchewan. It's a problem that we're facing across the entire nation.

HON. MR. BLAKENEY: — Supplementary, Mr. Speaker. Since we are going to make this province different from other provinces as it is reported, my question to you is this: why have you not persuaded your colleagues to give a few less concessions to the oil companies, or a few less in salary payments to their high-paid staff, and spend a little more on construction jobs which would create assets which we need, and jobs for people who badly need jobs?

HON. MR. McLAREN: — Mr. Speaker, as a government I think we have done a great deal in this province to this point in time.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. McLAREN: — All I have to look at is the fact that the Nipawin dam is on the go. We're going with the gas distribution system for the farmers. The oil patch is working again. The fact that we've given some relaxation to royalties means that the oil patch is working instead of sitting idle with holes in the ground with nothing coming out of it.

HON. MR. BLAKENEY: — Mr. Minister, a further question. Is it the policy of your government to promote stability in the construction industry by assuring fair wages and full employment for the corps of construction workers who built so many projects in this province during the last 10 years — mines and other projects — and who are today without work? Is it your policy to provide some stability at fair wages for this group of workers?

HON. MR. McLAREN: — Mr. Speaker, all I look at is the unemployment in Saskatchewan compared to the rest of the country. We're at 7.5 per cent when all the others are in the double-digit figures. And as far as construction is concerned, all you have to do is fly

over Saskatchewan and see all the number of brand-new houses that are getting built in all the various cities of the province.

AN HON. MEMBER: — Housing is up.

HON. MR. McLAREN: — It's up tremendously. We agree that there's problems out there, but you're not going to be putting out money just to build great big projects that . . . What do we know is the purpose of them? You've got to have the investment; you've got to have the continuing thing afterwards, not just make-work things that's going to last for three or four weeks. And that's what we're working on.

HON. MR. BLAKENEY: — Mr. Chairman, supplementary to the minister. Could the minister speculate on the possible use of a rehabilitation centre in Regina, or a provincial lab building in Regina, which could be built with the people who are now unemployed?

HON. MR. McLAREN: — Mr. Speaker, our government will be looking at all the areas where we can do construction work that's meaningful. And the areas that we need specific buildings, if it's in the budget, we'll be getting on with the job. But we can't just keep creating jobs like painting fences and so on. You've got to have some long-term thing that gets you started on, and we are doing that right now in our budget. There are many capital projects that are on the drawing list.

HON. MR. BLAKENEY: — Mr. Chairman, I wonder if the minister can tell the House and the people who are unemployed just how many jobs have been created directly for construction workers by your last fall Open for Business Conference?

HON. MR. McLAREN: — Mr. Speaker, I don't have that figures at my fingertip; I'll get them for you.

HON. MR. BLAKENEY: — Will you, Mr. Minister, at least agree that up to now, the open for business approach has failed, and it has resulted in a . . . Will you agree that your policies have resulted in a decline in non-agricultural jobs, a decline in construction employment, a decline in new investment, and an absence of major projects? Will you at least agree to that?

HON. MR. McLAREN: — Mr. Speaker, I will not agree whatsoever to the member opposite that this government hasn't done anything as far as jobs are concerned. If you look at the unemployment drop, the last figures I've had — and I've been away for a couple of weeks — is that we've dropped 2,000 on the unemployment at the end of March, plus an additional 14,000 people coming into the province. And if you can do both of those, then I'd say our government is doing something.

MR. BIRKBECK: — Mr. Speaker, I'd like to ask a question to the Minister of Finance and I'd like to ask him directly. What has been the government's reaction and their whole program response to capital project restraint, as a government? Could you elaborate on that, Mr. Minister of Finance, with respect to jobs?

HON. MR. ANDREW: — Mr. Speaker, the budget introduced had a nine-point program with regard to job creation — a nine-point program with regard to job creation — including \$1.9 billion being spent on capital projects. That's almost as much as the federal government is spending entirely across the entire nation with their \$2.4 billion project. It's three times larger than the province of Manitoba is spending with regard to

its project. And I ask the member opposite . . . He always talks about a deficit. 'No, you can't have a deficit, you can't have a deficit; no deficit, no deficits, than you.' But he wants to spend dollars and more and more and more dollars to create capital projects.

He also wishes to have, Mr. Speaker, a situation by which he doesn't want to have wage guide-line programs — shouldn't have that. The increases should be 12 per cent and 14 per cent — not 7 as we've brought in. We believe that is responsible but we don't believe that we can follow his project of talking out of both sides of his mouth, Mr. Speaker, on the one hand wanting a smaller deficit, on the second hand, increasing spending by 15 and 20 per cent.

SOME HON. MEMBERS: — Hear, hear!

MR. SHILLINGTON: — Thank you. A question to the Minister of Labour. Mr. Minister, I was outside the building, in front of the front steps and listened to a speaker speaking to a demonstration. One of the speakers indicated that you, Mr. Minister, had been invited to speak to the delegation, and you were not present to speak, Mr. Minister, my question is: why lavish these pearls of wisdom on us and not share them with the demonstrators outside the building?

SOME HON. MEMBERS: — Hear, hear!

HON. MR. McLAREN: — Mr. Speaker, I'll have to disagree with the member opposite. I have not received any invitation to speak to the group outside.

MR. SHILLINGTON: — Well, Mr. Minister, were you aware that there was a demonstration outside of unemployed people?

HON. MR. McLAREN: — Mr. Speaker, yes, this morning I was advised. I just got back from a trip, and I was advised that there was some demonstrations this morning, but no one asked me to come and speak. And I would suggest that there are a number of the trade groups here that I have already spoken to them on several occasions.

MR. SHILLINGTON: — Mr. Minister, you knew they were there. You knew they were unemployed people. That's your responsibility as a minister. Were you in any sense curious about what they were saying? Did it ever occur to you, you might want to wander out and listen to what they had to say about something that's your responsibility?

HON. MR. McLAREN: — Mr. Speaker, I'm meeting with them on an ongoing basis. Any time that they wish to come into my office and see me, we will sit down with them and, as I said in the past, I have already done that.

MR. SHILLINGTON: — Mr. Minister, will you just at least have the dignity to admit that you were afraid to go out and meet them, and you did not want to hear what they had to say? Will you admit that it was fear . . . Will you admit that it was fear and not stupidity which kept you from that delegation?

HON. MR. McLAREN: — The answer, Mr. Speaker, is no. I've got an open-door policy and I'll speak to them any time that they want to come and speak to me.

SOME HON. MEMBERS: — Hear, hear!

MR. SHILLINGTON: — Mr. Minister, I am curious . . . new question, Mr. Speaker. I am curious about your open-door policy because it is my understanding that you and other of your cabinet colleagues have cancelled meetings with trade unionists who want to talk to you about The Trade Union Act, and have postponed it until Monday. Is that accurate? Have you postponed meetings with trade unionists from this week until next week?

HON. MR. McLAREN: — Mr. Speaker, the answer is no. The group were here several weeks ago. Who went out into the rotunda and talked to them out there? I did. And as I said previously, I'll speak to the group any time they wish to come in and see me.

Proposed Water-slide Park

MR. KOSKIE: — Mr. Speaker, I direct a question to the Minister of Economic Development and Trade. Mr. Minister, you were asked on page 2339 of *Hansard* whether the water-slide scene park to be constructed near Regina would in fact be proceeding, and at that time you indicated:

. . . 'When the weather warms up.' I have no reason to believe that it won't proceed. I have been informed that there was apparently some problem at one point on finance, but it's been resolved (and) as I understand it . . . it's going ahead.

Can the minister confirm whether that is indeed accurate?

HON. MR. ROUSSEAU: — Mr. Speaker, as a matter of fact, yes. I can. I had a meeting today at 1:30 with the principals of the water-slide. And contrary to the news report that the member is quoting from or referring to, the project is far from being dead. The project, as a matter of fact, will very likely go ahead, but it may be late for this year. It's possible the construction could start this year, however, and as I indicated to the member earlier, there has been some finance problems and work is being done in this area at this time.

MR. KOSKIE: — Supplemental, Mr. Speaker. I'd like to ask the minister whether in fact any new investors have been found in respect to promoting the project — any new investors.

HON. MR. ROUSSEAU: — Mr. Speaker, It's not for me to indicate who they're looking for for investors. The individuals are from the private sector. The individuals are private entrepreneurs and they have indicated that the investors are still interested and still very much anxious to see the project move ahead, and whether or not they have new investors or the same ones is something that I can't answer. You'd have to ask the principals involved in the project.

MR. KOSKIE: — One further supplemental. At the time that you advised the House that it was proceeding, were you assured at that time that the finances were in fact in place and would be proceeding? When you indicated to this House that it would be proceeding, that I can read to you your answer, as I have, you indicated that:

. . . 'When the weather warms up.' I have no reason to believe that it won't proceed.'

At that stage, when you indicated to this House that it was proceeding, can you indicate

whether the finances were in fact available and that the principal investors were proceeding with the project?

HON. MR. ROUSSEAU: — Well, Mr. Speaker, he answered his question, that's right. I had no reason to believe that it wouldn't proceed at the time, and that hasn't changed. At that time I had no reason to believe that it would or that it would not proceed. As of today I have no reason, again, to believe that it will not proceed based on the conversation, discussions I had earlier today. As I indicated, I don't know whether it will proceed this year. Hopefully construction . . . (inaudible interjection) . . .

If you had been listening you would have heard me say it a minute ago. Take the wax out of your ears. Mr. Speaker, as I indicated, I don't know whether it will proceed this year or not. Hopefully they will begin construction on it this year providing further problems don't come about on the financing. I'm not going to lay out the program or the plans for the member until it's firm and finalized, and if he wants to wait until that time, I'll give him further details at that time.

MR. KOSKIE: — A new question to the minister, Mr. Speaker. I would have expected that the minister, when he was giving information to the House, would in fact have had the facts. I want to ask a new question. In respect to the water-slide park, it's indicated the park is put on hold because of lack of investors. And one Mr. Bill Hicke had this to say:

If we build it this year, I'll be the most surprised guy in North America. The Saskatchewan Securities Commission gave investors an extension to get the financing in place, but the group wasn't able to get the money together (Hicke said).

