

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
June 2, 1983

EVENING SESSION

COMMITTEE OF THE WHOLE

Bill No. 85 — An Act to amend The Superannuation (Supplementary Provisions) Act

Clause 1

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

HON. MR. ANDREW: — I think everybody knows the officials.

MR. LINGENFELTER: — Mr. Chairman, and Mr. Minister, this bill very basically, as mentioned by my colleague from Regina Centre, looking back here in the second reading speeches, goes some distance to add some money — not a great deal — to those people who are affected by the superannuation act, and have attained the great age of 65 and retired, and we would have hoped that the minister in his wisdom and generosity would have been able to come forward with a more generous allowance.

But I think that having said in second reading that we will be supporting this bill, I find very little in it that we are going to have a great deal of difficulty to argue about, or to get in a big fight about. So we will not be opposing this, and probably can get on with passing it.

HON. MR. ANDREW: — I suppose, you know, it's easy to perhaps give additional moneys to people, to carry people retired. One would always like to do that. I can say that the increase is 6 and 6.4 per cent this year, which is very close to the rate of inflation. For the last several years, the increases have been very close to 6 per cent as well. And of course inflation has been significantly higher than it is today.

So we felt that this particular legislation in this particular year was, relative to what's happened in the last five or six years, reasonably generous. It's a cost of approximately \$1.5 million. I think what it sets out, perhaps more than anything, is the significant problems this government faces — but I think what it sets out, perhaps more than anything, is the significant problems this -government face — with regard to pension plans, and particularly older pension plans that did not anticipate the amount of inflation that we've seen in the world of, certainly, the last ten years. Many of them are significant questions being raised as to whether or not there will be money 65 years from now to in fact do what they're supposed to do. That's a large problem. We think that this is certainly not the solution to the entire problem, but it's a solution that's been used in this province for the last 10 years and we're simply continuing with it in hope for a resolve of the far larger problem.

MR. LINGENFELTER: — I agree with the minister that the whole pension problem throughout Canada — it's not unique to Saskatchewan, either — the whole problem associated with people who are attempting to live on something, having put money into a pension plan, expecting to have a living wage, and finding out that they have very, very little indeed when it comes to retire, is a problem. I hope that the minister who is bringing this bill through will do what he can at the federal level to see that a meaningful pension scheme and reforms to the pension plan, especially where it affects women

who are probably the most ill affected by the present pension plans that we have, that he will take a lead role in this. But that will remain to be seen.

He mentions that it would cost \$1.5 million — this amendment. I wonder if he could also inform me: how many individuals will be affected? And also if you would give me the — you mentioned that over the last five years that this fits in well into the range — if you would give me some numbers for the last two or three years as to how many people were affected and the amount of dollars that would be affected as well.

HON. MR. ANDREW: — We will undertake to have that mailed to you, if that is satisfactory, rather than being able to provide it tonight. Much of this is done, not by the Department of Finance, but as you know by PEBA (Public Employees Benefit Agency). We will pass that request on to them and I think that they're perfectly prepared to provide virtually any information you want in that regard and we will undertake to do what we can there.

Clause 1 agreed to.

Clauses 2 to 7 inclusive agreed to.

The committee agreed to report the bill.

Bill No. 87 — An Act to amend The Horned Cattle Purchases Act

Clause 1

MR. LINGENFELTER: — Mr. Chairman and Mr. Minister, in going through this bill as well, I don't think that there's any problem with it with the exception of one section. And you have assured us that we will be dealing with that in Bill 88, I believe, where some of the protection which had been provided before for those cattle producers and agricultural society, 4-H, and on and on . . . That this will be picked up in a section in Bill 88, and therefore I will leave questions on that part until we get to that bill.

The one question that I do want to ask, and maybe you can . . . if you don't have it at your fingertips, you'll send it to me. I know that you are extending the number of representatives on the horned cattle purchase advisory committee. Can you tell me what kind of remuneration these individuals get, and travel allowance and that sort of thing?

HON. MR. BERNTSON: — I don't have it at my fingertips, but I have no objection to forwarding it to you.

MR. LINGENFELTER: — The other thing that I would like, Mr. Minister, is . . . I know the list of individuals you probably don't have with you, as well, tonight, but if you would get me the list of people who make up the advisory committee, then I don't think I'll have any problems with the bill.

HON. MR. BERNTSON: — Yes, we'll forward that to you as well.

Clause 1 agreed to.

Clauses 2 to 6 inclusive agreed to.

The committee agreed to report the bill.

Bill No. 88 — An Act to amend The Animal Products Act

Clause 1

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

HON. MR. BERNTSON: — Yes, Bob May from the Department of Agriculture.

MR. LINGENFELTER: — I would like to the minister to outline in some detail, if he would, the provision for the protection which was taken out of Bill 87 and put into 88. If he would outline his version of how that is being replaced and how these farmers and agricultural societies and 4-H's, for examples, are being protected. He will know that the number of bankruptcies, both here in the province of Saskatchewan and other places in Canada, is rising terrifically and I think it's only appropriate that that section of the act, if anything, be reinforced and increased, rather than done away with.

HON. MR. BERNTSON: — Okay, in section 5 the Minister of Finance may establish a fund to be called the livestock patrons' protection fund. In section 6, the advisory committee — 16.1, new 16.1, the advisory committee and all that — okay, what we are going to provide for there is: where cattle or horses are offered for sale to a market operator, a levy to be negotiated for each head of cattle or horses shall be paid by the producer offering the animals for sale, the market operator accepting the animals for sale, and the purchaser of the animals. And that's going to set up a fund similar . . . That's patterned after the Ontario model where they've also suffered similar losses, in fact maybe even greater losses, due to bankruptcies and leaving the producer holding the bag. And we've had the same thing here in Saskatchewan and that fund, in addition to the \$25,000 bonding requirement now, will be the protection offered under this act and the protection that's no longer under the bill that we just dealt with — Bill 87.

MR. LINGENFELTER: — Well, Mr. Minister, the levy that you're talking about negotiating, exactly what kind of a process are you talking about the negotiations taking? How are you going to arrive at what the levy should be in bringing the bill in? I think that it will be well spelled out exactly what kind of a levy is going to be brought in and who it will affect, because I think otherwise you're way out on a limb in bringing in a bill that doesn't have set out what the levy is going to be, and how much money people are going to be asked to pay.

HON. MR. BERNTSON: — Okay, the levy won't be great, I can tell you that. It's not a million dollars, or anything like that. What we're toying with is somewhere in the neighbourhood of 10 cents, 15 cents a head. But obviously we're not going to arbitrarily set the level without talking to producer groups and marketing people, and it will be a negotiated level and satisfactory to those people.

MR. LINGENFELTER: — But this is something new, and it won't be the same type of arrangement that there was under the old act, or under the previous bill, because this will be a new arrangement where a new levy will be set up, and a new fund set up funded at least in part by the producers. And what I would like to know is whether or not there will be matching funds or money put in by the province and what kind of an arrangement there will be to put in, I suppose, what they will say would be your share of the money.

HON. MR. BERNTSON: — That's the producer, the auction mart, and the purchaser. The levy will affect the three parties to the deal: the producer, the marketer, and the purchaser. And, no, there is no matching funds from government. This is, at the request of the marketers, patterned after the Ontario fund. They have almost the identical thing set up, and the fund will be there for the protection of the producer, by and large, and the protection is no longer in the previous act, as you've said. Well, there simply wasn't enough protection there to protect anyone anyway, and that's why we've gone this route.

MR. LINGENFELTER: — Well, I think there was protection there, Mr. Minister. I think what we're seeing here is the moneys that had been provided by the province now being provided by the farmer and the person who runs the auction mart. And I suppose it leads to the next question of how much consultation you had with the individual farm groups, and auction marts, and those people who will be affected by having to put the money in, who in the past saw the money, when there was losses, being paid by the Department of Agriculture of the provincial government. And can you tell me what kind of consultation process went on between the day you decided to do this and the day you are now bringing the bill through the House?

