

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Wednesday, December 7, 1983

The Assembly met at 10 a.m.
Prayers

ROUTINE PROCEEDINGS

REPORTS OF COMMITTEES

PUBLIC ACCOUNTS COMMITTEE

CLERK ASSISTANT: — Mr. Shillington from the standing committee on public accounts presents the fifth report of the said committee which is as follows:

1. Your committee has now completed its investigations for the fiscal year ended March 31, 1982, and wishes to bring to the attention of the Assembly the following matters.
2. Your committee noted that the Saskatchewan Research Council has, at times, been forced to borrow money to temporarily finance its activities.

In view of the fact that the Saskatchewan Research Council has no statutory authority to borrow funds by means of an overdraft condition, your committee recommends that the council pay closer attention to its borrowing authority.

3. Your committee noted that the Saskatchewan Medical Care Insurance Commission has also had similar problems in the area of borrowing authority.

Your committee recommends that The Saskatchewan Medical Care Insurance Act be amended to recognize the commission's inability to estimate its needs with sufficient precision to avoid borrowing money at the end of the fiscal year.

4. Your committee wishes to thank the officials of the Department of Industry and Commerce for the efficient and co-operative manner in which they responded to the committee's concerns.

5. Your committee noted several problems in the Department of Northern Saskatchewan, including administration of the northern housing program, the administration of economic development loans, and poor project management in the construction programs.

Your committee notes that these areas of responsibility have now been transferred to other government agencies and departments. It is the hope of the committee that these problems will not now recur.

6. Your committee noted that the sheer size of the unfunded liability of the Teachers' Superannuation Commission continues to be of concern.

The committee notes that the first step in meeting this problem, an actuarial study, is currently being conducted. The committee looks forward to receiving the results of this study.

7. Your committee noted the problems of cash management at computer security systems in the Saskatchewan Computer Utility Corporation, reported in the Provincial Auditor's report.

Your committee notes that these areas of responsibility have been transferred to the Saskatchewan Telecommunications corporation. It is the hope of the committee that these problems will not now recur.

8. Your committee is concerned about the general lack of follow-up in accountability for government third-party grants.

9. Your committee notes that the Saskatchewan Housing Corporation is making progress in improving its financial controls and administrative procedures.

10. Your committee noted that land had been purchased at Prince Albert by the Department of Government Services for construction of an office building, but that the land had not been used for that purpose.

Members of the committee noted the explanation of officials of the department, that a provincial office building was being considered, and the land was purchased early in the planning process before the price of land became exorbitant. The committee feels that better planning might have prevented the unnecessary expenditure.

11. Your committee noted the problems with the land assembly program with the Saskatchewan Housing Corporation, particularly with respect to the purchase of land for expansion of various communities. The committee noted the explanation of officials of the corporation, that a particular parcel of land was desirable, and higher prices were paid to obtain these preferred parcels. It urges Saskatchewan Housing Corporation to consider more acceptable alternatives.

12. Your committee noted extreme cost overruns in the Saskatchewan Housing Corporation's non-profit housing programs.

Your committee urges the Saskatchewan Housing Corporation to exercise better financial control over these programs.

13. Your committee noted, with respect to the Saskatchewan Computer Utility Corporation, inadequate borrowing procedures from the Crown Investments Corporation for capital purchases. Your committee was also concerned about the declaration of dividends when in a deficit position.

Your committee urges the Department of Finance, in conjunction with the crown management board, to develop a policy with respect to the declaration of dividends in a year in which there is a deficit;

14. Your committee noted a number of problems with respect to the delivery of legal aid programs by Saskatchewan community legal services, including the inadequate monitoring and determination of client eligibility, the lack of control over client solicitors, the apparent extravagant décor of appointment of legal offices, and the practice of not asking for cost, which would offset legal aid expenditures.

Your committee received assurances that these problems are being addressed. Your committee intends to review these problems again.

15. Your committee noted the comment contained in the report of the Provincial Auditor with respect to the Department of Revenue, Supply, and Services which suggested that the audits of remissions of the education and health tax were deficient.

Your committee noted that some progress is being made in obtaining additional staff to conduct these audits. The committee will be inviting officials to appear before the committee again, to consider whether the measures taken have been adequate.

16. Your committee noted, and wishes to commend the actuarial surplus position of the Municipal employees' Superannuation Commission.

17. Your committee noted that the high error rate in the Saskatchewan Assistance Plan of the Department of Social Services was due in part to a failure to move in a timely fashion from manual to computer-based systems.

Your committee received assurance from the Comptroller that actions are being taken to rectify this unacceptable error rate. Your committee intends to review this problem again.

18. Your committee extends its appreciation to all departments and agencies that appear before the committee, to the Provincial Auditor and his staff, the comptroller and his staff, and to the clerks to the committee and their staff.

MR. SHILLINGTON: — Mr. Speaker, with move, with leave rather, I move:

That this report be considered immediately before the orders of the day.

MR. SPEAKER: — The member has asked for leave. Is leave granted? I move the report down the order paper to orders of the day.

Report of Standing Committee on Non-Controversial Bills

Bill No. 11 – An Act to amend the Statute Law

MR. SHILLINGTON: — Mr. Speaker, as chairman of the standing committee on non-controversial bills, I wish to present the fifth report of the said committee which is as follows.

As chairman of the non-controversial bills committee, I wish to report Bill No. 11, An Act to amend the Statute Law, as being non-controversial.

MR. SPEAKER: — When shall this bill be read a second time?

HON. MR. LANE: — Mr. Speaker, I move second reading and consideration in committee of the whole on the said bill be waived.

Motion agreed to.

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

Motion agreed to and bill read a third time.

Bill No. 12 – An Act to amend The Surrogate Court Act

MR. SHILLINGTON: — Mr. Speaker, as chairman of the non-controversial bills committee, I wish to report Bill No. 12, An Act to amend The Surrogate Court Act, as being non-controversial.

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HON. MR. LANE: — Mr. Speaker, I move that second reading and consideration in committee of the whole, on the said bill, be waived.

Motion agreed to.

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

Motion agreed to and bill read a third time.

NOTICES OF MOTION

MR. SHILLINGTON: — Thank you, Mr. Speaker. I move that I shall, on Friday next, move first reading of a bill to amend The Workers' Compensation Act.

HON. MR. McLAREN: — Mr. Speaker, I give notice that I shall, on Friday, move first reading of a bill, An Act to repeal The Construction Industry Labour Relations Act.

HON. MR. HEPWORTH: — Mr. Speaker, I move first reading of a bill to provide financial assistance, to encourage and promote the development and expansion of the agricultural industry, and to establish the agriculture credit corporation of Saskatchewan.

MR. SPEAKER: — I believe if the hon. minister would wait until after question period, we'll deal with bills.

QUESTIONS

Amendments to The Workers' Compensation Act

MR. SHILLINGTON: — Thank you, Mr. Speaker. It is a question to the Minister of Labour. The throne speech promised substantial amendments to The Workers' Compensation Act. I presume, in response to the unanimous recommendations of the report on the act, something, Mr. Minister, you have had for 18 months, and the promised legislation has not been introduced, which is why I've given notice of a private members' bill — so that the injured workers, the spouses of deceased workers, and their dependants, may enjoy the benefits before next spring.

My question, Mr. Minister, is: will you either support my bill, which enacts the recommendations of this report, or will you introduce your own legislation and pass it before the Christmas adjournment?

SOME HON. MEMBERS: Hear, hear!

HON. MR. McLAREN: — Mr. Speaker, it's pretty hard for me, or difficult for me to say whether I would approve of the member's legislation or not. However, I'm pleased to say that all our recommendations for changes in the compensation act are in place, and we will have the legislation ready for introduction in the spring.

MR. SHILLINGTON: — Mr. Minister, why deny the injured workers, the spouses of deceased workers, and their dependants the benefits between now and spring?

HON. MR. McLAREN: — Well, Mr. Speaker, I wonder why the opposition never made the changes themselves. They've had these reviews for years, and years, and years. We're even looking at rehab centres and stuff, which has been on your plate for the last 15 years.

SOME HON. MEMBERS: Hear, hear!

MR. SHILLINGTON: — New question, Mr. Speaker. Evidently there's some error in the sound system. The minister seems to have thought I asked for a history lesson. I asked a simple question: why deny injured workers, their spouses and their dependants, the benefits before spring?

HON. MR. McLAREN: — Mr. Speaker, we are not purposely denying anyone anything. We are getting our recommendations together and the whole committee . . . The report has been reviewed, and the recommendations will be coming to my cabinet colleagues and caucus colleagues, and the legislation will be all prepared for the spring session — a complete review.

MR. SHILLINGTON: — Supplementary, Mr. Speaker. Mr. Minister, if you don't, apparently, care whether or not the workers get the benefits before next spring, do you at least have any charitable excuse for the long delay? Can you give this House any reason why these amendments should not be passed before Christmas?

HON. MR. McLAREN: — Mr. Speaker, we have been working on the compensation review for a number of months now, and the legislation will be prepared as soon as we are sure that we've got everything covered that we want to cover. And we are looking at many, many other areas that were in the reviews in 1978, which you people never even looked at. We are addressing the whole situation, and it'll be there in the spring.

MR. SHILLINGTON: — Mr. Minister, can you at least assure us that when you do introduce the legislation — if that happens; you have been talking about it for 18 months — can you at least assure us that the benefits will be retroactive to at least January 1, 1984, if not July 1, 1983?

HON. MR. McLAREN: — Mr. Speaker, that decision will be made by our cabinet and caucus colleagues, and we'll be looking at the time when we may put our legislation in.

Public Hearings on Day Care

MR. LINGENFELTER: — Mr. Speaker, a question to the Minister of Social Services. It has to do with a closed door, backroom operation known as a day care review that his department has set up. My question to the minister is this: due to the fact that many groups in the province, including the Saskatchewan Status of Women group, Action Child Care, the Regina child care group, have asked you continually for public hearings on this issue, can you tell the Assembly and the public of Saskatchewan why you continue to refuse to hold public hearings on day care in Saskatchewan?

HON. MR. DIRKS: — Mr. Speaker, I find it passing strange that the member opposite would ask this particular question. Mr. Speaker, when I announced the review back in the early fall of the year, the members opposite said: "there is no need for a review. This is a redundant exercise. This is simply wasting the public's money. We don't need a review." And now, Mr. Speaker, he is saying we need a full-blown public review. We need public meetings across the province.

Mr. Speaker, the member opposite can't have it both ways. Either he is in favour of a review, or he is against a review. And I would say, Mr. Speaker, that he is speaking out of both sides of his mouth on this issue.

SOME HON. MEMBERS: Hear, hear!

MR. LINGENFELTER: — Mr. Speaker, the member has not answered the question about public review of the day care system. If he looks at our record, in 1981 we did hold public hearings. That's what we believe in. And I'm asking him now whether he will given an assurance to the people of Saskatchewan and this Assembly that he will recommend to his Legislative Secretary that public hearings will be held in the new year or in December; and why are you attempting to hide what the people want?

HON. MR. DIRKS: — Mr. Speaker, let me tell the members of this House what the members opposite really do believe, and contrast their 1980 review with the review that we are presently carrying out.