And what I want to indicate, this is immediately after the minister advised the House that it was in fact going to be proceeding 'as soon as it warmed up.' I want to ask you: how does that square with the answer and the misinformation that you gave us in the House?

HON. MR. ROUSSEAU: — Well, Mr. Speaker, I gave no misinformation to the member in the House. I gave him the information as I had it at the time. When I heard the report last week —the news media report on the project being put on hold with problems — I contacted two of the principals and had a meeting with two of those principals today in my office. And the members have indicated . . . Those two members have indicated to me that they are quite anxious to proceed with the project. There are still problems, and they are business men. They understand these things, and I have offered our assistance whatever way we can help, including financing if necessary. So, my department acted in a proper responsible way, Mr. Speaker, in contacting these individuals when it was discovered and learned that in fact they were putting the project on hold. We've made contact with them. We've discussed it today. The project is hopefully going to proceed, and is certainly not dead as the member indicates opposite.

MR. KOSKIE: — Supplemental. I have here a release by the minister which Mr. Minister, in part says that:

Construction will begin early 1983 at an estimated cost of \$2.5 million. Expected completion date is July 1, 1983.

Now, when you make these press releases, do you in fact have the information? Is it firm, or is it just some public relations and a statement which has no basis of facts? I mean, this is a statement that you made to the people of Saskatchewan and in the press

release, that it would be the completion date, July 1, 1983. Is that press release inaccurate, as most of your statements?

HON. MR. ROUSSEAU: — Mr. Speaker, based on the information that I had at the time, that was indeed very accurate. But the members opposite can't understand sometimes that plans do change in business, in government, and for the purpose, Mr. Speaker, of doing a little research on this, I'm going to take notice of that particular question today so that I can research the number of projects that they announced that we're still waiting for. I know a few of them.

Omissions from New Travel Guide

MR. LINGENFELTER: — A question to the Minister of Tourism and Small Business. I would like to ask the minister: in light of the fact that the new hotel and motel guide which was released recently includes about 345 less communities than the Saskatchewan Travel Guide of 1982 — and doesn't include such insignificant towns, I suppose he would say, as Batoche, Dinsmore, Lampman, Midale, Unity, Uranium City, Tisdale, Whitewood — can the minister inform me whether the motels and hotels in these communities have closed down since 1982? Or what is the reason that you have chosen not to include them in your new booklet which is put out this year by Sask Travel — the 345 communities — why are they not included this year?

HON. MR. McLEOD: — Mr. Speaker, the hotels association . . . My understanding is that the hotels association has been asking for a number of years for a rating system to come into effect in the hotels business. What we've adopted is what they have asked for, and each hotel and motel operator in the province was asked to rate themselves according to a certain scale that was set out there. Those that responded — and that was very clear to all of them through their own membership in the hotels association as I understand it — and it was very clear to them if they responded to that, they would be included, and if not, they wouldn't be, and that's where it is.

MR. LINGENFELTER: — Well, Mr. Minister, are you saying that these 345 communities are no longer a part of the promised tourism boom which you and your government have talked about so much? This is not an insignificant group of towns — 345 towns in a brochure which is not only used in the province but in the United States and other provinces. I think that the phone calls we are getting would indicate they're not pleased at being left out, and would you consider redoing the booklet and including these 345 towns in the brochure, which is spread throughout Canada and the United States?

HON. MR. McLEOD: — Well, I would be very interested, Mr. Speaker, in the number of calls that the opposition member suggests that he has had, because I don't believe that he would have had very many, if he had those. We have been monitoring it very carefully. It was certainly something that we came up with, that we were concerned about at the stage of printing. The hotels people in the province have said this is the route that they would like to go. We have said to the hotels people, 'This is the route we will go. We'll give it a try and see what happens.' And that's where it sits.

MR. ENGEL: — Mr. Speaker, I have a new question for the Minister of Tourism and Small Business. Talking about tourism, is it possible that you're familiar with the condition of the Red Coat Trail, and consequently don't include the towns along 13 highway, or why is it that all these towns that have that nice new red sign — and the sign looks good — are not included in this list of towns? Is that the reason why you've ignored them? If it's not the Red Coat Trail, then maybe it's at Willow Bunch that you don't want people to

come down and visit the museum and the little park down there. At St. Victor they've got a park, and hieroglyphics and Indian antiques that are worth seeing. And those are not included. Why are these towns left out?

HON. MR. McLEOD: — Mr. Speaker, I gave the answer to the hon. member's colleague. I would suggest that your question would be better put to the hotels and motel operators in the communities that you suggest, because they, through their association, agreed to the method that we have used, and if they chose, as individual hotel operators, not to be involved in it, that was totally up to them, and that's where it sits.

MR. ENGEL: — Mr. Minister, I think that is the weakest argument I've ever heard. Here we have a minister that's printing a hotel guide, and is putting out a book on hotels and motels, and is he telling me, are you telling me that a small one-man hotel operation like the Lafleche Hotel, or a small hotel like the Wood Mountain hotel, or a small hotel like the Willow Bunch hotel, has to read all this mail that comes out, and because they didn't qualify you wipe them out of the book? Is this what you're saying — that they need all this additional red tape, and have to fill forms to qualify? Why didn't you send a form out and say, 'Those of you that send your names, that don't want to be in the book, well, we'll leave you out? Why didn't you do it the other way? Why didn't you do it that way? But why make them apply to get in? And it looks to me as though Mossbank . . . I could go down the list and every town in my riding, Mr. Speaker, has been left out of this book. And I think it's ridiculous.

HON. MR. McLEOD: — Well, Mr. Speaker, the method that we went to was one that was under a good deal of discussion for a good period of time, at least two or three years — has been for about two or three years. So it's not brand-new. The hotels association has been asking for this. The one-man hotel operation that you speak about is probably a member of the hotels association that has been asking for this on their behalf. We have said, 'Yes, we'll go ahead with that. We'll see what happens.' You will find that if there is a hue and cry from hotel owners out there, which I don't believe there has been because we haven't heard of it so far — one or two calls about all — I would suggest that next year there will be a much bigger motel and hotel guide, and I will also say one more thing, and the one thing we have heard from hotel owners in this province is that this hotel and motel guide is more complete and a better nature than any one that has ever been put out before.

SOME HON. MEMBERS: — Hear, hear!

ORDERS OF THE DAY

COMMITTEE OF FINANCE

CONSOLIDATED FUND BUDGETARY EXPENDITURE

PUBLIC SERVICE COMMISSION

Ordinary Expenditure — Vote 33

Item 1 (continued)

MR. LINGENFELTER: — Mr. Minister, there were a few questions which I neglected to ask when we first started out. One was a list of your personal staff. And it could be that the previous line of questioning has given that information to us. If not, would you send

me across a list of your personal staff in your office, along with the salaries that you pay to them? And I would also like a list of the increases that they have received since they have been taken on.

HON. MR. ANDREW: — I'll undertake to send that over as I did in the Department of Finance, and any increases that they have according.

MR. LINGENFELTER: — Thank you, Mr. Minister. I wasn't quite clear whether or not . . . I thought a list had been asked for. I didn't know whether salaries were included, and increases in salaries.

On another issue, of a similar nature though, I wonder if you could give me the salaries of your top officials in your department. That would be the people who would be with you here today.

HON. MR. ANDREW: — We would undertake to deliver that just as we did in The Department of Finance. I believe we did that last time in estimates for Public Service Commission. We'll do that again.

MR. LINGENFELTER: — On the issue of people who have been dismissed, I wonder in the list that you gave out the other day, the name of Julie Campbell, who had been the administrator at, I believe the Wolseley — Indian Head or Wolseley — the Wolseley hospital, I guess it was, the nursing home; can you tell me whether or not there is an appeal in process? I don't want the details of it, understand that, but I would like to know whether or not there is an appeal process under way in regards to that dismissal.

HON. MR. ANDREW: — Yes, there's an appeal in process, received April 22, 1983, and I'd wish not to comment any further than that.

AN HON. MEMBER: — Can you give me that date again?

HON. MR. ANDREW: — April 22, 1983.

MR. LINGENFELTER: — Yes, on a similar issue the name Sharon Young will be known to you as the individual who was transferred from P.A. to Regina and, in questioning in the House, the minister, I believe of government services at the time, said no appeal had been launched. And I wonder whether that is still the status of this individual, or whether an appeal has been started by the individual, and if that case has been heard and, if so, if you could tell me the outcome of the hearing.

HON. MR. ANDREW: — Well, that particular person is in scope, and therefore it's a grievance as opposed to an out of scope.

MR. LINGENFELTER: — But can you inform me whether a grievance has been filed and, if so, if it has been brought to some sort of a reasonable conclusion?

HON. MR. ANDREW: — She has filed a grievance, and I understand it's not been resolved at this point in time.

MR. LINGENFELTER: — Well, there's been a good number of grievances and that sort of thing happening in the past year. I wonder if you have a list of active grievances which are before you at the present time. I don't want a lot of detail, but can you give me the

numbers in the two areas? You mentioned there's the two different areas, and if you'll give me a list of those that are pending before you at the present time.

HON. MR. ANDREW: — I'm advised that there's approximately 387 in total, of which between 200 and 250 are holdovers from the previous administration, grievances filed against the commission when they were in government.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, yesterday I had asked with respect to dismissals in respect of which settlements had not been arrived at, and it was suggested that that information might be available a little later. And I'll ask now whether you have that available.

HON. MR. ANDREW: — Mr. Chairman, I'm advised that the total number of OCs terminated was 77. The number settled is 70. The amount of severance payment is 1.27 million. The average severance is 18.151.

The ones that have not settled and suing are: Harvey Abells is suing; Kenneth Neil is suing; Louis Roy is suing; Paul Dudgeon is still negotiating; Maura Gillis has agreed to severance payment and waiting for release of the other seven; Howard McMaster is still negotiating; Robert Sass has agreed to severance payment awaiting for a release of the other seven.

HON. MR. BLAKENEY: — Mr. Chairman, Mr. Minister, when you say 'waiting for release of the other seven,' I don't quite understand that and would be pleased if you would make that a little clearer for me.