HON. MR. BERNTSON: — Under the old act, the horned act, the government didn't put money in the fund either, and the only thing that was deleted there were things specific to 4-H and ag societies, that kind of thing. Yes, it's the livestock dealer regulations. Under this act is where the protection has been up until now but it was limited to a \$25,000 bond. Now this levy . . . During 1981, five Saskatchewan licensed livestock markets and licensed livestock dealers suffered losses in excess of \$340,000. So you can see that the \$25,000 bond wasn't even going to touch it. So this fund at their request has been set up and the level of the levy is yet to be negotiated with the, but it will be covered in regulations under the livestock dealer regulations under this act.

MR. LINGENFELTER: — The question was whether or not you had consultation with the groups as well, but can you tell me . . . In the initial stages of a fund like this and getting it going of course, the day you bring it in, the levies are not going to be established and yet people will be . . . If there is a bankruptcy or moneys to be paid out, how are you arranging to cover that? Is the Department of Agriculture going to put in initial money or what kind of an arrangement have you made?

HON. MR. BERNTSON: — The fund starts at zero and as the levies are levied, the fund will grow. But in the short term the protection is the \$25,000 bond which will continue to exist. And the only time the fund would be touched in any event would be if the losses exceeded the \$25,000 bond. The reason . . . You know, there was some consideration for going for a higher bonding level, and what happens there is you cut out the smaller operator because he simply can't afford a higher bond, and in Saskatchewan we've got a whole lot of small operators that we didn't want to put that kind of pressure on.

MR. LINGENFELTER: — I suppose the question would still be: if you were to have a loss of, let's say \$100,000 in the first month or so of the operation, the \$25,000 bond would not cover it nor would the levy which hasn't been in place. I wonder what kind of an arrangement you will make if in fact that — and I know it's hypothetical, but not unreasonable to assume that that could happen — what kind of an arrangement you will make, whether you will inject some money and attempt to retrieve that later, or what precautions you have taken.

HON. MR. BERNTSON: — Well, I suppose there are some options open to us. Number one, I don't anticipate any great number of losses of that magnitude in the short term and I hope not forever. One option open to us probably is, in that event, to advance funds from the Consolidated Fund to this fund and recover it when the fund does indeed mature. And that's an option that's open to us but I think, you know, I would just deal with that eventuality when it came along.

Clause 1 agreed to.

Clauses 2 to 8 agreed to.

The committee agreed to report the bill.

Bill No. 83 — An Act to amend The Income Tax Act

Clause 1

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, with respect to this bill, could the minister tell us, in his words, just what is being done with respect to forward averaging? I'm not asking about the whole bill now. And it appears to say that the surcharge will not apply to part of the income paid in respect of the forward averaging provisions. And I don't think I have it in my mind.

HON. MR. ANDREW: — Okay. I take it from an understanding of the forward averaging tax there is withholding tax or withholding amount that you referred to. There will be no surtax charged on that, and each year that X amount of dollars are brought into income, provided that they're not over the withholding, they're not further taxable.

The surtax would be charged as they are brought in, but not at the withholding stage of it, at the initial stage, first time.

The bulk of the people being able to forward average are in fact farmers. Our information is that very seldom would they probably trigger the surtax in later years. Therefore, in effect they're not paying the surtax on that.

Clause 1 agreed to.

Clauses 2 and 3 agreed to.

Clause 4

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, this is at least part of the clause which we have just referred to. You might just look to see whether that's a typo there, that should be clause 5(c) rather than 5(e). I don't know if it is, but if it is we may as well pick it up along the way.

The other thing I'm asking is . . . I'm right in thinking that this is the clause for which the minister just gave the explanation, in effect.

HON. MR. ANDREW: — I'm advised that (e) is in fact correct. The problem is that the statutes haven't been updated to reflect those other changes last year, and therefore, it is in fact (e).

Clause 4 agreed to.

Clause 5 agreed to.

Clause 6

HON. MR. BLAKENEY: — I'm really dealing with section 8.2, and I think that should be clause 5. I'll revert if I may.

I was puzzled by this. It appeared to say that we were . . . And perhaps I didn't understand it. I don't profess to understand this bill fully. It appears to say that a refund is looked at in the year when the capital gain occurs, and that could be before the tax is paid. Am I reading that wrongly in thinking that you could get yourself titled to a refund before, in fact, the tax was paid?

HON. MR. ANDREW: — I am advised that at that point in time they would have paid the withholding tax, but because the final calculation has not been made and we don't know when we will ultimately do that. It could be 10 years down the road. That is why you have to do it in that particular form. So the withholding part is in fact calculated before any rebate.

Clause 6 agreed to.

Clause 7

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, I am referring now to section 14(1.1) of the act, section 7 of the bill. This has to do with the minister's power to waive the withholding tax in the case of undue hardship. I'll ask the minister simply to indicate under what circumstances he might find it necessary to exercise a power to waive the deducting or withholding of an amount otherwise required to be deducted, as that section sets out.

HON. MR. ANDREW: — I am advised that the meaning of 'Minister of Finance' in that particular clause is the federal Minister of Finance. We have really no authority over that. It allows him and ties us into that particular thing.

Clause 7 agreed to.

Clauses 8 to 10 inclusive agreed to.

Clause 11

HON. MR. BLAKENEY: — This would really be better asked in clause 11, if I may ask it now.

I didn't fully understand that and it appeared to me that two citizens could have done the same thing, have committed the same offence if I might put it this way and pay a different fine because of the fact that the department had informed the citizens at different times. That is not so? It will vary depending upon the time of the form, but is this solely in the hands of the taxpayer or could that vary with the actions of the bureaucracy, of the tax collectors?

Mr. Chairman and Mr. Minister, I may be able to make my question clearer by . . . I acknowledge it not to be too clear. If I ask whether the words 'required to be filled' as they exist throughout this particular section are always the same for every taxpayer, I mean are we talking about April 30, or are we talking about a date where the department may say you should file a revised form? If so, obviously it's going to change for each taxpayer, and it seems a little unfair to nick the taxpayer who was asked earlier rather than later, if they both had done the same thing and both paid their increased tax at the same time.

HON. MR. ANDREW: — I wonder if we could resolve this by the following: this is a paralleling amendment to the federal Income Tax Act. Our interpretation of it is the time of the requirement for the individual to file his return, which is April 30, or in the case of a corporation whenever the fiscal year would end, whatever it's three months later or whatever they calculate. But what we could do is undertake to get you an interpretation, if you like, of that particular question. I think the boys understand the question, but it could take them a bit of time to get to that detailed answer to it, if that's satisfactory.

HON. MR. BLAKENEY: — That would be entirely satisfactory, and it's by no means urgent. As I was reading it over it struck me as curious, and if you can answer me at your leisure I would appreciate that.

Clause 11 agreed to.

Clause 12

HON. MR. BLAKENEY: — With respect to clause 12 and with respect to the sections 37(3) and (4) where they're dealing with these demands on third parties, as they seem to be, I'm not sure that I understood these, and the whole section apparently allowed for a garnishee or a demand on third parties of an ongoing nature. You could put it in and it would sit there, as you might say. I'm not sure that the new one does, and do you think that there has been a change or it's still the same?

HON. MR. ANDREW: — The purpose of that section is that once the garnishee is issued it would stay in place and not have to be issued month after month. It would stay in place until the debt was, in fact, recovered.

HON. MR. BLAKENEY: — I note that it includes annuity, so it is possible under the act to garnishee or levy a demand on third parties with respect to pension cheques. I wonder whether you know, offhand, whether that was in the old act or not.