In 1980 their review was carried out by Department of Social Services officials. It was not carried out by the elected representatives of the Government of Saskatchewan, such as our review is being carried out. Their 1980 review had telephone interviews with home providers and the day care advisory board. In our 1983 review, my Legislative Secretary is meeting personally and having interviews with parent boards, with home day care providers, with the centre directors, and with the day care advisory board.

I can think of no better method, Mr. Speaker, of soliciting public input, than to sit down with the interested groups and individuals and spend an intensive evening of two to three hours on day care issues. That, in my estimation, is the best kind of public review we can carry out.

SOME HON. MEMBERS: Hear, hear!

MR. LINGENFELTER: — Mr. Speaker, the answer given by the minister is a little hard to believe. My question to you is, once again: in dealing with the letters to the editor, how do you respond to the statement made by the Regina Day Care Association who take the view that, and I quote from their letter:

With the theme of keeping in touch we find it highly ironic that the government of the day attempts to do so by stifling public input.

This is not my word, or the members of our caucus, but these are the words of the Regina Day Care Association. I want to ask you one more time whether or not you will change your mind on public input and public hearings, and announce today that public hearings will be forthcoming.

HON. MR. DIRKS: — Mr. Speaker, it is beyond me how anyone could conclude that having personal meetings, and in fact soliciting personal meetings with parent boards, with home day-care providers, with centre directors, and with the day care advisory board is stifling public input. Surely that is just the opposite, Mr. Speaker. That is soliciting public input.

My Legislative Secretary is making herself available to any individuals and groups who want to meet with her to discuss day care issues. I think that's the best possible means of soliciting public input on this issue.

SOME HON. MEMBERS: Hear, hear!

MR. SHILLINGTON: — Mr. Minister, I have some of your campaign literature here, and I will not insult the House by reading it. Suffice it to say there is a good deal said about open government. I wonder, Mr. Minister, why open government seemed to be such a great rallying cry in opposition, but when in government you people flee in the opposite direction. What insights have you gained since you took over the ministerial post?

HON. MR. DIRKS: — Mr. Speaker, I'm not too sure that I understood the member's question. He was asking something about insights. I know that there is a wealth of insight on this side of the House, but I'm wondering which particular insight you're interested in.

Public Hearings on Status of Women

MR. LINGENFELTER: — Mr. Speaker, new question to the minister. I have a news release here of yesterday from the Saskatchewan Action Committee on the Status of Women. The minister is attempting to explain that there's no concern out there, and I would like to quote and get his

response to it. The news release says:

The expansion of the review process to include public meetings would also ensure that individuals who are not able to meet with Ms. Zazelenchuk would have an opportunity to voice their concerns in a public forum.

Can you explain, after hearing this from the Status of Women in Saskatchewan why you refused the public hearings?

HON. MR. DIRKS: — Mr. Speaker, I have indicated to the public of Saskatchewan on many occasions, and in various forms, that my Legislative Secretary is willing to meet with any interested individuals or groups or organizations to discuss the day care review. And if the particular organization that you're referring to is quite willing and interested to meet with my Legislative Secretary, then she is quite willing to reciprocate and meet with them. And I think that's exactly what public and open government is all about.

Moving of Wilkie Ag Rep Office

MR. ENGEL: — A question for the Minister of Agriculture, and I alluded to this problem yesterday during private members' day. And it has to do with the decision to close the ag rep office at Wilkie and to serve the area out of the office at Unity.

My question, Mr. Minister, is: where did this idea originate? Who supports the decision to reduce the ag rep service in Wilkie? And does this support include the Minister of Highways and Transportation?

HON. MR. HEPWORTH: — Thank you, Mr. Speaker. Since 1966, on four separate occasions, the agricultural extension district board no. 30 has recommended through resolutions that that move be made, Mr. Speaker, and that's just one of several representations that we had for that move to be made.

SOME HON. MEMBERS: Hear, hear!

MR. ENGEL: — Mr. Minister, you're saying that you've gotten representation. Have you consulted with people in Wilkie — say, the chamber of commerce, or the council — and what kind of supporting correspondence you've had to support this decision, as far as moving the office out of Wilkie is concerned?

HON. MR. HEPWORTH: — Mr. Speaker, yes, I've had a couple of meetings with them.

MR. ENGEL: — The question was: what recommendation have they been making to you — the people from Wilkie?

HON. MR. HEPWORTH: — Well, their view was that they would like to have that ag rep's office kept in their town, and that would be natural reaction, and frankly I'd be disappointed in any town that didn't want to keep that business there.

MR. ENGEL: — The other question is: what would favour changing the location? What reasons are you putting forward that you'd move it? You say the ag rep, or the agriculture committee, has suggested the move. Why are they proposing this move?

HON. MR. HEPWORTH: — It's simply a question, Mr. Speaker, of providing better service for more farmers. Unity is more central to the district. Over 70 per cent of the ag rep work time is spent in the four western R.M.s, and I think even the data that was brought in by the representations from the town itself, and the chamber of commerce, did not dispute that data. And that's the basic reasons behind it — to provide better service to more farmers more readily.

MR. ENGEL: — This is what our caucus was worried about. Mr. Speaker, I have a new question. I have here a map and the little yellow marks indicate where the ag rep offices are. Are you saying that in district 40 you are going to move the ag rep office out of Rosetown? Rosetown is on the border, on the north border of district 40. You've got several locations there. Are you planning on moving the Rosetown office into a central location?

HON. MR. HEPWORTH: — Mr. Speaker, no.

MR. ENGEL: — My concern is with district 15; Davidson is on the border. I have concerns with district 13, every district in the province. There's 47 ag reps and very few of those ag reps are located centrally. Are you using that as a sweeping reason for moving all these ag rep offices? Look at your map.

HON. MR. HEPWORTH: — No, we're not planning on any moves in any of those locations that the hon. member has suggested, Mr. Speaker.

MR. ENGEL: — Supplementary. Will the minister, on the basis of his answers for the other districts, where there are blatant examples of a district being right on the border, will he reconsider his decision as far as Wilkie is concerned, and tell the Minister of Highways that his town isn't necessarily more centrally located than the office is at Wilkie? Because he's moving it from the east side to the west side.

HON. MR. HEPWORTH: — Mr. Speaker, on October 29th, 1966 the ag extension district board passed a resolution ratifying what has happened to date. And in 1968 we had another one; in 1971 we had another one. And as recently as January 20th, 1983, my deputy minister had a letter from the chairman of the ag extension district board. That ag extension district board is out there to advise the Minister of Agriculture insofar as what the grass roots out there views in terms of services, and policies, and programming. In addition to that, we've had representations from some of the towns, and as well, some of the R.M.s there. The bottom line on the whole move is a matter of providing better service to more farmers. It's just simply that matter.

In fact, Unity and west R.M.s, as I mentioned, account for 73 to 81 per cent of the ag rep's time. Now, if you're suggesting that you don't want to see efficiency insofar as delivery of services to farmers, then you can continue to pursue that questioning. What I'm saying to you, if one-half of an ag reps' time is spent travelling, then it seems to me that if you can put him in the centre of that travel time, in the centre of his travel area, then he's going to be able to provide more service to more farmers, and that's what this particular Department of Agriculture is interested in doing.

And I'm not happy that we can't have offices in every town in Saskatchewan, but it's a fact of life, Mr. Speaker. Some of those hard decisions have to be made and, quite frankly, I was prepared to make it based on the advice of several groups, not the least of which was the ag district extension board.

SOME HON. MEMBERS: Hear, hear!

MR. LUSNEY: — Thank you, Mr. Speaker. Supplementary to the Minister of Agriculture. Mr. Minister, would it not be the case in every district when it is in one location closer to the borders of the district, that you would have people from the other side of district asking the representative to make trips there, more than the people surrounding the area where the ag rep is stationed? Because in the area where the ag rep is stationed, the people will automatically come to his office. Is it not true then, that you would naturally have people phoning the ag rep from areas outside of the area that he is stationed in? So that would be the same with any other district involved. And that is, in my opinion, a poor excuse . . . (inaudible) . . .

SOME HON. MEMBERS: Hear, hear!

HON. MR. HEPWORTH: — As far as I can determine, the question was prefaced, “Is it not true?” and a good, long scenario. And, no, it is not true.

MR. LUSNEY: — Supplementary, Mr. Speaker. Mr. Minister, I could cite a town, say Canora, that’s right along the border of a district. Would it not be true that people, farmers, in the area on the western side of that district would be asking the ag rep to come and visit their farms a lot more than would the people surrounding the Canora area?

HON. MR. HEPWORTH: — Mr. Speaker, as I’ve indicated in all the data, whomever worked it up, that if it was not so overwhelming, that if it was not so overwhelming . . . And you can quibble about the statistics, 71 to 81 per cent. You can quibble 5 per cent either way, if you want to say that no statistic is that accurate. If it was not so overwhelming in favour of rationalization in that manner, I would not have proceeded with it. That, coupled with all the representations I’ve had made, just seemed to make eminent good sense, and on that basis is what we proceeded.

HON. MR. BLAKENEY: — . . . (inaudible) . . . Minister of Agriculture. Is the Minister of Agriculture advising this House that the district ag rep advisory committee has passed a resolution approving of this transfer within the last, say, five years and, if that is not true, will the minister reverse his decision?

HON. MR. HEPWORTH: — I am prepared to advise the hon. member that as recently as January 20, 1983, in a letter to Jack Drew, Deputy Minister, Saskatchewan Agriculture, from Mervyn Cooper, chairman, ag extension district board No. 30, and I quote from it:

As chairman of extension district board No. 30 I have been asked to contact your office in regard to request of a location the ag rep office reviewed, in the hope that it will be your power, and that you can see your way clear to relocate said office from Wilkie to Unity (January 20, 1983).

HON. MR. BLAKENEY: — Further supplementary, Mr. Speaker. If the facts show that the chairman was not reporting any resolution of the committee, but that he had been asked by somebody else –if the facts show that, will you reverse your decision?

SOME HON. MEMBERS: Hear, hear!

HON. MR. HEPWORTH: — I am not about to call in question a letter, the integrity of the chairman of the board. In fact, I met with . . . In the delegation that came, there was a couple of members that sit on that board. I said to them the same as I will say to you: I am not about to call the integrity into question of that chairman, and that if there was any reason for them to suspect that was, in fact, not true, then I would say it behooved them to let me know different. And I’ve, quite frankly, heard nothing since on it.

HON. MR. BLAKENEY: — Further supplementary, Mr. Speaker. If you hear from that district ag rep advisory committee to the effect that no such resolution was passed, will you then reverse your decision?

HON. MR. HEPWORTH: — That was the district extension board resolution, and the other four that preceded it over the past numbers of years were a very important part of the decision making, coupled with several other factors, including the fact that 71 to 81 per cent, or whatever the statistics I read back to you just recently, suggest to me in no uncertain terms, that from the standpoint of serving the majority of farmers most efficiently and most effectively, this make a lot of sense.

HON. MR. BLAKENEY: — Further supplementary, Mr. Speaker. Will you concede the fact that

your statistics, so-called, refer only to farm calls made by the ag rep from the office, and do not include any contacts made by the ag rep in his office with farmers in the surrounding area?

HON. MR. HEPWORTH: — Yes, as I explained earlier, approximately 50 per cent of the ag rep's time — to my advice has it at least — is spent on the road. And it seems to me that if they spend that much time, and he can cover 71 per cent more efficiently out of that location, that could effectively double his available time to the farmers.