HON. MR. ANDREW: — As I understand, we're just simply waiting for his release to come back to us and that would finalize the situation. I'm sorry if I misled you there.

HON. MR. BLAKENEY: — So that, in effect, you have three or four that are before the courts . . .

HON. MR. ANDREW: — Three before the courts and two still negotiating and basically two have settled.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, there are from time to time stories about additional dismissals, and I am now referring to one of about two months ago, perhaps two and a half months ago now, which quotes the minister as saying that . . . He talked about 1.3 million in severance payments, etc., and he said:

The figure could grow with the possibility of more dismissals in a major reorganization of government expected to be announced within a month.

We now have had what I take to be the major reorganization of government then being referred to, and I should say this is dated March 2. Could the minister indicate whether or not there is a likelihood of a significant number of dismissals arising out of the reorganization?

HON. MR. ANDREW: — Okay. With regards to dismissals arising solely out of reorganization, apparently they haven't really had any. I suppose you blend that in with the budget and certain areas being worked on with regard to the budget, and there has been some people that have been terminated because of their particular program being chopped.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, does the minister have a figure of the number of employees who were displaced by reorganization or budget cuts and who did not find alternative employment in the government sector? And I am now referring to employees who are within the ambit of the Public Service Commission and not inquiring about power corporation and other Crowns, unless the minister happened to have that information available.

HON. MR. ANDREW: — I am advised that as a result of the budget — and that's where all of them are attributable to, is the budget — a total of 487 positions of which 385 were vacant positions, and therefore no person suffered as a result of that. The encumbered positions was 102. The breakdown of that was union positions were 65 and management positions were 37. So that's a significant, I think, proportion relative to previous budget cuts that were taken out of the management side as opposed to out of the in-scope side.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, does the Public Service Commission have any responsibility for superannuation administration, or is that all over in Revenue and Financial Services?

HON. MR. ANDREW: — It's under PEBA and that now reports to the Minister of Revenue and Financial Services.

Item 1 agreed to.

Item 2

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, I might have asked this question on item 1. I note that with respect to items 1, 2, and 3, there are some relatively significant, in relative terms, increases in staff — 7 and 4 and 2, or perhaps 12 people in all in those three managerial areas of the Public Service Commission, and I know that the contrary there are eight fewer positions in communications. Does this come about because of a reorganization, or are there in fact more people engaged in administration and employee relations and staff training as that was done a year ago?

HON. MR. ANDREW: — It's primarily a reorganization.

Item 2 agreed to.

Items 3 to 6 inclusive agreed to.

Item 7

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, special programs unit I note is new, and I believe you advised us yesterday that that was the heading under which the persons formerly employed by the women's division of the Department of Labour were employed. Can the minister outline who are the people who serve the special programs unit, and what are their functions?

HON. MR. ANDREW: — Okay. With regards to the special program dealing with — it came over from Labour — with regard to the women was Twigg, Edwards, Bickley and Coombe, with two vacancies. Department Services is Hodgins, Kimbley, Wall and Ryan.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, what sort of functions do they perform? You've already indicated that they carry on the affirmative action programs. Do they carry on any other functions on behalf of the commission?

HON. MR. ANDREW: — Well, it's primarily affirmative action dealing with women, dealing with the native employment within government, and dealing with the employment within government of the handicapped. That's primarily their function.

Item 7 agreed to.

Vote 33 agreed to.

CONSOLIDATED FUND BUDGETARY EXPENDITURE PROVINCIAL AUDITOR

Ordinary Expenditure — Vote 28

Item 1

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, I don't know whether the minister wishes me to go on now, but I want to ask about the staffing of the Provincial Auditor and the reasons for the decision to reduce the staff by five.

HON. MR. ANDREW: — Okay, the question, as I take it, so Mr. Lutz can hear the question, is: what was the reason for the reduction of the staff in the Provincial Auditor's office by five positions?

HON. MR. BLAKENEY: — Right.

MR. CHAIRMAN: — Would the minister introduce his officials, please?

HON. MR. ANDREW: — This is the Provincial Secretary . . . Provincial Auditor, sorry. And Mr. Bucknall and Mr. Fred Wendel.

MR. CHAIRMAN: — Thank you.

HON. MR. ANDREW: — How was it arrived at is the normal way. I suppose the auditor went to the treasury board, and the treasury board looked and said, 'Well, they can probably get by with fewer positions.' And I suppose that's how it was arrived at.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, the Provincial Auditor, in the course of his reports over the last several years, has placed some emphasis on the fact that his agency was not overstaffed, if I might put it at its lowest. In fact he indicated that his people were under a good deal of pressure with respect to the performance of their duties with 72 people. I wonder whether the minister would comment on how it is proposed that the job be done with five people less than the previous number, which as I recall the Provincial Auditor's comments, he did not feel was in any sense overstaffing.

HON. MR. ANDREW: — My understanding and recollection was that with the reorganization of departments, etc., that that would in fact be sufficient. I would tend to want to answer that question more so this way, if I could, Mr. Chairman, is that in the

event that the Provincial Auditor would see that number of staffing is inappropriate, then I think its number one, within his mandate, and probably within his obligation, to in fact bring that to the attention of this legislature in his report. I would hope that that be the case, that he would bring that to the public accounts committee, and hopefully the public accounts committee would make in their report to this legislature that there was in fact not enough, that it was understaffed, and use that mechanism. I find it rather uncomfortable sitting here trying to defend and look for advice from the Provincial Auditor with regard to this whole question. And I think it better coming from him through that committee then through me to the finance committee.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, I am inclined to agree with the minister's last comments. It is clearly a little difficult to direct questions, and the Provincial Auditor finds himself in a small conflict of interest. He really wishes to argue for what he, doubtless, considers to be adequate staff to report to the legislature, and on the other hand he wishes to be a diligent public servant in a sense serving the minister of the Crown through whom he reports — I don't say that he is responsible to, but through whom he reports — and therefore wishes to supply information which would be helpful to the minister. There's a little bit of a conflict there.

I would therefore take the minister's comments to be an invitation —that may put it too strongly—but an indication that the minister and his government would take no objection to the Provincial Auditor including in his report a provision with respect to staffing, and his comments on the adequacy of staffing, and in effect set out in his report in a way to invite the public accounts committee to address that question if they felt that it ought to be addressed, and if the Provincial Auditor had indicated that in his judgement it should be addressed. I take that from the minister's comment and I would ask him to make a brief statement.

HON. MR. ANDREW: — I think that's exactly what I said. I think that in my experience in the public accounts committee one of the first questions one asks of the Provincial Auditor is, 'How is your staff component this year? Do you have enough people to in fact get the job done?' That question I would think would normally be asked. In any public accounts that I've been involved it has been asked, and it should then be reported back to the legislature if that fact is not appropriate. If Mr. Lutz finds that 67 positions is not enough, then certainly I as Minister of Finance would be prepared to do what I could do to ensure that his staffing did not come to the point of weakening his office, that he couldn't effectively do his job.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, it would occur to me that a major reorganization of government is going to mean more work rather than less for the Provincial Auditor, at least for a year, until all of the accounts were reorganized on the new basis. It may well be that the result would be accounts which would be more easily audited. It may well be the other. But that is at least a possibility. But it seems to me that the reorganization, per se, would put extra pressures on the auditor, and I therefore am surprised that a substantial governmental reorganization would be accompanied by a reduction in the staff of the auditor in this year. I'm not suggesting — we could argue that another time — that it might not produce long-term economies. I would have thought that there's no way it could produce the need for fewer staff this year, when a whole number of accounts have to be blended and reorganized.

I want to ask the minister a question which I earlier opened up with him, and this had to

do with the role of the Provincial Auditor and the role of the private sector auditors who are auditing Crown corporations. And the question I ask now is: are there any other agencies of government that are audited by private sector auditors other than some of the Crown corporations which report through the CIC, or to CIC? Are there any other but some of the commercial Crowns?

HON. MR. ANDREW: — I'm advised that they do not do the community colleges; some of the legal aid — I think they do two legal aid clinics; and some of the local housing authority under Saskatchewan Housing Corporation. Other than the . . . And then the five resource Crowns: potash, uranium, oil, minerals, and forest products.

HON. MR. BLAKENEY: — I'm always unclear as to the role and the responsibility of the Provincial Auditor with respect to agencies such as the Western Development Museum, or such as, let us say, the community colleges. And I'm wondering whether the auditor assumes it to be his responsibility to either — let's say, take the audits, the community colleges — either audit the community colleges or supervise the audit in a very general way in the way that he supervises in a general way the audit of the five resource Crowns to which we referred.

HON. MR. ANDREW: — Under the new legislation that this legislature passed, the legislation now provides the auditor with setting the rules or the guide-lines by which a private sector auditor would do the audit. That applies not only to the Crown corporations, but to the community colleges, the legal aid, and the housing authorities, as well as the Crown corporations. So those rules or guide-lines now would be imposed by the Provincial Auditor on the outside auditors doing that work.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, how is it determined what is a government agency? I take it, say, a union hospital board is for these purposes clearly not a government agency. A community college, which is somewhat similarly organized but not the same since the board is appointed by the Lieutenant-Governor in Council unlike the hospital board, is, I take it then, a government agency. Western Development Museum, I guess, which has a board appointed by the Lieutenant-Governor, will be a government agency, I assume. Do we have a way of determining whether or not the Provincial Auditor is responsible for what I might term the fringe agencies who are financed basically by grants from the province, but have other sources of income, e.g., tuition fees in the case of the community college, or entrance fees in the case of Western Development Museum?

HON. MR. ANDREW: — Well, I suppose what the hon. member is asking me for is to further define the definition in the definition section of The Provincial Auditor Act, which goes through and sets out what a Crown agency is. I find that it's somewhat of a difficult legal interpretation for me to make. I suppose that what we would see is common sense within those rules would apply. If there became a dispute with regard to that question, ultimately I suppose the courts would have to be the people that would determine in that grey area as to what is and what is not.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, I'll put it this way. The distinction of the division is to be made in accordance with the provisions set out in the new Provincial Auditor's act, and at least up to now no difficulties are anticipated in deciding on which side of the line a particular grant-receiving agency falls.