HON. MR. ANDREW: — I am advised that the wording has been changed only to reflect the power that the minister already had. Under the previous legislation, as our understanding of it would be, that the minister would have power to go after any charge owing or any debt owing or . . . (inaudible) . . . payment. So that, while it has changed to cover the annuity, that was probably an annuity could have been attached before, anyway.

Clause 12 agreed to.

Clauses 13 to 16 inclusive agreed to.

Clause 17 as amended agreed to.

The committee agreed to report the bill as amended.

Bill No. 84 — An Act respecting the Provision of Financial Assistance for Capital Works Projects

Clause 1

HON. MR. BLAKENEY: — I'm just getting a little time. Mr. Chairman and Mr. Minister, this deals with generally capital projects of a social or economic nature. Could the minister give some rough indication of the types of capital projects which he is thinking of under this bill?

HON. MR. ANDREW: — I would say that, from a general area, we wouldn't necessarily restrict anything. We would tend to want to encourage something that may be infrastructure types: economic activities, to stimulate economic activities, perhaps the social field. But again, I think we would tend to . . . our thinking would tend to be more in the area of infrastructures or something that would tend to create more economic activity than simply building the capital project itself.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, is it anticipated that there will be, what I might call, a regular program? Like, let's say the community capital fund, where some rules were promulgated and said, 'Those who think they can qualify, please apply.' In that case it was municipalities, but under the department of, say, Culture and Recreation, there are a number of grant programs where rules are promulgated and then people try to fit themselves in the rules — winter works grants and the like. Or is it thought to be on a case-by-case analysis basis? It makes a fair difference, because I think a fair number of people would be interested in knowing whether or not they have some opportunity to apply for the grants and other things which are referred to here.

HON. MR. ANDREW: — I would tend to see it as a one-shot operation that will be looked at on a case-by-case basis and certainly not something that we would tend to go out and ask for suggestions as to the way we might spend it. There's probably far more projects than \$30 million, and therefore I think it would be a matter of using it for this one-shot deal. We have the authority to add more to it. That would, I suppose, reaming to see what happens fiscally, but at this point in time it would be regarded as a one-shot deal and dealt with on a case-by-case basis.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, does the minister anticipate that members of the Legislative Assembly from the opposition will be equally persuasive as members of the Legislative Assembly from the government's side in asking the minister to consider specific projects?

HON. MR. ANDREW: — Yeah . . . I suppose I would say to that, 'Yes, and the persuasion of the members of this side tends to be behind closed doors. The persuasion of the members from that side tends to be in the media. So I suppose we'd have to wait and see which one we would move with.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, we thank the minister for that invitation to call at his office and book forward worthy projects, and I hope that my colleagues will take full advantage of that. I note that as I read the act, all ministers — anyone can play — that any member of the Executive Council may construct and equip

capital projects. And if we don't find the Minister of Finance at home, I assume that we can apply to the Minister of Education if we're in pressing need of a school or something of that nature and find a receptive ear from that sympathetic minister.

HON. MR. ANDREW: — You have my permission to talk to the hon. member, the Minister of Education, at any time. I would not take that as an invitation by you to think that he will spend this money without some other further process by which that decision is made.

Clause 1 agreed to.

Clause 2 and 3 agreed to.

Clause 4

MR. YEW: — I wonder, Mr. Minister, if you have any projects earmarked as of now, regarding this particular bill. You have earmarked your \$30 million. Do you have, at this point in time, projects earmarked for approval to go ahead with such projects through this program?

HON. MR. ANDREW: — No, the straight and simple answer is, quite frankly, we haven't addressed that question yet. It's probably some area that we would get to in July of this year, but as of now, there is no committed programs by which this money is going to be spent.

MR. YEW: — In the northern administration district of which I am more familiar with, and using that as an example, the former western northlands agreement provided X number of millions of dollars as a joint funding program with the province. Certain major projects were undertaken, such as sewer and water, community halls, community facilities, etc. Certain projects had not been completed quite adequately to suit the communities' needs. Now my question to you, Mr. Minister, is this: when this bill comes into effect, will those communities be entitled to file for an application on this program?

HON. MR. ANDREW: — Well, I wouldn't see — as I explained to the hon. member — I wouldn't, you know, see his applications coming in. The minister responsible for Northern Saskatchewan, as he always does, seems to be coming in asking for more and more money. We will certainly entertain requests that he has along with anybody else in coming to that resolve in that decision.

What we want to do, quite frankly I suppose like any government wants to do, is put the dollars you're doing that to the best possible good. And you weigh your proposal versus proposal of 40 or 50 other people, and ultimately you have to make a decision as to which way it's going. I can simply say to you: we're going to look at all options. It's very wide in the sense of the area it's got to play, and from that I suggest that we haven't made the decisions yet, but we're certainly open to any option. Feel free to probably communicate through the minister responsible for Northern Saskatchewan any requests you might have, and we would probably expedite it for you that way. Certainly, we would look at it.

I wouldn't want to open up the gates for every person to send in a lot of applications because that doesn't accomplish anything or satisfy it. There's \$30 million there. As you know, in any capital project, that doesn't take you very far. We will look down at all

the applications, and try to judge which ones are the best.

MR. YEW: — One more question, Mr. Minister. Under section no. 2 of this act, under item (a), the indication here is really broad. It says:

‘capital projects’ means any capital projects of a social and economic nature.

Now in order for people in the northern administration district to take advantage of this, I would suggest and recommend strongly to the minister responsible for that area to perhaps outline the criteria for this particular program to the many communities out there that could possibly take the initiative to use this program. And you may want to comment or the Minister of Northern Saskatchewan may want to comment on this.

HON. MR. ANDREW: — No, I think that we will certainly look at all aspects: northern Saskatchewan, southern Saskatchewan, social programs, economic programs, infrastructure, the entire province where it makes the most sense, and we’d make the decision accordingly. As I said we haven’t sat down to try to address this, either in our department or collectively as members of government. We will be doing that, probably in the months of July and August, and announcements will be made accordingly.

MR. YEW: — Mr. Minister, I suggest that my recommendation was valid on the point, and I’m sure that the Minister of Northern Saskatchewan will agree with me, as well as the better half of your members, that many of the communities out there are very isolated. They are isolated in terms of communication and in terms of transportation, and I suggest once again that, you know, some special communique should be sent to those many remote communities out there so as to inform them what is available through your administration and so that the communities out there can take the initiative, incentive, or whatever, to take advantage of these programs.

HON. MR. ANDREW: — Well, I will leave that in the capable hands of the minister responsible for Northern Saskatchewan, and when the time comes I’m sure he will make his case as to where those dollars should be spent and we will see how it goes.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, I could ask this under 3, 4, or 5. Could you take me quickly through just what are going to happen to the earnings of the fund? As I understand it, you’re going to put the \$30 million aside. If it makes some interest the interest will go the Consolidated Fund so that the fund will rarely, if ever, be more than \$30 million. If there are loans, and I noted there’s provision for loans, if the loans are repaid, do the loans go back into the fund or the Consolidated Fund? Could the minister just deal with how he sees this fund working vis-à-vis the Consolidated Fund?

HON. MR. ANDREW: — All the interest goes to the Consolidated Fund. The fund cannot be larger than 30 unless the legislature puts more money in than the 30 that’s existing there. If it’s by way of loan, the repayment of the loan would go back into the fund as opposed to the Consolidated Fund. The loan clause was put in there basically to give the broad, flexible power. We would not anticipate using it by way of loan. It’s a catch clause in there in case something did come up that was particular, that we would then be able to do it without being contrary to the law.

Clause 3 agreed to.

Clauses 4 to 9 inclusive agreed to.

Clause 10

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, is it anticipated that in the *Public Accounts* there will be a list of all of the persons who received any payments . . . or should I say persons, municipalities, institutions or other bodies who have received any money from the fund in the given year?

HON. MR. ANDREW: — Yes, the accounting under this will be exactly the same as the accounting under any other Consolidated Fund expenditure and will have to reflect itself in the *Public Accounts*.