Government Providing Answers to Written Questions by NDP

MR. KOSKIE: — Yes. I'd like to, Mr. Speaker, to direct a question to the Premier. And it has to do with his continuing claim that he has an open government. And in particular, it has to do with the fact that 10 out of 94 written questions asked by the opposition during the first session, more than a year ago, remain unanswered. And also 78 out of 114 written answers from the second session remain unanswered. My question is this to the Premier, is this: will the Premier give his personal guarantee to this Assembly that all of these unanswered questions from the first and second sessions will be answered, and will be in the hands of the opposition prior to the Christmas break?

SOME HON. MEMBERS: Hear, hear!

HON. MR. DEVINE: — Mr. Speaker, I've been advised that out of the 94 that were requested last session, all but 6 have been provided. Mr. Speaker . . .

MR. SPEAKER: — Order, please.

HON. MR. DEVINE: — And in the second session, Mr. Speaker, there were 114 requests: 37 tabled to date, 38 have died on the order paper, 39 outstanding, of which 20 will be tabled on Friday, and all but 4 or 5 will be tabled before Christmas.

MR. KOSKIE: — I want to ask a supplement to the Premier. As the Premier is aware that we have asked in the first session in respect to your out-of-province expenses, we have asked it in the second session, and we have waited, and to date we have received no answer in respect to those questions. I want to draw to the attention of the Premier, that I have here a motion for return from the legislature in Alberta. And it has to do with the return filed by Premier Lougheed in respect to his out-of-province trip, some \$239,000. First question, I want to advise the Premier . . .

MR. SPEAKER: — Order, please. Order, please. The member was asking a supplementary and has gone into a long explanation. Supplementaries do not allow a long lead-in.

HON. MR. DEVINE: — I can just reiterate. The opposition requested 94 in the first session. Eighty-two were tabled, six died, and there are six left outstanding. They requested 114 in the second session. We tabled 37, 38 died on the order paper, and 39 are left, of which 20 will be submitted by Friday, and there will be only four or five left by the end of the session.

INTRODUCTION OF BILLS

Bill No. 19 – An Act respecting Building and Accessibility Standards and the Inspection of Buildings

HON. MR. McLAREN: — Mr. Speaker, I move first reading of a bill respecting Building and Accessibility Standards and the Inspection of Buildings.

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

INTRODUCTION OF GUESTS

MRS. CASWELL: — I would like to revert to introduction of guests, if I may. May I ask leave to revert to introduce guests?

I would like to introduce Pat Danforth of the Voice of the Handicapped. Mrs. Danforth is active in the organization to help handicapped people in many areas. She's also a wife and mother. I would like the Assembly to join in welcoming Mrs. Danforth.

HON. MEMBERS: Hear, hear!

MR. SHILLINGTON: — Mr. Speaker, I wonder if I might have leave of the Assembly to join my colleague from Saskatoon Westmount, and join in welcoming Ms. Danforth to the Assembly. I had hoped that we would make her visit memorable and worth while, by being able to ascertain today that we would be passing this legislation before we left for Christmas, and that was the subject of my question to the minister. Perhaps the minister will welcome Ms. Danforth here, and, by so doing, answer my question.

SOME HON. MEMBERS: Hear, hear!

INTRODUCTION OF BILLS (continued)

Bill No. 20 – An Act to amend The Potash Corporation of Saskatchewan Act

HON. MR. McLEOD: — Mr. Speaker, if I could go back to Introduction of Bills. On behalf of my hon. colleague, my seat-mate, Mr. Andrew, I would move first reading of a bill to amend The Potash Corporation of Saskatchewan Act.

MR. SPEAKER: — Order, please! It's very difficult to carry on the work of the House with all the hollering that's going on. I would ask for order.

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

Bill No. 21 – An Act to provide Financial Assistance to Encourage and Promote the Development and Expansion of the Agricultural Industry and to establish the Agricultural Credit Corporation of Saskatchewan

HON. MR. HEPWORTH: — Mr. Speaker, I apologize for my enthusiasm earlier on today when I attempted to introduce this bill. But it is a landmark piece of legislation, Mr. Speaker, and I take pleasure in moving first reading of a bill, An Act to provide Financial Assistance to Encourage and Promote the Development and Expansion of the Agricultural Industry and to establish the Agricultural Credit Corporation of Saskatchewan.

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

REPORTS OF COMMITTEES (continued)

Public Accounts Committee

MR. SHILLINGTON: — Before orders of the day, Mr. Speaker, we had agreed to consider the report of the public accounts committee. I want to begin by expressing my appreciation – and I'm sure I speak on behalf of the vice-chairman as well – I want to express my appreciation to all the members of the committee. I think, Mr. Speaker, this was a diligent, hard-working committee. In past years this committee has met 14 to 15 times in a year. In the last session we met 22 times; 23 times, counting this morning's meeting.

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We considered the estimates of a large number of departments; went through those estimates with considerable thoroughness, and, I think, served the public very well by so doing. I want to express my appreciation to all members of the committee. The attendance, Mr. Speaker, was very good; we never once had a problem with a quorum, and were very seldom in the position of being down to a quorum. We normally had more than the quorum present.

The committee worked well and worked hard. I want to express, and here I know I speak on behalf of all members of the committee, I want to express my appreciation to the staff who gave us such able assistance.

The former deputy clerk, Ms. Gwenn Ronyk, was with us for most of the year, and gave us invaluable assistance; took a real and personal interest in the committee and its workings; cheered with us when we were successful ; I think felt somewhat crestfallen when we were not, and sometimes neglected our duties (which happened on rare occasions); and by and large took a personal interest in the committee, which made a difference. I want to thank Ms. Ronyk.

I want to thank David Mitchell as well, who came on after Ms. Ronyk left on pregnancy leave. Mr. Mitchell gave us valuable assistance as well, particularly considering the fact that he was not aware of the background to some of the recommendations.

I want to express my appreciation to the Provincial Auditor and his staff, who, within the limits of their authority – and I'm going to speak about the limits of their authority in a moment – within the limits of their authority, gave us every assistance, as did the comptroller and his staff, and I want to thank all of those people.

One item we did not get to this fall, and I was sorry we did not, was the issue of comprehensive auditing, and I want to deal with that for a moment. I am hopeful we will get to this in the spring, and I am hopeful members of government benches will see fit to adopt what is, I think, an obvious procedure to safeguard the expenditure of public funds.

Currently, the role of the Provincial Auditor may be roughly expressed as being the attest function, which means he adds up the figures and so on. As well, he is responsible for ensuring that the expenditures are authorized by the legislation and by the legislature. But he does not have the authority to go on and ask whether or not the public is getting value for their money. This is not an attempt to foist upon the Provincial Auditor the responsibility to determine policy. That is determined by this Assembly. His responsibility is to determine, given those goals: was the method used to reach those goals efficient, effective, and economical?

The Government of Canada has adopted comprehensive auditing some time ago, and I think the public of Canada are appreciative of the work of Mr. J.J. Macdonell, who pioneered comprehensive auditing, and his successor, Kenneth Dye, who has done yeoman service in pointing the way to a more efficient national government. Some provincial governments have adopted it. The Government of Ontario has adopted it. The Government of B.C. has adopted it, after a fashion.

I think it is clear that there is a need in a government the size of modern-day governments for someone to ask themselves: is the money being efficiently and effectively spent? Given the sheer size of today's government, and the inability of any government to reduce it – and I think the lack of desirability of reducing are common efforts which are normally done through government – there is a need, Mr. Speaker, for someone, in a professional way, to look at the expenditures and determine whether or not the goals were pursued in the most economical and efficient manner; whether or not the public are getting value for their money.

If you ask the members of the general public, and you talk to them about government, their complaint is not so much that government is too big, but that it is ineffective. They do not particularly complain about the size. It's the fact that they're not getting anything out of it for all

its expenditure. I think the public would readily accept governments of the size of what we have today if they felt governments were effective. And I think that you see that in different levels of government. My perception is that people think that municipal governments are more efficient and effective than provincial governments, and provincial governments are more efficient and effective than the national government. And I hear a good deal less complaining about the taxes they pay to the city than what they pay to the senior levels of government, because I think they're getting . . . They feel they're getting a more efficient and effective government at the local level.

So I say, Mr. Speaker, that if we were to adopt comprehensive auditing and give the public additional assurance that their money is being effectively and efficiently spent, I think we would go a good ways towards removing and allaying the cynicism that exists about government today. I really believe that, if we adopted comprehensive auditing, we would be striking at the very heart of the reason why governments lack credibility.

As I say, the door has not been closed on this subject. We agreed last year to postpone the consideration of the question of comprehensive auditing for one year. The public accounts committee did not meet this fall session except to complete last year's work, and thus we did not have an opportunity to get into the question of comprehensive auditing. I hope we do in the spring, and I look forward to an honest and open evaluation of that by government members.

The members will recall that in the spring we introduced an interim report which dealt with most of the items which had been considered by the committee during the spring. It was an interim report because we had not finalized our work. We were asking the departments to return in the fall and report, in some cases, their progress in dealing with some of the problems which we thought we saw. And we got, I may say, good co-operation from the departments, most of them did respond; a number of them had taken remedial action, and that is to be encouraged.

The members of the committee in some cases, Mr. Speaker, followed up upon comments in the Provincial Auditor's report. I take an example which is not a new one, it has been in the Provincial Auditor's report for several years, and that was the issue of whether or not the education and health tax branch of the Department of Finance should be doing additional audits to ensure that everybody is, all business men are, remitting the tax that they're collecting.

It has been the view of the Provincial Auditor that the department is not doing sufficient audits, that the department does not know if they are getting all of the education and health tax, and, in fact, do not know what percentage they're losing. We met with the department, the branch rather, the E&H tax branch. I think they admitted the validity of the Provincial Auditor's comments, but went on to say that we don't have sufficient staff, and a complete auditing system is relatively expensive, and we will need a good deal of additional staff. And there remained, I think, some difference of opinion between the committee and the officials as to whether or not the additional expenditure would be justified.

For my part, I felt that the members may want to express their own views on this subject. I, for my part, felt that we should at least know what percentage of the E&H tax we're losing, and is not being remitted. The auditing is so incomplete we don't even know that.

In fairness to the E&H tax branch though, I want to say that they are taking some remedial action. They had indicated that they were going to be hiring additional staff. They will be doing a form of audit, telephone audits which involves making inquiries into the emissions of E&H tax by telephone, as distinct from walking into the office and adding up all the books.

In some cases, I may say, members of the committee dealt with the items which they had unearthed themselves through investigative reporting, and some very good work was done by some members of the committee in this regard. I do not know who, but someone began to delve into the issue of the Social Services. We discovered that the error rate was higher than what we

had expected, and, given the expenditures by that department, an error rate of 2 or 3 per cent translates into very considerable sums of money. It would fund a good deal of the proposals which are bandied back and forth in question period, Mr. Speaker.