HON. MR. ANDREW: — I am advised by Mr. Lutz that they haven't at this point in time found any. I suppose that's not to say that it's not possible that they will not down the

road, and I suppose we'll have to cross that bridge when they come to it, with regard to that.

MR. KOSKIE: — I just want to address a couple questions to the minister, and I know, Mr. Minister, that you have established the new auditor's act, and dealing with the estimates here. And I would just like to ask you: since you are establishing an act of the legislature for the auditor, why you did not in fact go another step to introduce comprehensive auditing as an area that you had a great amount of emotions in it; so much emotions, that I recall as chairman of the public accounts committee, that you resigned from it — resigned from the committee.

Here you have an opportunity to put your commitments into action, and I wonder whether it's a new realization that you can say one thing while you're in opposition, at the time when you never expected being in the government, and now suddenly when you have the responsibilities placed upon your shoulder that you are indeed shying away from an area which you were so, apparently, deeply committed. I ask you: why the hesitancy, now that you could indeed present a comprehensive auditing? You have indicated to us that another Tory government in Ontario has it, the federal government . . .

Recently, there was an editorial in the *Leader-Post* indicating that indeed to dismiss it, that comprehensive auditing does not have a role to play and does not indeed contribute to better accountability, should not be dismissed as you apparently are dismissing it now. And really what I want to say is it's a very strange reaction from a minister who was so totally committed to comprehensive auditing, and committed to what we have heard so often, 'open government.'

What concerns me now is the attitude of your government, Mr. Minister. We've heard so much about comprehensive auditing, and the need for it, and the accountability that it would give. We've heard so much about having television in committees of public accounts and Crown corporations, and the openness and the need for the openness of government. And now I fear what is happening is that there is a new realization or reluctance on your part, to in fact take a step forward which you in fact were propounding so strenuously in the past. And all I can say is that either it was an act on your part when you were chairman, and resigned on what you indicated was a point of principle . . . and so I would ask you to enlighten the public as to what is your stance in respect to the implementation of comprehensive auditing?

HON. MR. ANDREW: — Number one, back in history when I resigned from the public accounts committee. I along with the then member from Moose Jaw North, Mr. Skoberg, a member of the NDP, and the vice-chairman of the public accounts committee — the resignation did not happen because the government did not proceed with comprehensive audit. The reason for the resignation of both myself and Mr. Skoberg was because of the fact that the committee, through the majority of the government at that time, would not allow the committee, through the majority of the government at that time, would not allow the committee to hear the views of various people with regard to comprehensive audit.

What we were concerned about, both Mr. Skoberg and myself, was not the comprehensive audit, because Skoberg was against comprehensive audit. The concern was that the committee was not being allowed . . . After it had agreed, it was not then being allowed because of the majority of government stepping in and saying, 'No, you cannot call J.J. Macdonell as a witness to this committee. No, you cannot call the late Robert Andras to this committee' But I felt that it could serve the committee well to hear the views of people that had brought in that particular program. I might indicate that since our election, I'm aware of the fact that the public accounts

committee has in fact called now the Auditor General of Canada, Mr. Dye. It called in fact myself, as now the Minister of Finance, before that committee. What I resigned for, and the reason John Skoberg resigned, is because of the inability of the committee to be able to hear witnesses.

The member talks about irresponsible statements, and finally found the reason for his questioning. He sees the opposition's role, I take it — from what I could read into what he is saying — that they have a licence to be irresponsible. That is what I understood him to say — that he can be irresponsible — and I guess I finally had an admission from the member opposite that his statements have, in the last while, been irresponsible, and I wasn't of the mistaken view that I was the only guy that thought that way. I'm glad that we both think now the same with regard to that particular issue.

With regard to answering the question on comprehensive audit, there are two or three different forms or definitions of comprehensive audit. I wonder, prior to answering that question, if you could define for me what you mean by comprehensive audit and then I can try to answer the question.

MR. KOSKIE: — I think, Mr. Chairman, not to delay the disagreement over facts, I think that what I was saying in respect to the minister is that, in my view, he was acting in one way while he was in opposition, that is advocating a comprehensive auditing, and now that he is in government when he has the opportunity — the power — to do something, he is sitting on the sidelines and is being hesitant. And what I am saying is that one can draw from that conclusion that what he was saying in opposition was really just whistling in the wind, not expecting to be ever in the position of power to implement it.

More importantly, in respect to comprehensive auditing, you know, if you want me to spend an afternoon in defining it . . . But I think you were in the committee and it dealt with the accountability of comprehensive auditing. You have called in some of the so-called experts. The disagreement that we had in the past, when you took your candy and went home from the committee, at that time it wasn't a question of calling witnesses in respect to comprehensive auditing. It was a question of the timetable, and who would come first, and in what order, and that was the basic disagreement there. But I think that I'd like to ask the minister: is he in fact prepared to proceed with comprehensive auditing? And I would ask him to outline what he intends and means by the terminology of comprehensive auditing as it would apply.

HON. MR. ANDREW: — The reason I was asking that question . . . I guess I forgot that you were in the committee at that time, as well. Lloyd Johnson, who's no longer with us, as well . . . He was the member from Turtleford. His comment with regard to comprehensive auditing was as follows:

When I was a boy going to school I went to a comprehensive high school, and I think that was a great mistake made by governments, and I was against comprehensive high schools, and I'm against comprehensive auditing.

Now, I'm just wondering if your definition was the same as that member when he was sitting on the committee.

With regards to the question of what have we done with regard to the auditor, I suggest that, number one, that we have made a large number of steps towards improving the lot of both the public accounts committee and the Provincial Auditor. We have opened the

public accounts committee up to the media. I think what we're finding in that media is exactly what I used to say when I was in opposition: that you would have it open up for a few weeks, and you would have a lot of media attention to it, and then it would slow down and there would be very, very few media people covering the public accounts. That's still my view, that you're probably going to find that type of situation. That's the experience that every other jurisdiction across the country has had with regard to the opening of public accounts. And I think that the step has been made. It was a step resisted by the previous administration for a variety of reasons that were not valid. But that was their position.

We now have introduced into this Assembly and passed through this Assembly unanimously a new Provincial Auditor act — something that the Provincial Auditor has been calling for for a number of years within this jurisdiction. And in that act we're also setting out various new rules governing the Provincial Auditor, one being that the auditor's report will now be tabled through the Speaker as opposed to being tabled through the Minister of Finance. The salary of the Provincial Auditor can no longer be set in the closed doors of cabinet office where the views of cabinet with regard to their favour or disfavour of the Provincial Auditor could have a bearing on what his salary increase would be. That is now outside of the power of the cabinet any longer. I suggest there's been many improvements made with regards to that. I suggest that we have as good an act as anybody across the country at this point in time with regard to comprehensive audit.

Why I ask for the definition of the member opposite — my understanding and interpretation of the act is that should the Provincial Auditor at this point in time wish to make comment with regard to the economies or to the effectiveness of a given program within that definition that the accounting community would understand provincial auditing to be. With the independence firmly established now, I believe that he can make moves with regards to that area. Whether or not we should increase the staffing component of the Provincial Auditor, as the Ottawa people have done, to three- or four-fold of what it was before, one has to ask oneself, 'Has that been an effective vehicle in Ottawa with regards to that?'

I asked several members of that committee when I . . . I think if you read the verbatim of the public accounts committee held last summer as to the effectiveness of comprehensive audit in the Ottawa model, I think many members of the committee were of the view, once they heard the opinions or the definitions or the explanations of the present chairman of the public accounts, or the then-chairman — I don't know whether he still is or not — of Mr. Dye, of a couple of other people, they were not really impressed with the concept to increase that number of staff component to do a particular new system of audit, would in fact pay dividends, and that the five-year period in the federal government has not been near successful as many people hoped it would be. And I suppose from that point of view, I would, to a degree, have amended my views with regard to that concept. Now I believe it can be moved in, I believe the Provincial Auditor can do some of that type of work right now, and certainly his mandate. I believe, is strong enough now that he can comment on areas that perhaps otherwise before he would have been reluctant to comment on.

MR. KOSKIE: — Well, certainly the minister is hedging as much as possible to avoid the answer. And what I want to ask you is: have you a timetable for the implementation of comprehensive auditing, including the necessary staff complement for the auditor to carry it out? Have you a timetable?

HON. MR. ANDREW: — Do we have a timetable? I suppose — . . . You know, I don't have the ability to sort of dictate whether this particular stuff goes through or doesn't go through. So you're asking me as to when I would see it coming in. I would say, if I can be as definitive as possible, I would say that you will see comprehensive audit in this province before the government changes, and a new government replaces this one.

MR. KOSKIE: — All I want to comment and close it, that you should start acting fast.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, with respect to the issue of comprehensive auditing, as the minister well knows, there are three or four definitions — all of them more or less similar — but one of them involves the government setting out in its budget papers, or other documents, the objectives it seeks to achieve. That's one approach to comprehensive auditing. And then the auditor, when he is commenting upon the effectiveness and getting good value for the money — which are the standards against which he presumably does his commenting — has the government's view of the objective sought to be achieved set out for him. Certainly the auditor doesn't want to get into the business of deciding whether a particular objective should be pursued. That's not his function. His function only is to say: given that that's the road you decided to go down, did you get down there with the minimum cost and the maximum effect?

I am asking the minister whether or not he is giving any consideration for any agencies of government to set out the objectives in a sufficiently precise way so that the Provincial Auditor could measure the efficiency and the effectiveness of the expenditure of the moneys voted in achieving the objectives so defined by the government and the legislature.

HON. MR. ANDREW: — There is a government-wide approach right now to try to come to grips with the whole question of productivity. And I think as the hon. member will know, that is, that can, in the public sector, sometimes be a difficult creature to get one's hands on. Nevertheless, it's still, I think, a laudable area to try to pursue, and I think by the very nature of productivity one has to basically come to that very determination of what is this program really designed to do, set out the objectives and how are we getting to it and how can we get to it more effectively and deliver that more effectively.