Clause 10 and agreed to.

Clauses 11 and 12 agreed to.

The committee agreed to report the bill.

Bill No. 67 — An Act to amend The Corporation Capital Tax Act

Clause 1

HON. MRS. DUNCAN: — Thank you, Mr. Chairman. Mr. Robinson, Mr. Laxdal, and Mr. St. Michel.

HON. MR. BLAKENEY: — Mr. Chairman and Madam Minister, many of the provisions of this bill are of a technical nature, but there is a significant change here indicating that you are going to exempt insurance corporations. I am essentially asking the minister why she chose to exempt insurance corporations rather than include co-operative insurance corporations. I understand that she felt that she should remove any disparity of treatment that there may be between co-operative insurance corporations and joint stock company organized insurance or other insurance corporations. Why did she decide to exclude all insurance corporations?

HON. MRS. DUNCAN: — Basically, the reason is that with the exception of co-operatives and credit unions and those type of institutions from some taxes and with the increase in the insurance premium tax to 3 per cent, it was looked upon as somewhat of a double taxation. So rather than include them in the bill, we decided to exempt them as we do with other insurance companies?

HON. MR. BLAKENEY: — Mr. Chairman and Madam Minister, is the Saskatchewan Government Insurance now liable for the tax and will this provision serve to exempt Saskatchewan Government Insurance from the provisions of the act?

HON. MRS. DUNCAN: — Yes, it will exempt them . . . SGI.

HON. MR. BLAKENEY: — Mr. Chairman, and Madam Minister, they were previously subject to the tax?

HON. MRS. DUNCAN: — Yes, they were.

HON. MR. BLAKENEY: — Madam Minister I tend to feel that insurance corporations are a particularly worthy subject for taxation . . . (inaudible interjection) . . . I don't know what this one is, whether he's referring to SGI or some other friends that he may have in insurance industry. Is it felt that the increase in the premium tax would more than compensate for the money which may be collected under the corporation capital tax of insurance corporations?

HON. MRS. DUNCAN: — Actually, with the exemption and with the increase in the premium we get more with the increase of 1 per cent on the insurance premium than we will be losing on exempting them from the corporation capital tax.

Clause 1 agreed to.

Clauses 2 to 9 inclusive agreed to.

The committee agreed to report the bill.

Bill No. 80 — An Act to amend The Insurance Premiums Tax Act

Clause 1

HON. MR. BLAKENEY: — Mr. Chairman and Madam Minister, I wonder if the minister would indicate about how much extra money is thought will be raised by the changes which are being made in this bill.

HON. MRS. DUNCAN: — With the changes we expect to raise about \$4 million more.

HON. MR. BLAKENEY: — Mr. Chairman and Madam Minister why are we not increasing the premium on life, accident, and sickness from 2 per cent to 3 per cent?

HON. MRS. DUNCAN: — Mainly for social-economic reasons, so it won't be viewed as a regressive tax.

HON. MR. BLAKENEY: — Mr. Chairman and Madam Minister does the minister have available to her the rates charged in other provinces for life, accident, and sickness? I believe the 3 per cent rate is fairly common for general insurance and I wonder whether she can tell me what the rate is for life, accident, and sickness.

HON. MRS. DUNCAN: — Newfoundland and Nova Scotia have a 3 per cent on their general insurance. New Brunswick, Quebec, Ontario, and Manitoba have a split rate. I think it's 2 per cent on life — annuities and that type — and 3 per cent on general insurance.

Clause 1 agreed to.

Clauses 2 and 3 agreed to.

The committee agreed to report the bill.

Bill No. 78 — An Act to amend The Tobacco Tax Act

Clause 1

HON. MR. BLAKENEY: — Mr. Chairman, and Madam Minister the effect of this bill will be to increase the tax on cigarettes — and I'll just talk about cigarettes, although the taxes on other items of tobacco products have been similarly increased by substantial amounts — brings our cigarette tax to 52 cents. I wonder if you can tell me how that compares with Manitoba, Alberta, and British Columbia.

HON. MRS. DUNCAN: — Okay. The interprovincial and territorial tax comparison — Saskatchewan is 52 cents on a package of 25; British Columbia is 40 cents; Alberta is 37 cents; Manitoba is 52.5; Ontario is 57.5; Quebec, 50.9; New Brunswick, 67; Nova Scotia, 35; Prince Edward Island, 37.5; Newfoundland, \$1.07; Northwest Territories, 52.5; and the Yukon, 40 cents.

HON. MR. BLAKENEY: — All right. All I can say is the member for Regina Lakeview should take particular note of the fact that the tax in Newfoundland is \$1.07.

If I may put this question to the minister: the spread between ourselves and Alberta will be about 15 cents which, while substantial, is a good deal less substantial than it was short months ago. Does the minister feel that this will be an active inducement to smuggling? There's no other word for what has been going on, so I will call it smuggling. Does the minister feel that this will lessen the activity substantially, or not?

HON. MRS. DUNCAN: — I might say that in the Alberta budget (the last one that they brought in) their tobacco tax was increased by some 363 per cent. And even though we can say it's only 15 cent a package difference, our price as compared to theirs, potentially the problem of smuggling is still there. And it's something that we are monitoring with the tobacco manufacturers and sales within the province. But yes, the potential is still there. Even at today's prices the average truck load — semi trailer — that is smuggled will yield the owner, whoever, approximately \$66,000. So yes, we still think that even though the rate is narrowing, the inducement is still there.

HON. MR. BLAKENEY: — Just so I understand that, the minister is saying that the difference of 15 cents a pack on a semi of cigarettes would amount to more than \$60,000?

HON. MRS. DUNCAN: — That's correct.

Clause 1 agreed to.

Clauses 2 and 3 agreed to.

Clause 4

HON. MR. BLAKENEY: — Madam Minister I note all of the increases in various tobacco products. Is the product sometimes known as snuff or snoose having the tax increased?

HON. MRS. DUNCAN: — Actually, not being a chewer myself . . . No, it hasn't affected snuff. We left that one off for some reason. It just escapes me at the moment.

HON. MR. BLAKENEY: — Mr. Chairman, and I particularly direct this question both to the chairman and the minister: was there any particular reason for leaving out this product, which obviously is a fit subject of much increased taxation?

HON. MRS. DUNCAN: — Actually the reason we didn't increase it is because there actually isn't very much money in it. If the sales would rise significantly, I think we'd probably have another look at it.

HON. MR. BLAKENEY: — Mr. Chairman and Madam Minister, the clause 4 is one where

I do have a serious comment and a serious objection, and that deals with the very, very broad powers given. I think the minister in giving second reading indicated that smuggling was a severe problem. I hesitate to give to any person appointed by the minister powers to 'examine the contents of a motor vehicle.' That's not unreasonable, but going on,' and without warrant, seize any manifests, records, accounts, or vouchers . . . and retain them.' And going on — and it gets more — it provides that any person authorized by the minister 'may, without warrant, seize and impound the tobacco . . . (and) . . . motor vehicle in which the tobacco is transported.'

I think that perhaps the latter is . . . I will narrow my questions to the latter, and ask the minister whether she thinks it necessary to empower any person authorized by her without warrant to seize a motor vehicle in which tobacco is transported, as well of course as the tobacco product, and as well of course the records, accounts, manifests, and the like. The seizure of a motor vehicle without a warrant, not by a peace officer, but by someone appointed by the minister, is a serious power to give to anyone. You know, I'm sure that a large number of vehicles carry tobacco products which are illegal. I think probably you can't bring any in or perhaps you can bring in . . . There's only a small allowance. Many of my friends, I'm sure not knowing that they are in any way transgressing the law, will bring in five or six cartons from Calgary, or they used to do that.

I'm wondering whether the minister can advise whether or not she feels it's necessary to give a power to seize a vehicle where the infraction may be of a relatively technical nature.