We also discovered – not in that meeting we had with Social Services, but in a response to our inquiry – we discovered that the majority of the errors, some 56 per cent . . . Let me be clear. We are talking about overpayments to clients. We discovered that, in our view, the number of overpayments was unacceptably high, maybe as high as 7 per cent, which translates into large sums of money, millions of dollars. We also discovered, when they responded in writing to answer a question by someone, that the majority of the errors are not fraud by the clients. Its errors on the part of the department, and that came as a surprise to us. We had assumed that the vast majority of overpayments arose through fraud on the part of the clients. That turned out to be not the case. The majority of overpayments arise through an error on the part of the department, and clearly that is an unacceptable state of affairs, and so admitted by the department, and so admitted by the minister, I may add.

We spent some time talking about the reason for that. It is apparent that in part, at least, the department needs to convert to a computer-based system, as distinct from a manual system. That is ongoing, but it is a very large chore; but that at least is, in part, Mr. Speaker, the cause for the problem.

The committee dealt with a number of other areas. I don't intend to get into them all. I will only say in closing, and I will close with these comments, that I think the public may be well satisfied with the work of this committee. I think the committee would be more effective if the investigative side of what we are doing were backed up by the staff of the Provincial Auditor.

Members of the House may nor may not be aware that the committee has the authority, and indeed the responsibility, to do comprehensive auditing. We have the responsibility to attempt to determine whether or not the public are getting value for their money – always has had. What we don't have, at present, is the responsibility of the Provincial Auditor's staff to back that up in a professional way. So the committee is sort of free-wheeling it. There is no doubt we could do a more effective job if the Provincial Auditor had the responsibility to precede us with that professional sort of work that is done in other jurisdictions.

So with that, Mr. Speaker, I express the hope that the comprehensive auditing will be adopted in a future time and with that, Mr. Speaker, I move, seconded by the hon. member from Assiniboia-Gravelbourg:

That the fifth report of the standing committee on public accounts be now concurred in.

MR. GLAUSER: — Thank you, Mr. Speaker. I concur in the opening remarks of the member from Regina Centre, the chairman of the public accounts committee, whereby he acknowledges, and certainly I do, the services that were provided by the clerks and their staff, also, Mr. Speaker, the co-operation that we received from the departments and agencies, the Provincial Auditor and the comptroller, and their staffs.

While my remarks will be brief, Mr. Speaker, there are areas that I want to address, and have therefore organized my remarks under perhaps three particular headings. Number one is open government; number two, comprehensive audit and The Provincial Auditor Act; and department management.

The NDP had many, many years to open up this committee to the public, and to share the information that was being provided by departments through the questioning that was going on at the time that they were invited to review their operations for the year under review, so that this information would be shared with the taxpayers of Saskatchewan.

Well, things have changed, Mr. Speaker, in this past year when we examined many agencies and departments, and whereby the press was invited and carried the information to the public . . . (inaudible interjection) . . . Sometimes they did.

For too long, governments, and particularly the one we replaced, have evaded disclosure of actions taken by conducting business in a secretive manner. Often, Mr. Speaker, the manner of dispersing of taxpayers' money seemed to have been done for the purpose of political expediency rather than satisfying the elements of the three E's of economy, efficiency, and effectiveness.

An example, Mr. Speaker, was the allocation of \$693,000 for the purchase of real property in January of 1982, just prior to the election, when the cheque was presented at a public ceremony. No authority could be found for the expenditure. No budgetary item could be located. And this is but one example of the many reported by the Provincial Auditor.

I turn now, Mr. Speaker, to comprehensive audit. And the question I ask: would its existence have prevented the occurrence which I have mentioned? The answer, I suggest, Mr. Speaker, would be no. Mr. Speaker, when the auditor's act was read for the second time in the House on May 17 last, during debate I stated that comprehensive audit was no panacea, as was evidenced by the federal government. The following day the *Star-Phoenix* editorialized, taking issue with my statement, supporting the federal government by saying they had made some progress.

Well, Mr. Speaker, I would like to share with members of the House an excerpt from the standing committee on public accounts, 20th report to the House of Commons. Mr. Speaker, the report dealt with the accountability of crown-owned corporations insofar as the Canada Post Corporation was concerned. Mr. Speaker, this is dated May 30, 1983, The House of Commons standing committee on public accounts. It says:

Your committee is concerned that the corporation (that is the Post Office) has not tabled its annual report for the fiscal year ended March 31, 1982, thus contravening its new legislation. Furthermore, the Canada Post Corporation is certain to miss its next legislative deadline of June 30, 1983. As well, the corporation's capital budgets for fiscal years '82-83 and '84 have not been tabled.

Because these unusual delays are caused by a number of key financial questions that have yet to be resolved between the government and the corporation, your committee strongly urges that a much higher priority be placed on the resolution of these issues. Until this done, neither parliament nor the shareholder or the Canadian public will be able to evaluate the financial performance of the Canada Post Office Corporation.

This, Mr. Speaker, follows a comprehensive audit that was done on the post office that cost in excess of \$2 million. I do not think, Mr. Speaker, that Saskatchewan is in a position at this moment, or is prepared financially to follow strongly or listen to the recommendations of the chairman of this committee, the member from Regina Centre, until such time as we see that it is functioning much better than what it seems to be at present in Ottawa.

Mr. Speaker, I would like to now say something about management. We have been assured by numerous departments that changes are being implemented to put in place management practices in line with more current happenings. I just would like to remind the Assembly what the Minister of Social Services had to say, and particularly I would like to talk about that department because that seems to be where the most difficulty was expressed at the time of the evaluation and of their operations when we reviewed them.

Now, as the Minister of Social Services recorded in this House, the government commissioned a

study on how to improve the welfare system in Saskatchewan. And the year was somewhere around 1978. Recommendations were brought down in early '79. Now, what was one of those recommendations? That a new social assistance plan computer system be developed which would have the capacity to perform a verification, calculation, and cheque-producing function, based on information provided by clients or on applications or other forms.

Well, that was the recommendation that came down. Nothing was acted on. But what has happened in the meantime? If something would have been done at that time, the Saskatchewan taxpayers probably would have been saved somewhere between \$20 million and \$30 million. Anyway, to bring it to more current status, we are now assured that that system will be implemented. I think that the member from Regina Centre has received his answer in that the government today is now implementing that particular recommendation.

I see improvements taking place in management from what the comptroller was having to say when we had various departments in, that when we asked him what the current situation was, in numerous cases he could tell us: "Well, that particular item is being fixed up. We are looking at new ways of handling this situation." And it covered many departments, so I personally feel quite confident that progress will be made over the next year.

While comprehensive audit addresses a problem – more often after the fact – good management, effective management, prevents the problem occurring in the first place. So, as I said earlier in my remarks, comprehensive audit is no panacea. Good management is of the essence. And from the remarks we are receiving from the various departments, I feel confident that we are looking at a much better year ahead when we review the public accounts for 1983, and I concur otherwise in the report.

MR. KATZMAN: — Mr. Speaker, I'd like to join on the debate on the report. I think, to put it very simple, this committee put many hours in and discovered many things. For the first time that I've been on the committee, information was provided from areas that has never been provided before, and the committee did not break down and do a political scramble.

But that aside, Mr. Speaker, one or two things did annoy me in the committee. I disagree with the member, the chairman, when he said the comment about the education and health tax. There is a point where you throw good money after bad, and it doesn't pay. I think that that department has got to that point, and disagree violently with the member, or the chairman, who thinks that they are close. They are not close to receiving their proper allocation. So I would suggest he is wrong in his read on that one.

One of the interesting things is, over all the years we've been there we've been denied certain information. And I will take that issue, and that issue plus the comprehensive audit issue and that will be all.

I use the two centennial auditoriums, projects of Regina and Saskatoon, and you look at the way the funding was done in both cases. I do not want to get into a tale of two cities, but I want to get into a tale of an unfair equity situation and formula. I have notified the minister of my concerns about this issue. And basically all I am saying: it's interesting to note that the former government developed a formula which automatically left one auditorium being treated totally different from the other, because of a revenue formula that was built into one where the other one had no opportunity at that type of revenue. And yes the total expenses derived from that source of revenue were charged to another area called the Wascana Authority.

So rather than go into a lengthy dispute here, I would suggest that Saskatoon is getting short-changed somewhere between \$100,000 and \$150,000 on the operation of theirs versus the Regina situation. And that comment, Mr. Speaker. I could go into many others on the department, but we'll be going back into the committee very shortly. I will say this much. It was interesting for the first time to see officials forced to give answers when they used to hide

between the mass of the former government and refuse to give answers.

Comprehensive auditing. The member from Mayfair just spoke. The member from Regina is incorrect when he says it's the answer, that the report we received in Toronto varies from all the public accounts committees all over Canada. Even they admit it wasn't the perfect answer. I think the member from Mayfair hit the answer on the head – good management, responsibility, and good sound systems. And that's what the new government seems to be providing and therefore the other system won't be necessary. Thank you, Mr. Chairman.

MR. MEAGHER: — Thank you, Mr. Speaker. I would like to join with my colleagues in complimenting the people that were so helpful to this important committee in putting this report together. I just would like to join and make a couple of comments on the action of the chairman of this committee, in what I believe to be a misuse of his authority and a thing that brings this whole committee into disrepute.

I think this is an important committee and it has an important function. And I believe that when the chairman of the committee comes into this House as he did on May 26, last, when the House is in committee, and brings up a matter that he knows to be untrue and makes a suggestion that it's a quotation directly from the public accounts committee . . . And I would like just to read, Mr. Speaker, what the chairman of the committee did say on the 27th of May when this House was in committee. He said:

Mr. Minister, I specifically want to raise with you the comments of the member for Prince Albert and Prince Albert-Duck Lake yesterday in public accounts . . . the suggestion (was) made by the members from Prince Albert was that any institution is inappropriate unless it's painted a flat black and draped in barbed wire . . .

Now, Mr. Speaker, that is on page 2662 of *Hansard*. He then proceeded to leave the House immediately. He left the House immediately, Mr. Speaker, to get a copy of the verbatim. He returned to the House, and I would like to share with my colleagues in the House the comments that were made in public accounts, on an important question.

It was the Department of Government Services we were examining, and we were examining the costs of the jail being constructed in Prince Albert in the year under review. And I asked an engineer for the department who was giving testimony, "But is it a function" – and I'm quoting directly from the verbatim on page 582:

But is it a function nevertheless that it was considered in the design, that the drapery had to be colour co-ordinated with the carpeting.

Mr. Brown's answer:

That's correct.

The chairman then proceeded on that same day in the House to make the suggestion that in public accounts:

. . . the member from Prince Albert may disavow his statement: he may recant if he wishes, and I would welcome the member recanting his ill-advised comments, (Mr. Speaker) . . . I can see I've hit a sore spot. Nothing disturbs this government as much as their loose-lipped members who continue to get them into trouble. You can tell when we're quoting one of their members, (he proceeded to say). They're all yelling at once trying to drown you out.

My point, Mr. Speaker, is that the public accounts committee is an important committee of this

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legislature. It performs an important function, and it's open to the press. There are verbatim accounts made of everything said in that committee. And when the chairman comes into this House in another function and makes use of the public accounts committee in that way, I suggest that he should be cautioned. I caution him to be a little more accurate and not to put this committee into disrepute.

Other than those few comments, I generally concur with the report, and I think the report is self-explanatory.

MR. ENGEL: — Thank you, Mr. Speaker. I would just have to make a few comments on the role and the work of the public accounts committee. I think the committee is developing into a hard-working committee. I appreciate the new members on it. I think maybe, since some of the committee members have been appointed to cabinet, that level of debate and the work in the committee has gotten down to business rather than just trying to dig up some politics.