And I think that's . . . I would hope that would be a goal of all governments across this country, given the tight economic times, given the budgetary situations, the deficit situations — I would hope that all would seek ways of doing that and interchange any areas that have been effective or less effective for various people. We hope to pursue that. It's not something that can be done overnight or it's not something that can be done with a whim. We do have a committee that's headed by Gordon Dirks but also most of the senior deputies are participating in and trying to grapple with that problem.

So a long about answer to the hon. member's question is that I believe that the productivity gauge, if you like, will start to do that, and from there perhaps we can proceed further into gauging productivity or for the Provincial Auditor to comment on productivity and productivity gains. I think it's a worthwhile exercise for the public servant to be able to have that type of a mechanism by which he can gauge himself. His counterpart, I suppose, in the private sector can be judged easier on the basis that what did the bottom line of the balance sheet or the income statement say at the end of a given fiscal period. That's more difficult for government to do, particularly for areas in

what we might call the softer areas of Health, Social Services, Education, that type of thing.

So given that, we are trying to come to grips with that problem, trying to define those areas. But having said that, it's an area that requires a great deal of work, a great deal of thought and probably a great deal of debate within the public sector.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, I wish the government every good fortune in defining, in arriving at productivity measures, particularly on the soft side, and this is not to suggest that it shouldn't be tried. I'm just saying that it is really more difficult than appears at first blush. And indeed it is in the private sector and any large organization as well. It's easy enough to assess the performance of the entire organization, but for a given segment of it, whether the PR branch of VIA Rail is carrying its freight will be a judgement call as opposed to an arithmetic measurement. The question I ask the minister is whether or not the work in arriving at productivity measures has proceeded to the extent anywhere, anywhere in anything that could be called the soft-side area, to the extent that the government will be publishing measures of output — if I may put it this way? The government can very easily measure the inputs. Productivity is getting the most units of output for the least units of input, in a crude oversimplification. We don't have any difficulty measuring the inputs; there're not too many. We have lots of difficulty measuring the units of output. And I'm wondering whether in any area we have reached the stage where the government can indicate how it's measuring the units of output of the Department of Education or any agency of the Department of Education.

HON. MR. ANDREW: — Well, I suppose you've identified the same thing that I referred to as the difficulty of a problem that would say the billion-odd dollars that you allocate to the Department of Health, is it being delivered in the most productive way to the people? You know, on that one you could go around and chase your tail for a long time, and the same with Social Services. I suppose it becomes easier in a program like a \$3,000 housing grant program, where you see a fair significant take-up by it. Those types of things are easier to measure and gauge — more difficult in the area of health care, and the soft-side areas that consume two-thirds of your budget as well. It's a difficult problem, and it's a problem that has to be done with a certain degree of care.

Certainly, I think, if we come upon a system that works better, and is innovative in a given area, we would probably be prepared to share that with as many people as we possibly could. But until such time, I don't know of any . . . And I'm not on that committee. I don't know of any intentions at this point in time to do any publishing with it. I would hope some time down the road they would, though.

Item 1 agreed to.

Vote 28 agreed to.

CONSOLIDATED FUND BUDGETARY EXPENDITURE

THE SASKATCHEWAN ASSESSMENT AUTHORITY

Ordinary Expenditures — Vote 44

Item 1

MR. CHAIRMAN: — Would the minister introduce his officials?

HON. MR. ANDREW: — Yeah, the officials of the Saskatchewan Assessment Authority are Nick Rudrick, Don Bennett, and Laura Joorisity.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, I wonder if the minister would give us a statement on the present state of reassessments, and more particularly . . . I will give a statement, and it will assist the minister in knowing what I'm talking about. There have been, in many instances, people upset about reassessments, and we'll come to that in a moment. One of the reasons why they're upset is that there has been a long interval between the reassessment and the last time they were reassessed, with the result that the changes in the evaluations are startling — sometimes three and a half, four times what the previous figures were, and perhaps even more than that. I've got some figures of that order, and that comes about because of the long gap.

A few years ago, the hope was expressed that we could get on a 10-year cycle for RMs, and with that in mind, some additional staff were added; the assessment authority was set up.

The first question . . . I'll ask a few questions along this line, but the first question is: are we catching up or falling behind? Are we narrowing the gap, so that the reassessments are going to be on a cycle of 12 years or 14 years, or are we in fact widening the gap, so we're looking at 17 or 18?

HON. MR. ANDREW: — I am advised that they are approximately 75 per cent completed — the reassessment in urban Saskatchewan — and about 60 per cent in rural Saskatchewan. Their hope would be to get on to the next assessment in 1985.

I agree with the member opposite that the problem has been a long-standing problem. Exactly how we come and resolve and arrive at this one, I suspect that the hon. member made reference to the concern, being it's been so long since they'd been reassessed.

I think if really you got down to the biggest concern is that the person out there that owns property, he just doesn't like the idea of seeing his taxes go up. Quite frankly, he couldn't care less whether it was reassessed last year or 50 years before that. He is concerned that taxes are probably too high. And quite frankly, the gentlemen and ladies in assessment authority have, I suppose, one of the most thankless jobs in all government, to go around and put assessment and value on property so that local government can assess property taxes.

It's been a long-standing problem, I suppose, that hasn't got any worse. I suppose the question could also be asked: has it got any better? And I would probably say, other than that the computer system that hopefully would be up and running this year will expedite things a bit — and I don't take credit for that — but it hasn't probably improved that significantly over the way it was run under the previous administration.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, I think that under the previous administration there was an improvement in later years from bad to not so bad, and I'm not suggesting that all was well. I'm just suggesting that steps had been taken, and perhaps I can ask the question this way: you suggest that there's going to be a new cycle started in 1985, if I understood what you're saying; what is anticipated with respect to that cycle? More particularly, when you reassess an RM or a town in 1985, when will it have last been reassessed? What will the gap be? What will the cycle be?

HON. MR. ANDREW: — The previous cycle was started in '74-75, and if we're able to complete the remaining 25 in urbans and the remaining 40 in rurals, that would be a 10-year cycle. I understood both from the hon. member and from the local governments involved that they would be happy with the 10-year cycle, or that that would be at least a targeted area to try to shoot for.

HON. MR. BLAKENEY: — Well, Mr. Chairman and Mr. Minister, I am pleased to hear that, because I think that at least up to now, the view of SARM and SUMA has been that a 10-year cycle was all that the situation would require. And I then ask the minister: do I understand him to say that it is believed that when the work is done between 1983 and 1985, by 1985 there is every prospect we would be on a 10-year cycle for both urbans and rurals, or close to it, give or take a year — it'll take a year.

HON. MR. ANDREW: — I would say that would be true, give or take a year. And for the hon. member from Quill Lakes, we'll try to get it done as fast as we can, but I can't give ultimate commitment it will be done at such and such a date of such and such a year.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, I haven't had many complaints, but the ones I have had have been shrill, if I may put it that way. And it's never been clear to me why it should matter very much whether people had their property reassessed so far as municipal taxes are concerned, or school taxes are concerned, providing the entire area is reassessed. But clearly in Moose Jaw two or three years ago, whenever that dust-up was, it did have an effect and it had an effect because the relative assessment of commercial property and residential property was changed.

In the course of the reassessments, is it frequent that the relative position of commercial property and residential property changes significantly, or are they all revalued about the same?

HON. MR. ANDREW: — Apparently the market ratios are reflected into that with regards to a city, and I'm fully cognizant on the problem you have. The people in Saskatoon say that Moose Jaw is assessed this way and it's wrong; and Moose Jaw are saying Saskatoon is assessed this way and it's wrong; and never the two do meet. And I suspect never will they meet probably, that we come to a system that is satisfactory to all, other than to say that everybody seeks after that compromise situation. As I say, the people of the assessment authority obviously have a very difficult job, and I'm sure every time your phone rings with a high shrill they have 10 to 15 of them the same way. So, as I say, as a function of government it's not one that you end up with a lot of bouquets on.

HON. MR. BLAKENEY: — Well, Mr. Chairman, I have an area that I'd like to explore here a bit, and this has to do with the relative assessment in a city like Regina of downtown business property versus suburban business property. And I have had occasion to look at some of those figures and the figures are really quite startling, or they startled me at least. I took the 18 block Hamilton Street in Regina and I took all of the properties fronting on the 18 block Hamilton Street from the lane on the back of the . . . on the east side of the 18 block to the lane on the west side. And I added up all of the assessment for both land and buildings — and there are some valuable buildings there — and I found that to be greater than the combined land and buildings assessment of the Northgate shopping centre, the Southland shopping centre and the Golden Mile shopping centre combined.

It struck me . . . And I was doing this in order to try to ascertain one of the reasons why suburban shopping was so attractive from the point of view of the business person, i.e., why he sought the suburban location, and why he was able to get a great tract of land out there with parking and still not have a very, very high tax. I thought, well, great horns and spoons, if you can have an acre of land in the city limits you must be paying an arm and a leg. Not so compared with the downtown land assessments and building assessments. I'm now speaking from memory and could be wrong, but it seemed to me at that time that the old Simpson building at the south-east corner of 11th and Hamilton, land and buildings, had a higher assessment than the Golden Mile shopping centre, all in. Those struck me as really curious, and encouraging a certain suburban development and militating against downtown development.

I wonder whether or not the minister can advise whether or not any of the assessment practices which are now being introduced had the effect of placing a higher assessment on what is proving to be valuable suburban commercial land and a relatively lower assessment on downtown commercial land. I'd expect the downtown land to be a good deal higher per square foot still, of course, but not it must be many, many times higher per square foot — many, many times.

HON. MR. ANDREW: — I'm advised that they're in the final stages of addressing that reassessment in the city of Regina, and that one might recognize that problem that you raised, and that one might expect to see some corrective measures being done to address that situation.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, I am pleased to hear that since I think that it's important that we don't, by the accident of assessment, direct development in a particular way, to a major extent, when we are proceeding with other policies in the other direction. No one objects to some urban shopping centres. They perform an excellent function. We would certainly wish them . . . If they weren't there we would need some measures to get them there. But to the same extent, we also need a downtown core. And they are competing merchants frequently, and there ought to be some more equity — as I would term it equity — in the relative taxes they bear. And the downtown location simply does not command the commercial advantage which it did when we were thinking in these terms years ago. The shopping by car with a parking lot is a very substantial commercial advantage now, and accordingly that, I think, ought to be reflected in the value we put on the properties for assessment purposes.