HON. MRS. DUNCAN: — This section, I think, is necessary if we ever want to be able to control the amount of smuggling that takes place. This section is in line with what is found in Ontario and Manitoba. It's felt unless these measures are available, either to the minister or someone appointed by him or her or to a police officer, we can never really get a handle on it. We estimate in Saskatchewan that we lose in the neighbourhood of \$4 million a year just because of smuggling. Clearly, the proposed legislation is not going to affect the average person that brings in four or five or even up to 10 cartons of cigarettes from out of province. Clearly it's to be able to have the authority to stop every commercial vehicle, people who we sometimes suspect of smuggling tobacco and had no way of dealing with it. It's clearly not meant for the small guy; it's clearly meant to go after the retailers, the commercial people, that may be suspected of dealing in smuggled tobacco.

HON. MR. BLAKENEY: — Mr. Chairman and Madam Minister, I accept the explanation. I understand the explanation. I record my regret that we find it necessary to give power to seize vehicles when all of us, I think, know that there will be a large number of citizens who would be potentially opening themselves up to have their vehicle seized when none of us feel that the crime they are committing is very heinous. I understand the need to have this power for large-scale, what I might call wholesale smuggling, and I accept the minister's comment, and I think undertaking, that it is not her intention to have people appointed by her to seize vehicles other than those where there appears to be some wholesale smuggling; that she would use her good offices to see that peace officers are similarly — or police officers in this case — are similarly instructed so that the seizure of vehicles is confined to cases where there is, or where one might say there is, some professional smuggling going on.

HON. MRS. DUNCAN: — That clearly is the intent of the provision. I think he must

realize without the seizure provision, it is felt that those tobacco products would so quickly disappear into the system that ultimately when the manifests or whatever are produced, really what the officers end up doing is just chasing paper. And it's been indicated by Ontario that in cases where before they had the seizure provision in place, this is literally what happened. And without it . . . or with it, now when they stop and seize a truck load or whatever of tobacco products, it's there. The evidence is there and it doesn't disappear into the system and they are able to prosecute. You might have read the other day, in fact yesterday, in Ontario someone was fined \$288,000 because of an illegal cigarette deal. And this is the type of person we're going after, clearly.

HON. MR. BLAKENEY: — Mr. Chairman and Madam Minister, I am not raising really any case with respect to the right to seize records, accounts, vouchers, or manifests, nor am I really raising any questions with respect to the right to seize the tobacco products. My point was with respect to the right to seize the vehicle, which is a vigorous right and could be used clearly to harass the citizenry in a major way if it was abused. I accept the minister's undertaking that it is not intended for use in that way, and I've made the point I wish to make on it, and don't wish to raise any further objection.

HON. MRS. DUNCAN: — I would just like to make one point. The seizure clause . . . The only vehicle that can be seized is if it happens to be a retailer caught — not a private citizen, just the retailer. I think the police themselves in wanting to help us with the enforcement have expressed the desire for these type of things. I think the seizure of vehicles are used in other acts too, but like I say, it's only for a retailer caught smuggling copious amounts of tobacco.

Clause 4 agreed to.

Clause 5

HON. MR. BLAKENEY: — Mr. Chairman and Madam Minister, I want to make another brief point that has to do with minimum fines. It has always been my view that we should have as few minimum fines in our legislation as possible. I point out that with respect to much of this legislation, almost every citizen of the province, or a very large number of them, are violators — not perhaps of this act — but a large number of citizens will be violators in a very, very minor way that they're unlikely to be prosecuted. However, we leave the decision as to whether to prosecute with the law officers. 'If they should select to prosecute, then the judge is left with no discretion. Even if he thinks it's a relatively trivial matter, he is circumscribed by the legislature and must put \$100 minimum.

I've always felt that it really would be better in this act, and in other acts, if we didn't have minimum fines, so that if charges which the judge thought were frivolous were laid, although valid, he could say, 'Yes, you're guilty; you're technically guilty, and I fine you \$10 and costs.' And that sends its own signal as to what he thinks to the prosecutors: you shouldn't be around here, bringing people in here who I have been fining \$10 and costs. But when we put in the minimum fine it leaves the judge in a position where he has no choice. It had been a bit of a practice to try to get those out, and I've seen them coming back in again. I would like to ask the minister why she feels it necessary to have the minimum fines. That's the last comment I'm going to make.

HON. MRS. DUNCAN: — I think because we treat this with some degree of seriousness and we felt that by providing the minimum fine involved, it would provide the judicial system and the police force with a guide-line of the relative importance that we attach

to the case of smuggling. It's interesting to note that on March 10 of 1981, the RCM Police stopped a car near my home town of Maple Creek and the two occupants of the car were carrying 550 cartons of cigarettes. And when it came to court, they were fined \$25 each for evading approximately \$1,500 worth of tax.

So we want to signal the judiciary, plus the police force, that we are serious about trying to come to grips with the advent of smuggling. You know, we have reciprocal agreements with other provinces and they're treating it in the same fashion. We think if Alberta would ever raise their up high enough then the problem would go away, but they haven't raised them quite high enough yet.

Clause 5 agreed to.

Clause 6 agreed to.

The committee agreed to report the bill.

Bill No 79 — An Act to amend The Education and Health Tax Act

Clause 1

HON. MR. BLAKENEY: — Mr. Chairman and Madam Minister . . . Madam Minister, all of us looked at that bill, when we saw it on the blues, with a good deal of anticipation, expecting that there were going to be steps towards the elimination of E&H tax. I think all of us can recall some of the promises. I have one here which says, 'Re-elect Joan Duncan MLA for Maple Creek,' and, 'The NDP Record is . . .'

AN HON. MEMBER: — Miserable.

HON. MR. BLAKENEY: — Yes. Well, it's thought to be miserable. It says here, 'High taxes — a 5 per cent sales tax which is also added to high utility bills'; and I see, 'PC policies for good government remove the 5 per cent E&H tax'; and I thought that sounded good; certainly it will come off utility bills and doubtless some other things . . . (inaudible interjections) . . . Well, an awful lot of people down in Maple Creek must have voted for you. I know they will be thinking of the removal of E&H tax, and I knew that last October it was the intention of the government opposite to begin the removal of E&H tax. And I've had occasion to advise the House before this of the letter written by the Executive Assistant to the Premier, a Mr. John McKenzie to a citizen of Regina which reads in part:

In regard to your concerns, the provincial government plans to begin eliminating the 5 per cent provincial tax in its spring budget and this tax will be lifted from as many products as possible.

And I know the spring budget has come and gone, and we don't have a very large list of products which are being exempted. And I wondered whether or not the minister could hold out any hope as to when further amendments to the Education and Health Tax Act would be introduced, so that the 5 per cent sales tax would not any longer be added to high utility bills and that there would be . . . that the tax would be lifted from as many products as possible . . . (inaudible interjection) . . . In due course.

HON. MRS. DUNCAN: — No, I'm not going to say, 'in due course.' Of course that's the ultimate objective and nothing would give me greater pleasure as Minister of Revenue and Financial Services, to be able to stand up in this House and repeal the E&H tax act in

its entirety. Unfortunately finances were not as good in '82-83 as we had been led to believe by the large budget put out by the NDP, and had the projected NDP revenues from potash of \$61.6 million for 1982 materialized instead of the little more than a million dollars, or I think it was a little under a million dollars . . . Had your \$61.6 million that you projected in your March '82 budget materialized, I think we could have had more selected exemptions on E&H.