I would particularly like to congratulate the member for Saskatoon Eastview, and I think it's indicative of his ability and as an attorney that he was able to raise the issues the way he did. And I personally want to compliment him for his role in the committee, that was strictly one of trying to find out: is there money spent, and are we getting a good shot for the buck that's being spent by the various departments?

I suppose if there's one area of concern, it would possibly be that so many of the officials that appear before the committee weren't familiar with what we were reviewing because they had been changed, since the committee was running as much as two years behind in the work we were doing.

But other than that, I think, quite contrary to the member that just took his seat, I would like to say that we have a very hard-working chairman in our committee, as well as the knowledge and respect that I have for the vice-chairman – his ability as a banker and somebody that is able to see a financial statement and know what those numbers are all about. I think it's been a real worthwhile learning experience for me.

The committee's decision to involve more of the committee members in study sessions and in roles where we can improve ourselves, I think is a good one and a worthwhile one, where committee members can avail themselves of conferences and study activities that are present. So I want to highly commend the people that are involved with us, particularly the staff and the people in the comptroller's office. I think it's studied the work real good.

It reminds me of the days when I was on the committee when we were serving way back in 1971 when some business men took it on themselves to work for the good of all of Saskatchewan rather than for narrow political endeavours. Without naming some of the members that got into that narrow political debate and the arguments we had – since those members are not on our committee any more – I think things are rolling very smoothly. Thank you, Mr. Chairman.

SOME HON. MEMBERS: Hear, hear!

Motion agreed to.

SUBSTITUTION ON BOARD OF INTERNAL ECONOMY

MR. SPEAKER: — Before orders of the day I would like to lay on the table a letter from His Honour the Lieutenant Governor placing on the Board of Internal Economy Harry Baker in place of the Hon. Jack Klein.

ORDERS OF THE DAY

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 18 – An Act to amend The Department of Revenue and Financial Services Act

HON. MR. ROUSSEAU: — Thank you, Mr. Speaker. It gives me pleasure, Mr. Speaker, to introduce Bill No. 18, an Act to amend The Revenue and Financial Services Act.

This bill sanctions the public employees' benefits agency and the programs and procedures this agency currently controls on behalf of myself as minister of the Crown and employees of the Government of Saskatchewan. Mr. Speaker, this bill is a continuation of this government's commitment to clarify the powers that governmental departments, or branches of these departments, have and is another of the many steps taken in the simplification of legislation through the legislative review process of this administration.

Mr. Speaker, as I indicated earlier, this bill, in addition to clarifying the mandate of the public employees' benefits agency, also provides the authority for the agency to establish and allocate funds, pay benefits, enter into contracts, establish new plans and consolidate existing plans – all for the benefit of the employees of the Government of Saskatchewan, its crown corporations, agencies, or boards.

Finally, Mr. Speaker, this bill allows all activities that have occurred in the past with respect to this organization to be acknowledged for administrative and audit purposes. Mr. Speaker, I take pleasure in moving that Bill No. 18, an Act to amend The Revenue and Financial Services Act, be now read a second time.

MR. LINGENFELTER: — Mr. Speaker, I simply intend to beg leave to adjourn debate. We will be looking at the bill and studying it over the next day or two, so I would therefore ask leave to adjourn the debate.

Debate adjourned.

Bill No. 16 – An Act to amend The Saskatchewan Government Insurance Act, 1980

HON. MR. ROUSSEAU: — Thank you, Mr. Speaker. Again it's my pleasure to give second reading to this bill. But while I'm on my feet I would like, and with leave of the House, to speak on both Bills 16 and 17, which are intermingled and involve both sides. So if I may continue.

In general, Mr. Speaker, the legislation is of a housekeeping nature, largely intended to eliminate the need for the president's signature on common documents.

But the legislation will also create a separate Saskatchewan auto fund to satisfy a recommendation that was made by the Public Utilities Review Commission. The changes to The Automobile Accident Insurance Act will be: it will remove the need for the president's signature on documents such as operators' certificate, owners' certificates, and various other documents issued under The Automobile Accident Insurance Act. This eliminates problems which occur when there's a change in the president of SGI and reduces the unnecessary reprinting of forms.

Legislation also creates a separate fund for The Automobile Accident insurance Act. SGI has two separate functions: that of administrator of the act, and that of a general competitive insurer. In carrying out these functions, SGI uses the same personnel and buildings. In the eyes of the public, and some others, the distinction is not clear. In the past, there have been charges that one function was used to subsidize the other. Although SGI's accounting procedures separate the functions, there is no visible way of determining which property or activity belongs to one function or the other. The Public Utilities Review Commission commented on this situation and

encouraged SGI to seek a legal remedy.

Mr. Speaker, the legislation establishing the fund comes into effect, hopefully, on January 1, 1984. The fund will have the ability to own assets, make investments, and run ancillary activities, for example, the auto experimental research centre. It will have a board of directors, the same board appointed for general insurance operations, and will issue its own financial statements, including a separate balance sheet. There is currently a separate income statement for the act. Existing legislation does not permit preparing a separate balance sheet.

SGI will keep separate accounts for the fund, recording premium, investment, and other income, and recording all claims payments, capital expenditures, and operating expenses.

Because SGI's two functions use common personnel and property, there may be a few instances where expenses cannot be allocated between the two functions, or it might be uneconomical to do so. In these cases, the board of directors will make rules for expense allocation.

The following, Mr. Speaker, is how unallocatable expenses will be divided. At the present time, unallocatable expenses are divided on a 50-50 basis. This approximates the relationship between current identifiable costs. In 1983, the approximate cost of administration and adjusting expenses is \$50 million. Now, \$10 million of this cannot be allocated on a cost-effective basis. Most of this amount is salary and expenses of staff who work in both areas of SGI at the same time, for example, executives, buildings and property, and public affairs; and they will be on a 50-50 basis.

The separation of the assets, Mr. Speaker, at the time of establishment a list of major assets forming the auto fund will be published in the *Saskatchewan Gazette*. The act will receive the auto experimental research centre and all claims service centres since they were established primarily for auto claims. Extension claims will be charged back to general operations. General operations will receive the head office and other buildings, for example, the salvage and commercial claims; and both will receive a proportional share of the investment portfolio.

Mr. Speaker, a change to The Saskatchewan Government Insurance Act. The act will repeal the definition of general manager. This title appears only in a section pertaining to the execution of documents, which also is repealed. The act adds a new section which authorizes SGI to hire officers and employees, and set out their duties. This section is standard in legislation setting up the powers of crown corporations and is required to correct a previous oversight. And the act repeals a section which details how documents are to be signed. In the future, this will be an internal administrative matter.

And the act, Mr. Speaker, will come into force on the day of assent. Mr. Speaker, I move that Bill No. 16, An Act to amend The Saskatchewan Government Insurance Act, 1980, be now read a second time.

MR. LINGENFELTER: — Mr. Speaker, the minister has talked about Bill 16 and Bill 17, 16 being the amendment to The Saskatchewan Government Insurance Act, and Bill 17 an Act to amend AAIA. I will be moving adjournment of this bill for the time being until we have time to look closely at it and scrutinize it. But I think, at first glance, it seems fairly obvious that what the government is doing here is clearly separating the general insurance from the Saskatchewan auto insurance, and that only leads one to wonder why. I think the why would include such things as an attempt to sell off part of the operation, and we will watch with interest once this bill is passed. And I'm sure they will ram it through with as little debate as possible, if the speech given so far is any indication.

But I am very suspicious, as are members in the opposition, as are members of the public, that this is an attempt by the government to split the two and to attempt to get rid of one part of it. And, Mr. Speaker, we will have much more to say on this topic and therefore I beg leave to

adjourn the debate.

Debate adjourned.

Bill No. 17 – An Act to amend The Automobile Accident Insurance Act

HON. MR. ROUSSEAU: — Thank you, Mr. Speaker. I said everything I had to say in respect to this bill, so I therefore move that Bill No. 17, An Act to amend The Automobile Accident Insurance Act, be now read a second time.

MR. LINGENFELTER: — Mr. Speaker, my comments on 17 are the same as 16. They're very related and they have to do with separating out the automobile insurance from the general insurance, and my comments will be the same. We will be looking closely at this bill, as well, and intend to do our criticism and analysis of it at a future date.

Debate adjourned.

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Embury that Bill No. 13 – **An Act respecting Planning and Development in Urban, Rural and Northern Municipalities** be read a second time.

HON. MR. DOMOTOR: — Mr. Speaker, it is with great pleasure that I rise to add my support to the Hon. Minister of Urban Affairs' motion of second reading of a bill respecting planning and development in urban, rural, and northern municipalities.

Mr. Speaker, the proposed legislation addresses all major areas of concern that our rural municipalities have brought forward as deficiencies in the existing Planning and Development Act. The previous legislation contained no provision for provincial land-use policies. Without land-use policies, the provincial prospective on land was arbitrary. There was no co-ordination between provincial agencies, and the request of rural organizations were being ignored. This provision has been supported for a number of years by the Saskatchewan Association of Rural Municipalities and other rural organizations.

Provincial land-use policies will be prepared and adopted with a meaningful involvement of these groups building on the land-use workshops and regional studies program. A particular concern has been the preservation of agricultural lands. This will be addressed. The existing statutes set no time limits on by-law approvals. Because there was no time limitation on ministerial decision, zoning by-laws were held in abeyance, in some cases for years. This kind of uncertainty produced a negative business climate and undue hardship. Ministerial approval will be no longer required when a municipality forms a municipal planning commission or adopts a zoning by-law amendment consistent for this development plan. Where ministerial approvals are still required, time limits will be set for decisions. The transfer of public reserves to local governments will be encouraged and facilitated. Pertinent subdivision loopholes will be closed.

Another major concern expressed in the rural development process has been the lack of flexibility in planning documents. Because only development plans were possible, many municipalities had no planning or policy basis before zoning bylaws or capital work programs were adopted.

The new act enables smaller scale basic planning statements more suited to the needs of many rural municipalities and small communities. The former legislation was deficient in its lack of arbitration mechanism. In some cases of disputes between developer and municipalities, or

public utilities and municipalities, the lack of an arbitration or appeal process resulted in situations that remained unresolved for years.

Joint planning by municipalities and public utilities will be encouraged. In cases of dispute, the matter may be referred to the provincial planning appeals board for review and possible mediation. District planning arrangements, previously emphasized, did often control rather than joint policy development. This orientation has tended to drive municipalities part, rather than encouraging them to work together.

Under the new act, intermunicipal co-operation in planning will be encouraged. Small-scale units will be provided for as opposed to large-scale regional planning commissions, thus ensuring accountability to the participating municipalities and greater acceptability among rural residents. Emphasis will be on planning and policy development, rather than development control. The process should reduce the frequency and likelihood of intermunicipal disputes. Differences are to be worked out in policy discussions, as opposed to the implementation stage.

Mr. Speaker, this is a very major piece of legislation which will set the course for the development of all of rural Saskatchewan. To ensure that we were enacting in the best interests of our rural residents, we have encouraged the active participation of all rural organizations in formulating this final document we have before us.