I change the subject now and ask one other question — one other kind of question. And this may not be properly addressed to you, and if it's not, I know you'll advise me. This has to do with the situation, particularly in school units, when a portion of the area is reassessed and the other is not, and someone arrives at something called an equalized assessment on which school grants are calculated and other grants which are based upon assessment. There's some of that with respect to municipal grants as well. They have an equalization factor, and they will depend upon the taxable assessment available to municipalities. And for those purposes there must be a comparability.

And I am asking whether or not the assessment commission is the agency which attempts to arrive at what the education people say to me as equalized assessment, as between one rural area of the province and another rural area of the province. I'm not now talking about an attempt to equate rural with urban assessment. I'm aware of that insoluble problem, or theoretically impossible problem. But one rural area with another

rural area, one of which has been recently reassessed, and the other which has not.

HON. MR. ANDREW: — The basic authority for that is Rural and Urban Affairs and Education delegate down to Saskatchewan Assessment Authority, who collectively sort of tries to come to grips with that particular problem. The problem pointed out is clearly a problem we're facing today. And how you, I suppose expedite the problem, is the . . . I suppose the simplest solution would be if all the boundaries were the same. In a nice utopian world, we could get it all done at one time, but I don't think that will come to place for a while. We try to develop a formula that works the best as we possibly can. We try to get the rural areas, where possible, to fit within that school unit area, and being assessed at a given time. That's probably the only workable solution at this point in time. But other than that, it's a problem the hon. member raises, and the equalization formula becomes difficult to work.

HON. MR. BLAKENEY: — But it is the assessment commission which says, all right, this half or the north half of Ajax school unit has reassessed, and the south half has not. On average, when it was reassessed, it moved up the assessments by 2.8 times, so then we'll move the lower half up by 2.8 times, and go whatever method is used, but some method of coming up with an equalized assessment. It's the assessment authority that does it?

HON. MR. ANDREW: — Yes.

HON. MR. BLAKENEY: — May I compliment them, if I may say so, because with respect to school grants, I've heard remarkably few complaints from people who say that our school grants are not . . . 'We have been diddled because were reassessed and the others weren't' . . . once it's explained on the equalized assessment. There's lots of problems with respect to rural and urban, that the town. . . The mill rate is too high or our assessment is . . . the town pays too much or too little. There's no way to solve that because the town people always argue that they're paying far too much for the value of their property compared with the value of that rural property — and rural people always say, 'We're paying far too much for school purposes. On a per capita basis we're playing twice as much as the towns.' And there's no solution to that, and there never will be. But the other is at least theoretically possible. And I was wondering who was doing it. And it will get progressively less of a problem if the cycle gets shorter, and particularly if land doesn't go up in value so fast as it did in the 1970s. So perhaps we're going to get our way out of this one. Are there any particular problems in this area? Do you anticipate — I'm asking a different question now — do you anticipate problems of the kind that arose in Moose Jaw, because of what amounted to a fairly sharp change in the relative value of the commercial property and residential property? Are you anticipating that happening in any other city. More particularly, are you anticipating it happening in Regina?

HON. MR. ANDREW: — I suppose, in response to that, it's difficult to assess just exactly what that impact is going to be. The officials from the department, along with Mr. Embury, the Legislative Secretary, to my office, has been meeting with both the cities of Saskatoon and Regina and trying to collectively see how it will impact, and where the problems might be and not be, and how they could deal with those given problems. So try to, I suppose, anticipate the problem and hope to alleviate some of the problem if that's possible.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, a short question. When do you expect that this problem may become apparent in Regina?

HON. MR. ANDREW: — It probably won't happen this year.

MR. KOSKIE: — Yes, I have a couple of questions, Mr. Chairman. In respect to having the Saskatchewan assessment authority under the Department of Finance, I was wondering whether in reorganization whether you have anticipated a move from the Department of Finance, say, to Consumer and Commercial Affairs, or to the Urban Affairs and a branch in the Rural Affairs; or has it been working out satisfactorily under the Department of Finance? I was just wondering whether you had any anticipation of a change.

HON. MR. ANDREW: — There isn't a lot of ministers lining up to take it. I understand the history of it was that it was in Urban Affairs, and then they were bickering with Rural Affairs, and they were bickering with Education, and ultimately it was moved to Finance because they were the great soothers of all problems in government, and therefore Finance ended up with the problem. No, I would say that we hadn't given any thought to allocating it to a different minister at this point in time, and those decisions tend to be made by the Premier, and I think if he's going to make that type of announcement I would tend to wait and see what he says.

MR. KOSKIE: — Just in respect to the problem of carrying it out within that 10-year period that you're indicating, have you analyzed and determined the staffing needs of whether it should be increased for the work of the assessing?

HON. MR. ANDREW: — Yeah, we're looking at that question now as to whether or not our staffing is, in fact, sufficient or not, and we haven't come to a final resolve whether or not there should be more staff to it or not; so I think we would be probably coming to resolve on that problem within a month's time.

MR. KOSKIE: — And you indicated that in the rural you had about 60 per cent completed. I was wondering if the minister could provide me — and not today — but a list of all the RMs which have, indeed, been reassessed; the year in which they were in fact reassessed, and to provide me with a list of the 40 per cent of the RMs which are not to date assessed.

HON. MR. ANDREW: — We can provide that. They don't have it with them, but it's something they can prepare and send to you.

Item 1 agreed to.

Items 2 and 3 agreed to.

Vote 44 agreed to.

MR. CHAIRMAN: — I'd like to thank the minister and his officials.

Resolutions

HON. MR. ANDREW: — Mr. Chairman, I move:

Resolved, that toward making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending March 31, 1984, the sum of \$1,954,081,630 be granted out of the

Consolidated Fund.

Resolution agreed to.

HON. MR. ANDREW: — From the heritage fund:

Resolved, that toward making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending March 31, 1984, the sum of \$476,074,000 be granted out of the Saskatchewan Heritage Fund, which is eight-twelfths making twelve-twelfths.

Resolution agreed to.

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

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Sandberg that Bill No. 54 — **An Act to amend The Business Corporations Act** be now read a second time.

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. McLeod that Bill No. 58 — **An Act respecting Local Government in Northern Saskatchewan** be now read a second time.

MR. YEW: — Thank you very much, Mr. Speaker. I welcome the opportunity to speak in second date regarding Bill No. 58 regarding local government for northern Saskatchewan. As all members review this bill, and the government's different policies and programs for the people of northern Saskatchewan, I believe it is important that we recognize the unique features of the North, of northern Saskatchewan, and how it has developed. First we must recognize that geographical features of the North are different, and so then its settlement patterns and economic bases are as unique.

These facts of course, Mr. Speaker, were fully recognized by the NDP government, the former administration, and for 11 positive and productive years that government followed a coherent development strategy for northern Saskatchewan. And that development strategy, Mr. Speaker, produced results. There were many major improvements in health care facilities; many, many new educational facilities and programs; roads, bridges, air fields, and communication systems to break down the barriers of social isolation for many of those communities were developed under the former administration. And development of responsible political organizations at the local municipal level as well were developed, Mr. Speaker.

A strategy for development, Mr. Speaker; a strategy for financial commitments with political commitments; a strategy with results, positive results.

The approach of the Tory government opposite, I'm sorry, Mr. Speaker, is a very different one. To be sure, they talk about a vision for northern Saskatchewan. They talk about development. They talk about programs for the North, but clearly, Mr. Speaker, it's all talk with little action —with very little action. Last year, Mr. Speaker, the Conservatives told the people of Saskatchewan, and the people of northern Saskatchewan, that they had a new vision for northern Saskatchewan. They talked about a very new economic development plan. Unfortunately that new vision has turned out to be a nightmare for the people of the North. The Tories have cancelled plans for a new hospital for La Ronge. They have cut back severely on all new transportation projects. They have not moved at all to settle outstanding treaty land entitlement claims. They have abandoned, Mr. Speaker, the previous administration's stringent surface lease land policies which sought to ensure northern employment in northern projects. Their new surface lease agreement at Rabbit Lake is poor and is weak.

In short, Mr. Speaker, this Tory government has abandoned the people of northern Saskatchewan and has betrayed them. In his second reading remarks on this bill, Mr. Speaker, the minister made three major points. He spoke of economic self-sufficiency for the northern people; he spoke about consultation with Northerners; and he spoke of northern local government responsibility. I should like to talk very briefly, Mr. Speaker, on each of these issues.

First, the minister claims that this policy is to make northern people economically self-sufficient. Now clearly, Mr. Speaker, no one can disagree. No one in this House can disagree with that as a worthy goal, but has this policy worked? I say no. I say that this Assembly cannot deny the fact that it hasn't worked so far. So far it has meant a complete failure, Mr. Speaker, and there are now far more people in the North dependent on welfare than ever before. Unemployment has sky-rocketed 30-some-odd per cent than was there by the former administration. The open for business policy has failed for northern Saskatchewan.

Second, the minister spoke about consultation. Again, this is a noble goal and no one can deny that, Mr. Speaker, but I should like the minister to explain to this Assembly, to the people of northern Saskatchewan, to all local governments in the North, just how extensively he has consulted on this bill now in front of us, Bill No. 58. Has he explained to northern people how this bill differs from the earlier bill introduced in December? Has he consulted with them about those revisions, and the reasons for those revisions? Did he circulate draft copies of this bill in northern Saskatchewan before introducing it in here last week?

Finally, Mr. Speaker, the minister spoke about the importance of responsible local government in northern Saskatchewan — once again, a very noble goal. The minister seems to forget, Mr. Speaker, that for anyone to have real, meaningful responsibility, whether it be a provincial government, a local government or a private person, there must be the means to act. In order for a local municipal council to be responsible and to act responsibly, it must have the means, the financial means, the economic base, to be responsible, in fact. That, Mr. Speaker, is where we see this Conservative government at its worst.