I make no apologies. I think you just have to look at the record of the government in the first 10 months that we were in power. We did a lot of things. We removed the gas tax, we introduced our mortgage interest reduction plan, we have a farm purchase plan, we're selling Crown land. We've done a lot of things in the short year that we've been here, and things I say are proud. I know that the people of Maple Creek who voted for me know that when I say we will continue to try and remove the E&H tax, they believe me. And that is going to be our goal. We've removed it from electricity used in irrigation pumps. You may think it's an insignificant little thing, but we happen not to think that way. And I think in every budget we'll see selected removal of the E&H . . . on selected commodities or selected groups. But, as I say, until the revenues of the province improve, you know very well we are strapped for cash, and the pressures on the treasury are fairly significant and I think we're being responsible in the modest approach we've taken to date.

HON. MR. BLAKENEY: — Mr. Chairman and Madam Minister, you would doubtless be familiar with a pamphlet entitled 'Commitment' put out by the Progressive Conservative Party of Saskatchewan. And the member for Souris-Cannington said that; 'There's so much more we can be,' and I would certainly agree to that. One of the first things would be, candid, and you could be a deal more candid than you have been to date. I just quote in part from this pamphlet 'Commitment' and it says:

Eliminate the 5 per cent sales tax on clothing and utility bill. This measure will be the first phase of a new PC government's commitment to the complete elimination of the sales tax in its first term of office.

That is the commitment. The commitment to eliminate . . . the complete elimination of the sales tax in its first term of office and the commitment to ease the burden of inflation for Saskatchewan citizens. Now, I know that the member for Souris-Cannington will agree that if he's, in fact, going to be here for 20 years, that will mean that he can eliminate even more taxes after his first term of office. But, his commitment during the first term of office is the complete elimination of the sales tax. And I was disappointed that progress seems to be very, very slow in this and I am delighted to hear the member for Souris-Cannington, the Minister of Agriculture, renew the commitment. We will look forward with interest to the future budgets and future amendments to the E&H tax when we know that during this first term of office, there will be action to eliminate completely The Education and Health Tax Act.

HON. MRS. DUNCAN: — Well, quite frankly, I think the former premier of the province knows full well that commitments that you make during election time are not expected to be fulfilled in one short year. It seems to me I remember a commitment of a technical school made in 1975 by one Mr. Snyder who is no longer with us. You know full well that the commitments that are made at election are commitments of a term, not of one year. And when you look at our record, I'll tell you, our record stacks up to yours any day of the year.

Clause 1 agreed to.

Clause 2 and 3 agreed to.

Clause 4

HON. MR. BLAKENEY: — Mr. Speaker, I'm directing my attention to clause 4 of the bill, clause 8 of the act, and particularly to fuel petroleum products. As I understand the bill, the effect of this bill, in effect, is to make promotional material which is distributed subject to tax on the increase in its real value over and above what it may be sold for. It deals with the matter of children's clothing and children's footwear, which was a matter of earlier decision. And then it deals with the question of electricity, and it deals with the question of fuel petroleum products. And it's electricity and fuel petroleum products that I want to deal with.

With respect to electricity, I note electricity, I note that electricity used for operating irrigation systems for primary farming activity, when separately metered, is exempt from The Education and Health Tax Act. What is the position of electricity used for heating a home or other building when the heating is produced solely by electricity?

HON. MRS. DUNCAN: — Electricity used solely for heating a building has always been exempt. And electricity for . . . What's the word I'm looking for? . . . for making your irrigation pumps work hasn't been exempt until this time. So it's just the inclusion of the exemption of electricity used to generate irrigation equipment, but electricity used solely to heat a home has always been exempt.

HON. MR. BLAKENEY: — With respect to the exemption for what I'll call irrigation power for the sake of shortening it up, is it reasonably practical to separately meter it? How big an operation do you need to have before you will separately meter your irrigation power?

HON. MRS. DUNCAN: — We understand it's 440 volts, and it's separately metered by Sask Power.

HON. MR. BLAKENEY: — The pumps used for irrigation are ordinarily high voltage pumps like that at 440 . . . Well. I live and learn. And that would almost certainly be easy to separately meter because you're not . . . (inaudible interjection) . . . Indeed you'd have to. With respect to fuel petroleum products, am I correct in believing that natural gas and LPG, if it's not used for a stationary internal combustion engine, is taxable but if it's not used for a mobile internal combustion engine, is not taxable?

HON. MRS. DUNCAN: — If it's used for a stationary combustible engine, it's taxable. If it's used in heating homes, it's not taxable. If it's used in a motor vehicle, it's not taxable.

HON. MR. BLAKENEY: — Mr. Chairman and Madam Minister, I'm aware of the fact that motor vehicle fuel wasn't subject to E&H tax before because it was subject to fuel petroleum tax. Was any consideration given to applying the E&H tax to this now non-taxed fuel petroleum for the sake of sheer simplicity or because you're taxing it for internal combustion engines which are stationary, or alternatively, was any consideration given to removing the tax from stationary internal combustion engines, because you're not taxing anything burned in a mobile internal combustion engine?

HON. MRS. DUNCAN: — It was mainly done for consistency. As you know, electricity used for stationary engines is taxable and if that particular function can be done by a stationary gas powered or propane powered or whatever powered alternative source of energy to do the same function, for consistency, we deemed that to be taxable and it always has been.

Clause 4 agreed to.

Clause 5 and 6 agreed to.

The committee agreed to report the bill.

Bill No. 92 — An Act to amend The Liquor Act

Clause 1

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

HON. MR. SANDBERG: — Thank you, Mr. Chairman. To my right, Martin Peterson, chairman of the liquor board; to the left, David Bock, general manager, liquor board; immediately behind me, Gerald Cairns, ministerial assistant.

Clause 1 agreed to.

Clause 2 agreed to.

Clause 3

HON. MR. BLAKENEY: — Mr. Chairman, and Mr. Minister, this is a general question as to about how much time the minister anticipates the chairman of the liquor board will spend with the work of the liquor board, and how much with the Liquor Licensing Commission, of which agency he is also chairman.

HON. MR. SANDBERG: — Mr. Chairman, we would estimate that approximately three-quarters of the liquor board and one-quarter to the licensing end of the operation.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, I was interested in this little provision. How is it anticipated the Lieutenant-Governor in Council will direct the chairman of these two agencies? Will it be done by an order in council or how else can the Lieutenant-Governor in Council determine that little matter?

HON. MR. SANDBERG: — Well, obviously, Mr. Chairman, the chairman of the liquor board cannot spend all his time in one agency, vis-à-vis the liquor board and/or the Liquor Licensing Commission, so the Lieutenant-Governor in Council, through an order in council will so appoint him to do so, and any other members shall be so appointed.

Clause 3 agreed to.

Clause 4

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, I was just asking how the minister anticipated that the duty-free stores will operate . . . Perhaps I better rephrase that. How many duty-free stores is it anticipated will be established? Will they be at North Portal and Regway, or just one, or how many do you have in mind?

HON. MR. SANDBERG: — At this point the federal government has asked for only one duty free store, and that will be at North Portal. With the possibility of an international airport becoming a fact of life here in Regina, then we would have to provide for a second duty-free store.

Clause 4 agreed to.

Clause 5 agreed to.

Clause 6

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, I take it from reading this, and from reading clause 8, that you have an arrangement with the Saskatchewan Brewers Association, and I'm not clear what the arrangement is. I'm clear that the brewers will deliver beer directly from the breweries to the licensees, to the hotels. I understood that, and I understand that arrangement.

Where it says that the brewers association will sell beer to the licensees, I was a little less clear on that. Is the beer ever going to be the property of the board, and if not, how is the board going to get its mark-up?