During the course of the review process numerous meetings were held with the executive of the Saskatchewan Association of Rural Municipalities. Response to the discussion paper were received from a large proportion of the 299 rural municipalities and from such representative rural organizations as the Saskatchewan Federation of Agriculture, and the Saskatchewan Institute of Agrologists.

The executive of SARM (Saskatchewan Association of Rural Municipalities) has studied a draft copy of this bill and have indicated they are in full agreement with its content. I might add, as well, that they have commended our government for addressing this problem – something the previous administration refused to do. My colleague, the Minister of Urban Affairs, has clearly illustrated the thrust of this act and has done an excellent job in outlining the major initiatives of the act.

To summarize, Mr. Speaker, this legislation is a result of our government's commitment to listen to and act upon the request of its electors. It firmly illustrates a positive response to the needs of rural Saskatchewan, and therefore I urge all hon. members to join with me in supporting this extremely important legislation. Thank you.

SOME HON. MEMBERS: Hear, hear

MR. LINGENFELTER: — Mr. Speaker, I intend to move adjournment of this for the time, and we will come back to it. We have more words to say on it. Therefore I will move adjournment.

Debate adjourned.

COMMITTEE OF THE WHOLE

Bill No. 14 – An Act to amend The Saskatchewan Assessment Act

Clause 1

HON. MR. EMBURY: — Thank you, Mr. Chairman. To my right is Dave Innes, deputy minister of urban affairs. Behind him is Henry McCutcheon, executive director of planning, urban affairs. To my far right is Peggy Clark, director of community planning services, urban affairs. And directly behind me is Lloyd Talbot, director of community planning services, rural development.

MR. SHILLINGTON: — I ask the minister if he has any indication from any of the municipalities that they do or do not want to stage . . . I think particularly of the cities. Do you have any indication from the cities whether or not they want to stage a three-year phase-in or whether they want to simply bite the bullet? Do you have any indication of what they're actually going to do?

HON. MR. EMBURY: — In answer, Mr. Chairman, to the member, actually the request for this type of legislation came from the city of Saskatoon some months ago, and we consulted with them for a number of months and looked at the act. So this is really in response to some requests, one mainly from Saskatoon, for this type of legislation.

MR. SHILLINGTON: — We don't particularly object to it. I do not want anything, though . . . And I don't mind giving the cities flexibility where an appropriate case to phase in legislation which may result in increases in taxes. Having said that, I don't want anything to be misunderstood. We don't in any sense feel that anything about the reassessment was unfair. We feel the assessment was long overdue and if it created any problems, those problems were created by the length of time that elapsed since the last assessment. So I say that we don't necessarily object to a city phasing it in. I do not agree with any of the objections that are made to the assessment and I would hope, and indeed I think it introduces an element of equity into municipal taxation.

Living downtown and riding downtown, where the problem is most acute . . . (inaudible) . . . those commercial concerns on the outskirts of the city who feel that their taxes are going to increase. In my view, in many cases they should.

We don't object to this. We're going to let it go without, I think, any other questions. But I just do not want anything we say to be understood to be any criticism of the reassessments. The only criticism I have is that they're long overdue.

HON. MR. EMBURY: — Mr. Chairman, in light of the number of bills that we have to deal with today, I will not get into a debate with the member on the pros and cons of the reassessment that began in 1976. I know of which he speaks — downtown property versus peripheral commercial property — and I suppose we could debate for some time about the adequacy of the formula used in this last reassessment. I do agree with him that the time frame for reassessments in Saskatchewan has been lengthy, and measures are being taken to shorten that time period up. But another day, I suppose. For the debate on the formula.

If he has no more questions on this phase-in, then we'll proceed with it.

MR. SHILLINGTON: — I don't, and I'm not going to pretend the next question is in order, but the minister may answer it in any event. It does fall outside the act, Mr. Chairman.

Mr. Minister, during the summer you circulated a pamphlet which raised the issue of a variable mill rate, variable assessment rate. When I saw the act, I assumed that's what you were going to do. You didn't. It's not in here, obviously. Can the minister tell us whether or not the government has any intention or any plans to introduce a variable mill rate?

HON. MR. EMBURY: — Well, Mr. Chairman, let's get one thing straight. It's not a variable assessment. There are two distinctive parts to property taxation. One is the assessment put on property, which establishes value; and the other part of the formula is the mill rate applied to that assessment, which produces the actual dollar spent by the property owner to the municipality.

One of the propositions that we have made to the users of assessments, namely local government, is the concept of variable mill rates which, the member may or may not know, have

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been used in other jurisdictions. It simply gives a municipality a further tool to establish taxing policy.

Basically under Saskatchewan law, as the member is well aware, the municipality only has one mill rate. In other jurisdictions, they have several mill rates applied to several different classifications of property. I don't suspect that the member will see any legislation enabling variable mill rates in the near future. It is a concept that will take some time to discuss with the users and if they agree with it, if they think it will be useful, then we will implement it. But at this point it is a discussion only.

Clause 1 agreed to.

Clause 2 agreed to.

Clause 3

MR. SCHMIDT: — Mr. Minister, I notice there's an amendment to section 3(2) and I take it that the year 1984 still remains in that section. Is that correct?

HON. MR. EMBURY: — Yes.

MR. SCHMIDT: — The city of Melville was reassessed in 1983, and I'm just wondering why the city of Melville couldn't have the option of phasing this in over a three-year period.

HON. MR. EMBURY: — Mr. Chairman, if the city of Melville's reassessment takes effect in 1984, they will be able to phase this in.

MR. SCHMIDT: — I didn't hear the answer. There's a lot of noise on this side of the House.

HON. MR. EMBURY: — In Melville, Mr. Chairman, it took place in 1983, but takes effect in 1984. They will be able to phase it in.

MR. SCHMIDT: — Our taxes went . . . some went up and some went down and some went up substantially in 1983, so I think it took effect in 1983. I'm just wondering why — Melville or any other place — why there's a restriction to 1984.

HON. MR. EMBURY: — Basically, because the bill is to affect those municipalities which have not yet effected their new tax role. For those municipalities in which . . . And basically, if this amendment had been put into place last year, then Melville would have been all right.

In those areas where there is deemed by the municipality to be an unfair tax shift to some property owners, I might remind the member that the cities involved do have the power under The Urban Act to abate taxes (all or some), exempt taxes (all or some), on any properties in those municipalities, and they're always had that power under The Urban Act if it's the municipality's feeling that there are some property owners hurt by that reassessment.

You know this is not to say that . . . This does not address the basic question of the formula. It is a measure in response to some requests from municipalities to have this, and we are simply corresponding to that request.

MR. SCHMIDT: — You've indicated them that if there's some unfairness in the assessment in the city of Melville, the city has it within their power to make adjustments as the legislation now stands? I think that's what you said, but I just want to confirm that I can go back and tell the city they can straighten it out themselves and they don't need legislation.

HON. MR. EMBURY: — Mr. Chairman, what I said is that if the city of Melville feels that there

are some properties unfairly taxes as a result of the reassessment or as the result of anything else, they have always had the power under The Urban Act to abate all or part of taxes, or exempt all or part of taxes under that act.

Clause 3 as amended agreed to.

Clause 4 as amended agreed to.

Clause 5 agreed to.

The committee agreed to report the bill as amended.

Bill No. 15 – An Act to amend The Local Improvements Act

Clause 1

MR. SHILLINGTON: — Mr. Minister, this ancient beast which you have unearthed from the bottom of the seas in an allegorical sense . . . Was there a practical problem which inspired this amendment, or was this just some sharp-eyed official who spotted what might be a potential abuse? Why is the amendment coming forward?

HON. MR. EMBURY: — Mr. Chairman, the present Local Improvements Act which provides municipalities with the means to charge certain costs against abutting owners for local improvement done abutting that property, the present act requires that municipalities adjust those special assessments on irregular-shaped lots and on lots unfit for building purposes.

Well, as the member is aware, in many, many communities in Saskatchewan the railways own substantial amounts of lands and railway right-of-ways. Well, those right-of-ways have been deemed to be unfit for building purposes which means that the railways have been, over the years, able to reduce their special assessments down to zero, while the abutting owners in the community have had to pick up the share.

We quite frankly think that the railways, who didn't pay a heck of a lot for the land in the first place, should pick up at least 50 per cent of those special assessments.

MR. SHILLINGTON: — Well, I'm not sure I appreciate every nuance of this bill. But, Mr. Minister, if you can lift any money out of the pockets of the railways, you're in good standing with the Saskatchewan people, so we are not going to be opposing it.

Clause 1 agreed to.

Clauses 2 and 3 agreed to.

The committee agreed to report the bill.

Bill No. 7 – An Act to repeal The Transportation Act

MR. CHAIRMAN: — The question before the committee is An Act to repeal The Transportation Act. Would the minister introduce his officials?

HON. MR. DOMOTOR: — Yes. Seated to the right is the deputy minister, Jack Sutherland, and Al Schwartz, Department of Highways and Transportation, and behind me is John Weir, assistant to the Minister of Highways.

Clause 1

MR. LUSNEY: — Thank you, Mr. Chairman. A question to the minister. This bill that repeals the transportation agency, what has happened to that department, the transportation agency? Is it moving into the Department of Highways now?

HON. MR. DOMOTOR: — It's being amalgamated with the Department of Highways and Transportation, so it will be one unit.

MR. LUSNEY: — It's not going to be a separate structure within the department then, to deal with the same issues as the transportation agency dealt with before, is it?

HON. MR. DOMOTOR: — There will be a separate planning and research division.

MR. LUSNEY: — So there will be a separate planning and research division? Are you saying that there's going to be a separate division in there for looking at problems like rail line abandonment, problems like we had with the Crow issue — do research on it — looking at air services to communities? There's going to be that division set up to look after all of the problems that the agency handled before?

HON. MR. DOMOTOR: — Yes. That will be the same officials as we had before, and they'll be doing the same kind of thing.

MR. LUSNEY: — Has there been a change in staffing? Has the staff from the agency been moved into the department? And they'll be doing the same work with the same number of staff?

HON. MR. DOMOTOR: — Once this act goes through, then the physical move will be made. It will be early in the new year.

MR. LUSNEY: — Could the minister repeat that? I didn't quite get it.

HON. MR. DOMOTOR: — Once this act has gone through, then the physical movement will be made in the new year, of the personnel that you're talking about.

MR. LUSNEY: — Do you anticipate a reduction in staff once the move is made?

HON. MR. DOMOTOR: — . . . (inaudible) . . . Could you repeat the question, please. I didn't hear.

MR. LUSNEY: — Do you anticipate a reduction in staff once that move is made from the agency to the Department of Highways?

HON. MR. DOMOTOR: — It will be basically the same officials. There may be two or three clerical staff that you may not need because of duplication.

MR. LUSNEY: — There was an advisory board, Mr. Minister, an advisory council on transportation. Is that council going to continue in existence, or are you not going to have an advisory council to the transportation agency as such?

HON. MR. DOMOTOR: — That'll be up to the minister's discretion whether that council continues or not.

MR. LUSNEY: — At this point then, you really have no clear direction as to what's going to happen to that department as it refers to the advisory council and whether they'll continue to advise the minister on problems relating to transportation.

I have some concern of that, Mr. Minister, because I think it did a good job. It was a cross-section of people that were on that council that advised the minister on different problems concerning

transportation. And I wonder if the minister – although the Minister of Highways and Transportation isn't here at this point – if you could maybe give some assurance that the public will have the opportunity to voice their concerns through some type of mechanism like the council, if you decide to remove the council.