Take the concept of northern revenue sharing, for example. In theory, it's an excellent idea, an idea developed by the NDP government when it was in office. But while this Tory government, Mr. Speaker, talks about revenue sharing, they cut back on funds available at the same time. In the NDP's last budget, for example, Mr. Speaker, there

was more than \$6.5 million budgeted for northern revenue sharing — more than \$6.5 million, Mr. Speaker, for northern local governments, for northern communities, not counting any capital project funds. As soon as they took office, however, Mr. Speaker, the Tory government cut back that \$6.5 million to only \$4.9 million, a cut of 25 per cent, Mr. Speaker. Even in this most recent budget, Mr. Speaker, there is still only \$4.9 million for revenue sharing, a long ways short of the 6.5 million budgeted by the former administration more than a year ago.

Thus, Mr. Speaker, we clearly see that when this government talks about responsible government for the North, it is just that — talk and no action. This government refuses to provide a truly adequate financial base for effective responsibility by Northerners in their own local governments.

In conclusion, Mr. Speaker, I would therefore like to make three final points. As all members of this Assembly know, northern people need a new legal framework for northern local government. That process was started many months ago by the former administration, by the NDP government, and that positive features of this bill were developed then.

Secondly, Mr. Speaker, I must stress that the people of northern Saskatchewan resent the way that the minister has prepared this latest bill without consultation with those that are affected. They resent the government using its delay tactics as blackmail in order to have the bill passed quickly at the end of a long session.

Finally, Mr. Speaker, I would like to say to the government opposite, the people of northern Saskatchewan need leadership by a positive committed government. Because of their inaction, their neglect and their poor policies, they are feeling helpless and abandoned by this government.

The Conservative Party misled the people of the North last year, Mr. Speaker. The Conservative government should not be betraying those people now. They need an economic base, just the same as every other community in this province. And it is with these comments, Mr. Speaker, that I indicate that I shall be supporting this bill in principle at this stage, although there are questions which will better wait until the committee takes into account the final reading. With that, Mr. Speaker, I thank you.

HON. MR. McLEOD: — Minister of Northern Saskatchewan, Mr. Speaker.

I would just say in very brief comments to close debate on second reading, Mr. Speaker, a couple of things in reply. As the hon. member from Cumberland has said, there can be some much more detailed discussion in committee of the whole. I would say that as far as his charge about us not consulting and not providing copies of the bill to the local elected people in northern Saskatchewan, Bill 61, as it was known in the last session (the hon. member is very aware of this), bill 61 which is in essence the same bill and there are some changes, and we can go into those. We will go into those changes in detail later. But that bill was distributed widely to all locally elected government officials in northern Saskatchewan at that time.

What I have been hearing from local elected people in northern Saskatchewan is: introduce the bill as quickly as possible once the amendments that are necessary are incorporated. They have been incorporated; the bill has been introduced. So I find it really surprising from the member representing that area of the province to say . . .

Certainly, some of his criticisms are some of the same criticisms that he's made for some time, and they relate very little to this particular bill.

But I would say that as far as to say that there's been no consultation, the consultation that we've had has said to us, 'Introduce this bill as quickly as possible.' One other very short point, he mentions that the former government budgeted — I think he used the word 'budgeted' — \$6.5 million for local government in the North. We have said \$4.9 million in this particular budget, and this particular bill will provide for a revenue-sharing formula, but will provide \$4.9 million to northern Saskatchewan.

One of the things that's very, very important to remember here is that the regional government concept that was a part of what the former administration saw as a part of local government in northern Saskatchewan is conspicuous by its absence in this bill, Mr. Speaker, and for very good reason. Because I, as Minister of Northern Saskatchewan, and we, as a Conservative government in this province, see no reason whatever for the regional government concept that was suggested by my predecessor and that member's former employer in DNS, who thought that the Minister of Northern Saskatchewan and the government had to have control through the regional government concept, and maintain control over local government autonomy. That's not what we see. It's conspicuous by its absence, as I've said. And of course the \$10 million that was provided for that — it was the \$10 million or thereabouts provided for regional governments — that is no longer necessary because the concept goes by the board.

And with those very few remarks, Mr. Speaker, I would move second reading.

SOME HON. MEMBERS: — Hear, hear!

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Andrew that Bill No. 51 — **An Act to amend The Oil and Gas Conservation Act** be now read a second time.

HON. MR. BLAKENEY: — Mr. Speaker, I want to add a few words to the debate on this bill — the bill dealing with the Oil and Gas Conservation Act and amending it. It will be, I think, a convenience to the House if I add a few words on The Public Utilities Companies Act in the course of my remarks, since they are linked.

The Oil and Gas Conservation Act is being changed to provide authority under that act for the regulation of the wellhead price of natural gas, and that authority is being removed from The Public Utilities Companies Act. It has by and large not been used since the great bulk of natural gas sold in this province has been purchased by the Saskatchewan Power Corporation. And that has been purchased outside the ambit of The Public Utilities Companies Act. I have not checked whether or not the relatively small amount of gas that is sold from the Steelman field is covered by The Public Utilities Companies Act. But even there I think the act is not being used to regulate the price at which the gas which is found in solution and is taken out of the oil down in the south-east corner is produced in association with oil production. I'm not sure that that is marketed through The Public Utilities Companies Act.

So what in effect we're dealing with is the issue of who should price the natural gas which is sold at the wellhead by producers, now to the Saskatchewan Power Corporation very largely, but perhaps in the future to other purchasers.

The Public Utilities Companies Act provided a method whereby a board — in this case the board which we know as the Local Government Board, I think acting under some other name, but the same people and organization — set the price. And the effect of the new bill is to say that there will not be a board but that it will be set by order in council. And the effect of that, Mr. Speaker, is to set a pricing mechanism whereby the person who must take the price (who is the purchaser, the price-taker, to use the minister's words) must accept the price set by the Lieutenant-Governor in Council, and will not have any opportunity to make any representations.

It is the precise reverse of the public utilities review commission. The government opposite takes the position that, let us say, the price of natural gas which is sold to the consumer ought not to be set by the Crown or the governor or the cabinet or the Lieutenant-Governor in Council, but should be set by a public utilities review commission — a commission to which representatives of the public can make presentations, and which board performs something of a quasi-judicial function. At least it hears several sides — the provider of the service, the consumer of the service — and sets a price.

And that was the arrangement under The Public Utilities Companies Act in so far — or it would be the arrangement — in so far as natural gas was sold to anybody other than the Crown. This is now being swept away, and the arrangement is going to be that natural gas that is sold — the price is going to be set by the Crown and not by any independent board. It is, as I say, a precise reverse of the position of the government with respect to the setting of the retail price of natural gas.

I don't know why the government takes the view that when it comes to the retail price of natural gas it should be an administer or tribunal where both producer and consumer, or buyer and seller, can make their case and it can be set by an impartial board. But when we're talking about the wellhead price of natural gas, quite the reverse is true, and whereas we now have a public utilities review apparatus for setting that price, that shall be swept away and it shall now be done by the Crown.

I am baffled as to know the reasons for it. In the current circumstances it will make no particular difference. Since the purchaser has been, by and large, the Saskatchewan Power Corporation, the vendor of natural gas has been effectively in the position of selling to the power corporation at the price that the power corporation was willing to pay, or not selling his gas. That was his effective position. Now it's going to be his legal position. He will simply have to sell at the amount set by the Crown. I think that in principle it's a bad bill; in principle, I think it's not a good idea to say to a producer of natural gas or oil or potash, or any other commodity, 'Thou shalt sell your product at the amount set by the cabinet, period.'

There is no talk of having any opportunity to appeal to any tribunal and certainly no talk of being able to bargain in any effective way, for the Crown is simply going to set the price. This by the government opposite which wants to get rid of regulations and certainly they . . . and this is the bill brought forward . . . (inaudible interjection) . . . The member for Souris-Cannington suggests that he had used arguments similar to the one I'm using. He is now indicating that all his arguments then were faulty. And judging from the arguments that he has advanced more recently, I can understand why he would reach the conclusion that his arguments then and now are faulty.

The point I wish to make is that in principle it's a bad idea to pass a bill which says that

any producer of natural gas must sell his product at the price set by the Crown. And I'm surprised that members opposite don't think that's a bad idea in principle. I'm surprised that members opposite would say that any producer of a natural resource would necessarily have to sell the product at the price set by the Crown without any board, without any opportunity to make a case, without any ability to explain to the Crown or the cabinet what his costs were, and what he needed in order to get a fair recovery.

I do not think that the consequences will be earth-shaking since at least for the foreseeable future the circumstances are likely to be that natural gas will continue to be sold largely to the Saskatchewan Power Corporation. But to the extent that that is not true, the bill produces an improper and undesirable result — a result whereby the producer has removed from him the opportunity to make his case before the public utilities companies . . . under The Public Utilities Companies Act, before the local government board, and must take the price set by the Crown.

Therefore, while I think it is a situation which may not arise in the immediate future, since I think that it is unlikely that there will be large export sales of gas in the immediate future, I find the bill to be unacceptable in principle, and I propose to oppose the bill.

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Andrew that Bill No. 50 — **An Act to amend The Public Utilities Companies Act** be now read a second time.

HON. MR. BLAKENEY: — Mr. Speaker, I am similarly going to oppose Bill No. 50, an Act to amend The Public Utilities Companies Act, the act which takes away from producers of natural gas the opportunity to have their price set, not by the cabinet, but by a body which has some semblance of impartiality. And it is not in any way a derogation from the esteem with which the cabinet is held, to suggest that it is not an impartial body. It doesn't purport to be a quasi-judicial body setting prices in accordance with the principles which would be applied under The Public Utilities Companies Act.

I have put forward my arguments more extensively, Mr. Speaker, in the earlier debate on the act to amend The Oil and Gas Conservation Act, and accordingly, will not repeat them here except to say that the procedure under The Public Utilities Companies Act was a fairer and more reasonable procedure, from the point of view of the gas producer, than the new procedure, and accordingly, I will oppose the bill.