HON. MR. SANDBERG: — Thank you for your patience. I'll see if I can explain this as simply as possible. When the licensee orders, the liquor board in effect buys from the Saskatchewan Brewers Association for the retail amount, and then it's deposited in the account of the Saskatchewan Liquor Board. And this amendment, Mr. Chairman, allows the liquor board the authority, through the Lieutenant-Governor, the right to appoint the Saskatchewan Brewers Association as the authorized agent to distribute beer in Saskatchewan. The brewers association has always been distributing the beer since the existence of the liquor board, although they've never really been legally authorized to do so, and this move was instituted and approved by the former administration.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, I don't quarrel with the arrangement. I've always assumed that the arrangement was one whereby, in legal terms, the beer was sold by the brewery or the brewers association to the board and then the board sold it to the licensee and this was in effect the legal basis for collecting the money and raising the price. And I'm not clear under what circumstances the brewery can sell, or the brewers association can sell directly to a licensee and the liquor board have any legal authority to say, 'Well, you've sold product from the brewers association to the licensee, but please give us 80 per cent or whatever your mark-up is these days. I'm really raising a legal question and I'll pursue it on another time if the arrangement is going to be as you describe it. There's going to be no substantial change in the arrangements as they have existed. Is that right?

HON. MR. SANDBERG: — No, there will be no change and we do have a contract with them that spells out exactly how this is to work.

HON. MR. BLAKENEY: — With respect to the delivery of beer to holders of a community event permits, and I note that this is covered, I note that this can come now directly from the brewers association and perhaps that's always been the case. I don't know that. Are they simply going to put in their order to the brewers association or is it likely that there will be . . . Does this bring about, suggest any changes, that is, that the individual breweries will be sending about salesmen to call upon the people who are the permit holders to attempt to get business for their brewery rather than another one? Is any change in that direction contemplated or not?

HON. MR. SANDBERG: — No, there will be no change.

Clause 6 agreed to.

Clause 7 agreed to.

Clause 8

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, is March 1 the date of the contract you signed with the brewers association? Is that why that date is there?

HON. MR. SANDBERG: — Yeah, March 1 is the day they took over and when they took over the new computer ordering system.

Clause 8 agreed to.

The committee agreed to report the bill.

Bill No. 75 — An Act to amend The Queen's Bench Act

Clause 1

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

HON. MR. LANE: — Yes. On my right, Mr. Ron Hewitt, Betty Ann Potruff of the department, and Georgina Jackson, master of titles.

Clause 1 agreed to.

Clause 2 agreed to.

Clause 3

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, this deals with the money that used to be paid to the district court judges when they were in their capacity of surrogate court judges, and now with the amalgamation of the courts, you're going to pay an additional amount to all of the judges. Do all of the Queen's Bench judges act as surrogate court judges?

HON. MR. LANE: — They did, yes. It's being repealed by the amendments for The Surrogate Court Act which we had on the order paper. It's dealing with this specific aspect of it.

HON. MR. BLAKENEY: — I obviously should know this, but don't. Who acts as surrogate court judges now? Are they the Queen's Bench judges?

HON. MR. LANE: — All Queen's Bench judges.

HON. MR. BLAKENEY: — With respect to this section, when the minister was introducing it, he indicated that it was paid not only in respect of functions they may perform in their capacity as surrogate judges, but also because they perform, or some of them at least perform, duties from time to time on behalf of the Crown as, perhaps, commissioners, or royal commissioners, or the like. There was a time when the Minister of Justice of Canada used to resist appointments along this line with some vigour. Is it now the situation that judges, Queen's Bench judges, are more or less available for serving as chairman of royal commissions or the like?

HON. MR. LANE: — Well, there doesn't seem to be a great restraint on the usages, and I gather it's pretty much at the discretion of the chief justice. There is the constraint when they are arbitrators that they can not be paid, of course, which is one of the justifications for the action, generally.

Clause 3 agreed to.

Clause 4

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, this has to do with the enforcement of maintenance orders. Is it believed that this change will make it substantially easier to enforce maintenance orders?

HON. MR. LANE: — It's believed that that will be the case. You will note that the proceedings may be taken without first having taken any other step for the enforcement of order which may make things easier in the appropriate circumstances. It is an order of the court, of course, the contempt power, a power of the court and exercised accordingly. Historically it was believed that that contempt power applied in circumstances envisaged here. However there was a recent decision of Mr. Justice Halvorson, I believe, which said that the contempt power in fact did not apply to this circumstance and we are putting it in legislation to clarify the position.

Clause 4 agreed to.

Clause 5 agreed to.

Clause 6

HON. MR. BLAKENEY: — Clause 6, Mr. Minister and Mr. Chairman, is one which in effect arranges to deal with the limitation period in a way other . . . You don't have to issue your statement of claim, but can simply put in your notice and keep your limitation period alive for another year. I'm not sure whether that's all good, but it's basically I think, a good idea, since there are an awful lot of pretty generalized statements of claim cranked out near the end of the one-year period when you have no idea how seriously your client is injured and you don't quite know what to go for.

HON. MR. LANE: — That's correct. What we envisaged is that the limitation period will be extended for the one year, if a notice is in fact filed. Our view tends to be that many of

the, particularly, accidents where there is an injury claim, that settlement is in fact, or negotiations are in fact going on . . . It's an additional cost to start an action when in many cases the insurer may have agreed on an assessment of damages, so that it should save a reasonable cost, the cost of starting the action when you're doing it really just to protect your position and to maintain your position because of limitation period.

Clause 6 agreed to.

Clauses 7 to 9 inclusive agreed to.

Clause 10

HON. MR. BLAKENEY: — Yes, this is the one that deals with court documents on a Sunday. That's fine, I don't have any quarrel with that.

Clause 10 agreed to.

Clauses 11 and 12 agreed to.

Clause 13

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, I'd dealing with section 83 of the act, clause 13 of the bill, and my notes say that it's no longer necessary. Perhaps the minister can explain why it's no longer necessary.

HON. MR. LANE: — The amendment is the requirement of notice of judgement when a judgement debtor did not file an appearance and did not appear. And we're waiving that notice requirement, because he has been served with the documents and he receives a notification from the sheriff that a writ of execution has been taken out against him. So in fact there were two notices in the past, and we're just dispensing with the one notice when in fact he hasn't appeared anyway.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, do you anticipate that there would be many cases where somebody might get a judgement, a default judgement, but wouldn't bother taking out an execution because you were going to use garnishee or something? And the person then would not have a notice of the judgement as such and wouldn't have a notice of an execution because you weren't going to bother taking one out. You were simply going to try to garnishee wages after judgement or use the judgement as a vehicle for collection rather than the execution. Is that a likely circumstance?

HON. MR. LANE: — If it were to happen, the amendments we make to section 77(1) allows the defendant an opportunity to come back to court upon application and make other arrangements for payment. So there is that flexibility to come back and, once a judgement is issued, to get court approval to other manners of payment. So there is, I think, more than an adequate protection.

Clause 13 agreed to.

Clauses 14 to 16 inclusive agreed to.

Clause 17

MR. SHILLINGTON: — I'm just curious about the . . . (inaudible) . . . that may have been provided to me on previous occasions. I'm curious about 17(2) which makes part of it retroactive. I'm just wondering what explanation lies behind that.

HON. MR. LANE: — We're advised that there was an understanding with the previous attorney-general that it would be effective from that date, and we are just honouring that.

Clause 17 agreed to.

The committee agreed to report the bill.

Bill No. 100 — An Act to amend The Land Titles Act

Clauses 1 to 4 inclusive agreed to.

Clause 5

MR. SHILLINGTON: — I have a general question I might have asked on number 1, but I'll ask it here. I understand this is a uniform bill being brought in across Canada. Is that information accurate that this is being brought in by other provinces as well as ours?

HON. MR. LANE: — If it is, it would be a great surprise to the Ontario land registry system. We're dealing with The Land Titles Act.

Clause 5 agreed to.

Clauses 6 to 24 inclusive agreed to.

The committee agreed to report the bill.

Bill No. 99 — An Act respecting the Reciprocal Enforcement of Maintenance Orders

Clause 1

MR. SHILLINGTON: — Finally ask a question without making a fool out of myself. I understand this legislation is being brought in . . . This is uniform legislation being brought in and introduced across Canada. The question: what other provinces have introduced it at this point in time, and does the bill differ in any respect from the uniform bill?