HON. MR. DOMOTOR: — It is just as it was before. It was at the minister's discretion before, and it will be the same thing as it is now.

Clause 1 agreed to.

Clauses 2 and 3 agreed to.

The committee agreed to report the bill.

Bill No. 8 – An Act to amend The Highways Act

Clause 1

MR. LUSNEY: — Mr. Minister, I'll deal with most of the sections in clause 1, and that way we can just go through the bill once we get moving on it.

In some of the clauses, and clause 5 . . . There's a repeal in clause 5 and it doesn't give you much of an explanation here. But going back to the act, you seem to have taken away the definition of controlled access highway. What is the purpose of doing that?

HON. MR. DOMOTOR: — It's not 2(b) that's being repealed, it's 2(b)(i) that's being repealed. There's a wrong section there.

MR. LUSNEY: — Mr. Minister, I wonder if I could get you to repeat that.

HON. MR. DOMOTOR: — It's 2(b)(i) that's being repealed, and it's moved into new department act.

MR. LUSNEY: — In clause 7, it eliminates the necessity of the Lieutenant Governor in Council to designate officials who can act for the minister. That's not, I suppose, a large concern, but why would you want to put the power all in the minister's hands rather than the Lieutenant Governor in Council?

HON. MR. DOMOTOR: — This would streamline the operation. It's been there before, so it's just a matter of following up what we've been doing before.

MR. LUSNEY: — Notice the change in clause 76 from the former bill. Would you sort of explain what the changes have been made?

HON. MR. DOMOTOR: — The main change is that part is the additional provisions with all land-owners or his broker to erect advertising signs on his land, adjacent to provincial highway, that is for sale, and it also makes provision for issuing permits allowing non-profit organizations to erect a sign along provincial highways advertising one-time annual events.

MR. LUSNEY: — You have a reduction in the period of time and I don't really dispute that one, but what instigated this change in clause 17 where you went from 60 days to 21?

HON. MR. DOMOTOR: — That was 60 days and it was just removed to 21 days when it was in contravention of the act.

MR. LUSNEY: — You said it was in contravention of the act, the 60 days?

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HON. MR. DOMOTOR: — If the sign was placed in contravention of the act, then you had 60 days, and now it's 21 days, to remove it.

Clause 1 agreed to.

Clauses 2 to 19 inclusive agreed to.

The committee agreed to report the bill.

Bill No. 9 – An Act respecting the Consequential Amendments resulting from certain changes in the name and functions of the Department of Highways and Transportation

Clause 1

MR. LUSNEY: — Mr. Minister, you make reference in clause 5 to some changes. It's mainly a name change — “director of surveys.” What are the changes within the whole survey department within Department of Highways at this point?

HON. MR. DOMOTOR: — That particular part is moved to Supply and Services.

MR. LUSNEY: — What was the purpose for the move of the survey to the Department of Supply and Services?

HON. MR. DOMOTOR: — It's essential service for all departments of government. Essential service for all departments of government.

MR. LUSNEY: — So all mapping now, from all departments that's required, is done by Supply and Services, or is it done by private organizations that may be hired by Supply and Services?

HON. MR. DOMOTOR: — It's co-ordinated by Supply and Services. Some is done by Supply and Services, and some may be farmed out.

MR. LUSNEY: — Some done by Supply and Services and some by departmental, you said. In other words, what you're saying then is that, through Supply and Services, a lot of these services that have been done by the Department of Highways in the past could now very likely be contracted out to private entrepreneurs doing the work that the Department of Highways used to do in the past.

HON. MR. DOMOTOR: — It's the same as it was before. When your administration was in power, they used to contract some of this out from the Department of Highways when they had central mapping services then. So It's the same process except that Supply and Services is handling it now, and some of it we contract out as before.

MR. LUSNEY: — Mr. Minister, a lot of that I think was done in the past with the department and within the departments in government at that time. Can you tell me for certain that this work now is still being done within the department, and not being contracted out to private enterprise to do the work that the people within the department used to do before?

HON. MR. DOMOTOR: — I can't answer for another department, when it's under their department, as to what all they have in there.

MR. LUSNEY: — The Department of Highways, then, is getting their work done through Supply and Services, and what you're saying is that if I want the information as to who is doing the work for the Department of Highways I have to ask Supply and Services. I suppose that was the reason for the changes being made in it. You confused things enough that people will never find out just

what's happening, but I suppose there's no way that we can change that at this point. I'll just have to remember that when Supply and Services comes up and ask them some of the questions at that time.

HON. MR. DOMOTOR: — That was the former administration had decided to move central mapping over to Supply and Services in the first place. So all we're doing is following along with some of that process now.

Clause 1 agreed to.

Clauses 2 to 23 inclusive agreed to.

The committee agreed to report the bill.

Bill No. 10 – An Act respecting the Department of Highways and Transportation

Clause 1

MR. LUSNEY: — Mr. Minister, in this new bill . . . the Department of Highways and Transportation, you now have the transportation agency within the bill. You also have the traffic board within the highway and transportation bill, or under the minister's control. In the highway traffic board, is the highway traffic board now within the department and being run from the department, or is it still a separate structure set up to deal with highway traffic problems?

HON. MR. DOMOTOR: — The highway traffic board is separate and the chairman reports to the minister.

MR. LUSNEY: — What was the purpose of putting the traffic board into Department of Highways, if you still have a chairman that reports to the minister? What is the difference between the department now and what it was before? Why didn't you leave it as it was before?

HON. MR. DOMOTOR: — The highway traffic board is not included in this act, but we provide the budget and that for them to operate.

MR. LUSNEY: — Mr. Minister . . .

MR. CHAIRMAN: — Order, order! Nobody can hear what's going on in the House with all the chatter. The minister can't hear the questions, and the member of the opposition can't hear the answers. I would ask you people to be a bit quiet so that we can get through this bill.

MR. LUSNEY: — Could the minister please repeat his last answer for me?

HON. MR. DOMOTOR: — The highway traffic board is still separate at this point, then from the Department of Highways. The only real change to it is the fact that it's not a separate entity, in a sense, because you've got a chairman of it that reports directly to the minister and the minister has control of the highway traffic board in that sense, which he didn't really have before.

HON. MR. DOMOTOR: — We provide the personnel, the administrative services, and budget to them, but they're still separate.

MR. LUSNEY: — You said that the chairman reports to the minister. I don't think that was necessarily the same case before. The highway traffic board operated under a separate entity before, and it dealt with all related problems to highway traffic, licences, and so forth. And it

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really wasn't responsible to the minister in a sense where they had to report to him on the work that they did, but they did what had to be done. The only reporting that would be done is an audit of the department to show the people what was happening and sort of give them an annual report.

HON. MR. DOMOTOR: — The actual operation of the board has not changed and the chairman still reports to the minister.

MR. LUSNEY: — Will we be getting a report of the highway traffic board then?

HON. MR. DOMOTOR: — There's never been an annual report from the highway traffic board.

Clause 1 agreed to.

Clauses 2 to 6 inclusive agreed to.

Clause 7

MR. LUSNEY: — Mr. Minister, the advisory committees . . . The minister is going to continue having an advisory committee on all related matters to Highways and Transportation?

HON. MR. DOMOTOR: — That's a standard provision. There's no change there.

Clause 7 agreed to.

Clauses 8 to 17 inclusive agreed to.

The committee agreed to report the bill.

HON. MR. DOMOTOR: — Mr. Chairman, I'd just like to thank the officials for coming in to help us with the bills.

MR. CHAIRMAN: — I'd like to thank the officials also. And is there any more business before the committee?

THIRD READINGS

Bill No. 14 – An Act to amend The Saskatchewan Assessment Act

MR. SPEAKER: — When shall the amendment be read a first time?

HON. MR. EMBURY: — Mr. Speaker, with leave, now.

Motion agreed to.

HON. MR. EMBURY: — Mr. Speaker, I move that bill No. 14 be read a third time and passed under its title.

Motion agreed to and bill read a third time.

Bill No. 15 – An Act to amend The Local Amendments Act

HON. MR. EMBURY: — Mr. Speaker, I move third reading of Bill No. 15, and passed under its title.

Motion agreed to and bill read a third time.

Bill No. 7 – An Act to repeal The Transportation Act

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

Motion agreed to and bill read a third time.

Bill No. 8 – An Act to amend The Highways Act.

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

Motion agreed to and bill read a third time.

Bill No. 9 – An Act respecting the Consequential Amendments resulting from certain changes in the name and functions of the Department of Highways and Transportation

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

Motion agreed to and bill read a third time.

Bill No. 10 – An Act respecting the Department of Highways and Transportation

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

Motion agreed to and bill read a third time.

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Embury that Bill No. 13 – **An Act respecting Planning and Development in Urban, Rural and Northern Municipalities** be now read a second time.

MR. SHILLINGTON: — Thank you very much, Mr. Speaker. I have a few comments which will supplement those I made yesterday in speaking on second reading. When the minister spoke on this bill the other day, he was eager to pretend that his government, this Conservative government, was alone responsible for any positive features the bill might contain. That pretence was less than candid and a good deal less than fair.

As the minister knows full well, the process of reviewing the act with a view towards improving it was begun in 1981 by the former government under the then minister of urban affairs, the former member for Regina North East. It was then, throughout all of 1981, that much of the groundwork for the planning and development review process was undertaken, and it was then that most of the major issues and options were identified. So I would have preferred the minister to have been a little more fair and candid when he presumes to take credit for the positive features in this bill, most of which were in place before he took office.

I was surprised that in his remarks, indeed in his whole approach to this bill, the minister has adopted such a narrow and technical posture. Nowhere does he give evidence that he understands or respects the major challenges presented by the preparation or the administration of a provincial planning and development act.

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His brief experience as Minister of Urban Affairs, if not his experience as a friend of big-city developers on city council or his close association with chartered banks, should permit him to appreciate the competing needs and interests which need to be balanced in such an act.

First, balancing the needs and interests of rural residents against those of nearly urban neighbours. The potential differences in goals and aspirations, the differing interests here can, and often do, result in mistrust and agreement. A sound planning statute will acknowledge this and provide ways to minimize these problems.

Second, of course, balancing the interests of developers against those of communities and neighbours. No one on this side of the House is opposed to development; let's be clear about that. But development should be a means to our common ends, a tool to be used wisely, not an end in itself, a god to be worshipped blindly as Conservative members with their big business bias seem to think. There can be no dispute that there often is fundamentally different interests and aspirations separating developers and community residents.

The challenge, then, is to provide a provincial planning and development statutory framework which recognizes those differences, which does not prevent development, but which provides great scope to the ordinary people in communities and neighbours to influence developments which directly affect their lives.

Third, and most fundamentally, such an act must acknowledge the difference between private financial interests of landowners and the larger public good. I shall have more to say about the Conservative government's poor record in this area. But for the moment let it suffice to say that this is perhaps the biggest challenge of all in preparing a planning and development act: to balance the interests of the private financial interests of landowners with the larger public good – the challenge of ensuring that ordinary farmers, homeowners, and small businesses are indeed secure in the enjoyment of their land, buildings, and homes, and to ensure that the larger common good, the public interest, is not sacrificed for the needy, narrow, greedy, and selfish interests of the few rich, powerful owners of large land holdings.