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

SECOND READINGS

Bill No. 59 — An Act to amend The Property Improvement Grant Act

HON. MR. BERNTSON: — Mr. Speaker, by leave of the Assembly, I move, seconded by the Minister of Finance:

That the order for second reading of Bill No. 59, An Act to amend The Property Improvement Grant Act, be discharged, and the bill referred to the

standing committee on non-controversial bills.

Motion agreed to.

Bill No. 60 — An Act to amend The Senior Citizens School Tax Rebate Act

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

That the order for second reading of Bill No. 60, An Act to amend The Senior Citizens School Tax Rebate Act, be discharged, and the bill referred to the standing committee on non-controversial bills.

Motion agreed to.

Bill No. 62 — An Act to amend The Saskatchewan Farm Ownership Act

HON. MR. BERNTSON: — Mr. Speaker, I wish to announce that this government intends to further restrict acquisitions of agricultural land by non-resident individuals and non-agricultural corporations under the provisions of The Saskatchewan Farm Ownership Act. This will serve as notice that amendments will be effective as of today. This is being done to ensure that non-resident persons and non-agricultural corporations do not involve themselves in activities inconsistent with the proposed amendments before this Assembly has had time to consider this matter.

The government will be asking the legislature to approve amendments to The Saskatchewan Farm Ownership Act intended to forestall the use of limited partnerships as a vehicle for the acquisition of large tracts of agricultural land by non-resident persons and non-agricultural corporations. The amendment this government is proposing also includes a provision which provides the Saskatchewan Farm Ownership Board with the authority to recommend the laying of an information for an offence against the provisions of the act within a period of two years following the day of an alleged offence. This additional protection is essential to ensure that our land is, and remains, owned and controlled by the people who rely upon the agricultural industry as a means of livelihood.

Our rich and abundant supply of agricultural land is our most important resource and forms the basis of our most important industry. The use of our land and the development of the agricultural industry has been largely responsible for the prosperity we enjoy today, Mr. Speaker, the people of Saskatchewan and this government will not stand by and watch the ownership and control of our agricultural land, gradually or otherwise, shift into the hands of individuals and companies to be used only as a commodity.

Since May 6, 1980 the farm ownership act allows purchases of agricultural land to a maximum of 10 acres by non-residents of Saskatchewan and corporations that are not primarily engaged in agricultural production. Land legally acquired and held by non-residents of Saskatchewan prior to May 6, 1980 does not have to be disposed of under the provisions of the farm ownership act. Non-agricultural corporations that acquired agricultural land prior to May 6, 1980 are required to dispose of the land held in excess of 10 acres before January 1, 1994.

To ensure that farmers can maintain their farmlands and pass those lands on to their

children and relatives, exemptions are provided in the act. The farm ownership act provides the farm ownership board with the authority to grant exemptions to non-resident individuals and non-agricultural corporations in cases where circumstances justify a lenient approach. We have discovered, however, that the limitations imposed by the act do not contemplate the interest of limited partners in a limited partnership which owns or has an interest in agricultural land in Saskatchewan. Consequently, Mr. Speaker, non-resident persons and non-resident agricultural corporations are unrestricted in their ability to invest in agricultural lands in the province through the use of limited partnerships, and therefore are able to speculate in agricultural land.

We have also discovered that the current six months limitation of action under The Summary Offences Procedure Act has resulted in the jurisdiction being lost in several cases where violations of provisions of the act have occurred.

Methods of obtaining interest in agricultural land by non-eligible individuals and corporations include title transfers, agreements for sale, options to purchase, and lease agreements. Interest required, other than by title transfer, are often difficult to detect and have resulted in violations occurring that have not come to our attention prior to the expiration of the six months limitation of action.

Mr. Speaker, permit me to cite examples which indicate a keen interest in the speculative value of our farmland by non-resident individuals and non-agricultural corporations.

AN HON. MEMBER: — How things change.

HON. MR. BERNTSON: — Effective March 31 . . . And we said the same thing when we were over there. Effective March 31, 1974, non-resident individuals were permitted under the act to have or acquire an aggregate land holding in Saskatchewan not exceeding 15,000 assessed value for municipal taxation purposes. Non-agricultural corporations were permitted to have or acquire an aggregate land holding not to exceed 160 acres. Amendments effective September 15, 1977, reduced the minimum allowable limit for non-resident individuals from 15,000 assessed value for municipal taxation purposes to 160 acres. The 160-acre limitation on non-agricultural corporations remained unchanged.

In 1977 non-residents acquired title to 139,652 acres. In 1978 it was 121,058, and a further 108,058 in 1979. In 15 rural municipalities surrounding Regina, Indian Head and Weyburn primarily foreign individuals acquired title to lands in excess of 53,000 acres — 53,000 acres of some of the most highly productive grain-producing land in Saskatchewan. In addition, Mr. Speaker, foreign-controlled corporations have acquired title to another 10,000 acres in these same municipalities. The amendments I am proposing will prevent further land acquisition by speculative interests through the use of limited partnerships. The amendments I am proposing will also provide a sufficient time period to commence court proceedings against individuals and corporations found deliberately violating the act's provisions.

Mr. Speaker, this government feels that it's not sufficient to restrict interests of non-resident individuals and non-resident agricultural corporations who wish to invest in Saskatchewan farmlands, by means of limited partnerships, to the current 10-acre maximum.

We believe that non-residents and non-agricultural corporations participating in limited partnerships should not be allowed to acquire interests in agricultural land in Saskatchewan. A limited partnership may be established with a general partner who is a resident person, or an agricultural corporation and an unregulated number of limited partnerships.

Mr. Speaker, should the investor be allowed to acquire a 10-acre interest in agricultural land, conceivably 100 could acquire an interest in 1,000 acres, 200 could acquire an interest in 2,000 acres, and so on, through investing in a limited partnership. Thus the entire capital of the partnership may be provided by non-eligible individuals or corporations, should a 10-acre maximum interest in agricultural land be allowed.

Where non-resident persons, or non-agricultural corporations, invest in a limited partnership, which own or acquire land in this province, the control of the land will be in the hands of persons or corporations who will not be spending a major portion of their time in the area of production, and will not be spending a major portion of their income in this province, income which has been generated by Saskatchewan agricultural industry. The proposed amendments, Mr. Speaker, will prevent extensive involvement by non-resident persons and non-agricultural corporations in the agriculture land market through the use of limited partnerships.

Mr. Speaker, the people of Saskatchewan are the custodians of a rich and abundant supply of land, land which will generate food production for the world, both now and in the future.

Mr. Speaker, these are not the only amendments that will be offered to The Saskatchewan Farm Ownership Act. These are the amendments that we are offering now to plug up an existing hole, to comply so that the spirit of the act can in fact be enforced. Our Premier has indicated in the past that he has some concerns with the act, particularly as it relates to the definition of 'resident,' and they will be dealt with at some later time. I therefore, Mr. Speaker, move second reading of a bill to amend The Saskatchewan Farm Ownership Act.

MR. LINGENFELTER: — Mr. Speaker, I only want to say a couple of words on this, and I will be adjourning the debate so my colleague from Assiniboia will have a chance to speak on this bill. But it's interesting how times have changed, and part of the reason I want to adjourn it, as well, is to search the record for what I believe will be some interesting comments made, possibly not by the Minister of Agriculture, but others of his caucus, when they were in opposition when the farm ownership act was originally brought in, and the limits were not the acreage that it is now, but were 160 acres. I believe, at that time, there were some statements made that will make interesting reading and interesting listening, because I think that there was a little opposition to restricting the land to 160 acres that could be owned by foreigners and non-residents.

And I just want to take time to search the record for words of the now Minister of Justice to see whether or not he will be in agreement, and it'll be interesting to see whether he's in the House for the vote on second reading of this very important closing of a loophole. And I'm glad that the minister — and I want to say sincerely — I'm glad that you are closing this loophole and also glad that you had those notes written down, because I'm sure they would not have flown from your lips had they not been entrenched on a piece of paper.

For these reasons, Mr. Speaker, I beg leave to adjourn the debate to another day.

Debate adjourned.

Bill No. 63 — An Act to amend The Rural Municipality Act

HON. MR. BERNTSON: — Mr. Speaker, by leave of the Assembly, I move, seconded by the Minister of Finance:

That the order for second reading of Bill No. 63, An Act to amend The Rural Municipality Act, be discharged and the bill referred to the standing committee on non-controversial bills.

Motion agreed to.

Bill No. 64 — An Act to amend The Municipal Revenue Sharing Act (No. 2)

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. 64, An Act to amend The Municipal Revenue Sharing Act (No. 2), be discharged and the bill referred to the standing committee on non-controversial bills.

Motion agreed to.

Bill No. 65 — An Act to amend The Western Development Museum Act

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. 65, an Act to amend The Western Development Museum Act, be discharged and the bill referred to the standing committee on non-controversial bills.

Motion agreed to.

Bill No. 66 — An Act to amend the Statute Law

HON. MR. BERNTSON: — Mr. Speaker, I move, by leave of the Assembly, seconded by the Minister of Finance:

That the order for second reading of Bill No. 66, An Act to amend the Statute Law, be discharged and the bill referred to the standing committee on non-controversial bills.

Motion agreed to.

Bill No. 71 — An Act to amend The Exemptions Act

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. 71, An Act to amend The Exemptions Act, be discharged and the bill referred to a standing committee on non-controversial bills.

Motion agreed to.

Bill No. 72 — An Act to amend The Homesteads Act

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. 72, An Act to amend The Homesteads Act, be discharged and the bill referred to a standing committee on non-controversial bills.

Motion agreed to.

Bill No. 74 — An Act to amend The Small Claims Enforcement Act

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. 74, An Act to amend The Small Claims Enforcement Act, be discharged and the bill referred to the standing committee on non-controversial bills.

Motion agreed to.

Bill No. 76 — An Act to amend The Regulations Act

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. 76, An Act to amend The Regulations Act, be discharged and the bill referred to the standing committee on non-controversial bills.

Motion agreed to.

The Assembly adjourned at 4:52 p.m.