HON. MR. LANE: — Not substantively. We've made minor procedural changes based on Saskatchewan's position, but no substantive changes. I mentioned them in second reading. It has been enacted and proclaimed in Ontario; it's been enacted in Manitoba and Alberta, but not proclaimed; expected to be introduced in New Brunswick, Nova Scotia, P.E.I., and Newfoundland this year.

Clause 1 agreed to.

Clauses 2 to 25 inclusive agreed to.

Clause 26

MR. SHILLINGTON: — Mr. Chairman, just one question of the Attorney-General, if I might, with respect to that last section. Do you have a date in mind for proclaiming it?

HON. MR. LANE: — It will probably be this autumn. We have to draft the rules, the procedural rules, so we are looking at this fall.

Clause 26 agreed to.

HON. MR. LANE: — Mr. Chairman, if before I report the bill, if I could thank all my officials for their work and effort on the legislation. I now move the . . . (inaudible interjection) . . . That's correct. I move the committee report the bill.

MR. CHAIRMAN: —Thank you, Mr. Minister.

The committee agreed to report the bill.

THIRD READINGS

Bill No. 86 — An Act to amend The Heritage Fund (Saskatchewan) Act

HON. MR. BERNTSON: — Mr. Speaker, I move that the amendments now be read a first and second time.

Motion agreed to.

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

Motion agreed to and bill read a third time.

Bill No. 94 — An Act to amend The Land Bank Repeal and Temporary Provisions Act

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

Motion agreed to and bill read a third time.

Bill No. 95 — An Act to amend The Farm Purchase Program Act

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

Motion agreed to and bill read a third time.

Bill No. 81 — An Act respecting the Operation of Vehicles

HON. MR. BERNTSON: — I move the amendments be now read a first and second time.

Motion agreed to.

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

Motion agreed to on the following recorded division and bill read a third time.

YEAS — 32

Muller	Currie	Domotor
Andrew	Duncan	Dirks
Berntson	Weiman	Myers
Lane	Petersen	Zazelenchuk
Sandberg	Glauser	Johnson
Hardy	Meagher	Morin
McLeod	Martens	Blakeney
McLaren	Rybchuk	Lingenfelter
Garner	Caswell	Shillington
Klein	Young	Yew
Katzman	Gerich	

NAYS — 0

Bill No. 85 — An Act to amend The Superannuation (Supplementary Provisions) Act

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

Motion agreed to and bill read a third time.

Bill No. 87 — An Act to amend The Horned Cattle Purchases Act

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

Motion agreed to and bill read a third time.

Bill No. 88 — An Act to amend The Animal Products Act

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

Motion agreed to and bill read a third time.

Bill No. 83 — An Act to amend The Income Tax Act

HON. MR. BERNTSON: — Mr. Speaker, I move the amendments now be read a first and second time.

Motion agreed to.

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

Motion agreed to and bill read a third time.

Bill No. 84 — An Act respecting the Provision of Financial Assistance for Capital Works

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

Motion agreed to and bill read a third time.

Bill No. 67 — An Act to amend The Corporation Capital Tax Act

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

Motion agreed to and bill read a third time.

Bill No. 80 — An Act to amend The Insurance Premiums Tax Act

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

Motion agreed to and bill read a third time.

Bill No. 78 — An Act to amend The Tobacco Tax Act

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

Motion agreed to and bill read a third time.

Bill No. 79 — An Act to amend The Education and Health Tax Act

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

Motion agreed to and bill read a third time.

Bill No. 92 — An Act to amend The Liquor Act

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

Motion agreed to and bill read a third time.

Bill No. 75 — An Act to amend The Queen's Bench Act

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

Motion agreed to and bill read a third time.

Bill No. 100 — An Act to amend The Land Titles Act

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

Motion agreed to and bill read a third time.

Bill No. 99 — An Act respecting the Reciprocal Enforcement of Maintenance Orders

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

Motion agreed to and bill read a third time.

APPROPRIATION BILL

HON. MR. ANDREW: — Mr. Speaker, I move that Bill 105:

That the bill, An Act for the Granting to Her Majesty Certain Sums of Money for the Public Service for the Fiscal year Ending the 31st of March, 1984, be now introduced and read a first time.

Motion agreed to and bill read a first time.

HON. MR. ANDREW: — Mr. Speaker, prior to moving the second reading of the bill, I wish to make a couple of comments. I will keep them very brief given the time of the evening.

Sixty-five days ago, Mr. Speaker, I stood in this Assembly to deliver the budget address for the fiscal year 1983-84. The hon. member frowns. The bill we are moving is the traditional appropriation bill for the ... (inaudible) ... of the Assembly ... (inaudible interjections) ...

MR. SPEAKER: — We've come into a bit of procedural difference, I think, and we're going to have to find a way out of it.

If you would look in your rules on page 10 and rule 3, you'll find that there is a way out of it, and I'm simply going to ask the House Leader when this bill should be read a second and third time. I think that will clear the issue.

HON. MR. BERNTSON: — Mr. Speaker, I move his bill be read a second time on Monday, the 13th of June.

Motion agreed to.

ROYAL ASSENT TO BILLS

At 9:55 p.m. His Honour the Lieutenant-Governor entered the Chamber, took his seat upon the throne and gave Royal Assent to the following bills:

Bill No. 49 — An Act respecting Co-operatives

Bill No. 01 — An Act to provide for exemption from taxation of certain property of the Crossroads Pentecostal Assembly Corp.

Bill No. 04 — An Act to continue the incorporation of Athol Murray College of Notre Dame

Bill No. 50 — An Act to amend The Public Utilities Companies Act

Bill No. 51 — An Act to amend The Oil and Gas Conservation Act

Bill No. 54 — An Act to amend The Business Corporations Act

Bill No. 55 — An Act to amend The Penalties and Forfeitures Act

Bill No. 56 — An Act to amend The Police Act

Bill No. 57 — An Act to amend The Jury Act, 1981

Bill No. 68 — An Act to amend The Summary Offences Procedure Act

Bill No. 73 — An Act to amend The Corrections Act

Bill No. 58 — An Act respecting Local Government in Northern Saskatchewan

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

Bill No. 52 — An Act to amend The Religious Societies Land Act

Bill No. 53 — An Act to amend The Non-profit Corporations Act

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

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

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

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

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

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

Bill No. 69 — An Act to amend The Beef Stabilization Act

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

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

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

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

Bill No. 77 — An Act to amend The Surrogate Court Act

Bill No. 67 — An Act to amend The Corporation Capital Tax Act

Bill No. 75 — An Act to amend The Queen's Bench Act

Bill No. 78 — An Act to amend The Tobacco Tax Act

Bill No. 79 — An Act to amend The Education and Health Tax Act

Bill No. 80 — An Act to amend The Insurance Premiums Tax Act

Bill No. 81 — An Act respecting the Operation of Vehicles

Bill No. 83 — An Act to amend The Income Tax Act

Bill No. 84 — An Act respecting the Provision of Financial Assistance for Capital Works Projects

Bill No. 85 — An Act to amend The Superannuation (Supplementary Provisions) Act

Bill No. 86 — An Act to amend The Heritage Fund (Saskatchewan) Act

Bill No. 87 — An Act to amend The Horned Cattle Purchases Act

Bill No. 88 — An Act to amend The Animal Products Act

Bill No. 92 — An Act to amend The Liquor Act

Bill No. 94 — An Act to amend The Land Bank Repeal and Temporary Provisions Act

Bill No. 95 — An Act to amend The Farm Purchase Program Act

Bill No. 99 — An Act respecting the Reciprocal Enforcement of Maintenance Orders

Bill No. 100 — An Act to amend The Land Titles Act

His Honour retired from the Chamber at 9:59 p.m.

The Assembly adjourned at 10:00 p.m.