Finally, such a statute must successfully balance the legitimate principle of local municipal autonomy against the less legitimate interest of the larger provincial community as a whole, as expressed from time to time by decisions made by this Assembly.

These then, Mr. Speaker, are the basic challenges facing those who propose to develop and to administer a planning and development act. I was disappointed that the minister does not seem entirely and fully aware of them, and if he is, perhaps he might want to comment on them in closing debate on this.

The bill before us, in fact, does contain some measures which may be appropriate to effectively balance these conflicting interests. Its success or failure however cannot be determined by a mere review of the bill itself, for a planning and development act, more than any other statute, can only be understood and evaluated when it is in action, only when it is actually to be used in the dynamic and complex context in which real development and community protection decisions have to be made.

While it's just possible, barely so, that the minister and his Conservative colleagues understand the requirements of a sound planning and development act, while it's just possible that the minister has indeed some regard for the interests of ordinary people in the communities and neighbourhoods across Saskatchewan, the people of this province are sceptical. They are sceptical about the bill, sceptical and apprehensive. Because over the last past year and a half they have seen far too much evidence of the Conservative' big government bias, big business bias, and the Conservatives developed the bias.

By and large, their policy approach has been simple and consistent regarding issues like those raised in this act? Tax breaks for big oil, cosiness with big banks, while ignoring the needs of ordinary farmers, working people, and small businesses. We have seen that as recently as the throne speech which we heard three weeks ago. We have seen arbitrary rigid constraints on the provincial revenue-sharing pool, holding back on provincial financial assistance to municipalities – one example of their lack of sensitivity to these competing interests which are of a sort of which this bill tries to balance. We saw it the other day in question period, indeed, when we witnessed the Minister of Finance, subbing for a Premier who indicated he was sick, telling universities they were going to only get 5 per cent increase, and then having the cabinet permit utility rate increases which will cost them a good deal more than 5 per cent.

I might mention, as well, for the benefit of the minister the failure of this government to introduce their own real capital works development fund for rural municipalities after they had scrapped ours. Another example, perhaps examples, Mr. Speaker, of what I would call their Adam Neisner approach to community planning. But perhaps the most stark and dramatic example of all was the Conservative approach to financial assistance and planning for important urban park developments. Sorry to see that the member for Regina North is not here.

I would mention the cut-backs in the budget for Wascana Centre here in Regina, a change in a formula which had been agreed to many, many years ago by all levels of government, which they were unilaterally changing; cut-backs in provincial funding for the Meewasin Valley Authority in Saskatoon with no prior consultation; cut-backs in provincial assistance for the Wakamaw Valley Authority in Moose Jaw; cancellation of provincial assistance for an orderly park development along these lines, along the river in Prince Albert. Example after example, all part of a pattern, all clear evidence of this government's narrow, consistent focus on private interests, private greed, private gain – all at the expense of the larger public good; all at the expense of larger public interest. And it is for these reasons, and because of this Conservative government's poor record in the last year and a half, that the people of Saskatchewan are now so sceptical and apprehensive about the specific content and impact of this bill.

I shall have additional comments and questions on certain sections of the bill. Suffice it to say, however, in closing that we will not be opposing the bill at this stage. This is a piece of . . . (inaudible) . . . to which a government, if it so willed – and we do not believe this government has the will – but if a government so willed, it could provide reasonable planning and development in urban areas.

HON. MR. BLAKENEY: — Mr. Speaker, I just want to make a few brief comments on this bills, and I want to make a few brief comments on two sections of the bill, which taken together, I think, mean that this bill will have some very unfortunate consequences.

The one section says that the bill applies to the Crown, and I think we should understand that. Everything in this bill binds the Crown as well as anyone else. The other section, and I have no objection to that, except when combined with the next section which says that in this act if this act conflicts with any other act, this act shall prevail. What we have is something which binds the Crown, therefore binds all citizens and the Crown – and this act shall prevail.

This is an act which deal with all manner of interest of the citizens. It deals with valuable rights of the citizen. It deals with issues whereby citizens can be discriminated against, and indeed, there is a lengthy history of zoning provisions which do discriminate against citizens.

Having said that, the minister says: “this act shall prevail.” Pay no attention to the Saskatchewan Bill of Rights. You thought you had rights under the Saskatchewan Bill of Rights to protect you against discrimination, to protect you against a by-law which may say that you have to have a given income or that you cannot be of a given racial extraction in order to live in a given area. That would be struck down by the Saskatchewan Bill of Rights, but this of course overrules the Saskatchewan Bill of Rights.

We have heritage property legislation which provides for the provincial designation of heritage property. So far as I read this bill, it is entirely possible for any municipality to upset that. If we set a provision which designates, perhaps, a historic building and do it as a provincial heritage property, I see nothing in the bill which would prevent the local municipality from upsetting that and saying, "That's interesting but it doesn't apply because our act overrules."

There are some technical problems, I suggest. When you start saying that this act overrules The Forest Act, and when we have incorporated a fair number of provincial forests within R.M.s, and you therefore find yourself not operating under The Forest Act, but under this act for zoning purposes, I question the wisdom of that. It may well be that I misunderstand these provisions, but I think not. I invite all hon. members to look at perhaps The Forest Act and see whether there aren't significant problems.

I make the obvious point that we govern our legislature with financial provisions which say that the auditor has certain rights to deal with the provincial organizations like the planning appeals board. It is at least possible under an interpretation of these acts to say the planning appeals board can take in money, and they don't need to account for it in the manner of the audit acts. That may be drawing a long bow. That may be drawing a long bow, but some of the others that I have mentioned are by no means long bows. They are, in fact, very real possibilities.

And I would like the minister in charge of the Saskatchewan Power Corporation to think about whether or not he wishes to place in the hands of rural municipalities the right to zone any property as agricultural and not suitable for power lines, and he is left without recourse. Right now, of course, The Power Corporation Act would rend that . . . (inaudible interjection) . . .

If anyone questions whether or not that is reasonable, they'd better look back on the history of the construction of power lines, of pipelines in this province, where there have been persistent cases where rural municipalities have felt they didn't want the pipeline through their R.M.

And that, of course, was no problem since the federal pipeline act governed. But, I suggest to you that for provincial utilities, I suggest that you look at the impact of this. Look at the impact of saying that this act shall govern over all others, and that it binds the Crown. And while you may scoff at some of the instances I raised, I invite you to look at them to see whether or not there is not a significant problem here. In my judgement at least, with respect to at least several of those acts, we are creating a problem which we would not wish to do.

I can give you a couple of instances of circumstances where municipalities have used their zoning powers to improve their negotiating position with the utilities. That is better done in committee. But I want to raise this issue because it seems to me that it is something that the minister and his officials should consider, whether or not the combination of a number of these powers does not present significant problems for people who operate under province-wide statutes. And I allude particularly to the Forest Act which is province-wide in its application, in a sense; The Power Corporation Act; Sask Tel act, and the heritage properties act.

I will address some of these things more fully in committee, Mr. Speaker, and I will be supporting the bill along with my colleague from Regina Centre, but as you will have anticipated, will raise questions in committee.

HON. MR. EMBURY: — Thank you, Mr. Speaker. I'll be very brief before we go into committee of the whole. I would urge members of this House to support this bill. The intent of the new planning and development act, as we said at the outset, was to do a number of things.

One, of course, is to provide further tools to municipalities so that they can carry out the business of zoning, the business of creating subdivisions, the business of planning their communities. Give them the tools to do it more effectively. Secondly, the intent of the bill is to

try and protect as much as possible all the people and all the different interest groups that are involved in land development. That is the municipality, the land owner, and the development proponent.

The intent of the bill, quite frankly, Mr. Speaker, is to try and set up machinery that can adjudicate between conflicting interests, whether it be rural and urban, whether it be the interest between private and public good, and even if it's between local interests and provincial interests, Mr. Speaker, the bill is large and it is one that probably won't create a terrible amount of public interest except to those people who use it. It is used most often by municipalities in their endeavours to plan their communities. We think that because of the process used to develop this bill – and that was a process that was open, that consulted the users, the users being the municipalities, both urban and rural, the users being development proponents, and the users being the private land owner – we have unanimous agreement from those users on the content, the intent of the bill, and with that, Mr. Speaker, I would just urge members to support this bill.

SOME HON. MEMBERS: Hear, hear!

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

COMMITTEE OF THE WHOLE

Bill No. 13 – An Act respecting Planning and Development in Urban, Rural and Northern Municipalities

Clause 1

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

HON. MR. EMBURY: — Okay, Mr. Chairman. To my right, Mr. Dave Innes, deputy minister of urban affairs; to his right, Peggy Clark, director of community planning services; to her right, Dan Gilewich, deputy minister of rural development; directly behind me, Henry McCutcheon, executive director of planning; and to his right, Lloyd Talbot, director of community planning services, rural development.

MR. YEW: — Mr. Chairman, I have a question to the minister relating to the northern municipalities in northern Saskatchewan. The minister may understand that we have a northern corporate boundaries commission set up in northern Saskatchewan and that northern corporate boundary commission is at present dealing with northern communities in an attempt to determine the area of jurisdiction that each community ought to have in terms of governing social and economic development activities within their respective realms of jurisdiction, as defined under The Northern Municipalities Act. However, at this point in time, many of the northern communities I've talked with very recently over the course of the past few days have indicated that they will definitely appeal to this northern corporate boundaries commission. They will definitely submit official motions of appeal to this northern boundaries commission, appealing the decision which was arrived at by your government to minimize the area of jurisdiction that each community has. And I'm speaking of the neighbourhood of 30, 37 municipalities in the North – northern administration district. They're direly concerned about the area of jurisdiction that they have.

I want to question the minister: in terms of that northern corporate boundaries commission, just what authority does that commission have, in terms of meeting the needs specified on those grievances, on those formal appeals. That will be submitted by the various communities in the northern administration district?

HON. MR. EMBURY: — Mr. Chairman, although I have been briefed on the boundaries commission dealing with northern communities – and I understand that those appeals can be made up till the end of January of '84 – it is not dealt with under the bill before us here. And as a matter of fact, it is presently under the jurisdiction of the Minister for Northern Saskatchewan, and not myself.

MR. YEW: — Mr. Chairman, I must apologize. I didn't get the full blunt of the answer to my question that the minister has come back with. I wonder if the minister may explain again.

HON. MR. EMBURY: — Mr. Chairman, what I was . . . The boundaries commission of which you speak, and the appeals that they are hearing, are not affected by the bill before us today in committee of the whole, first of all.

And secondly, the boundaries commission and those appeals are presently under the . . . are the responsibility of the Minister for Northern Saskatchewan and not myself. So neither does that question fall under the auspices of the bill before us; secondly, I don't have responsibility for it.

MR. YEW: — Mr. Minister, the reason I raised the question was that my understanding is that The Planning and Development Act now before us will definitely override the other acts that were referred to earlier in the debate. I wondered if The Northern Municipalities Act is one of those acts that will be overruled by The Planning and Development Act, Bill No. 13, that is now in front of us.

HON. MR. EMBURY: — Mr. Chairman, I think the question the hon. member has . . . I think the question relates to the remarks that the Leader of the Opposition made in his remarks on second reading. So perhaps, in a short answer, no. This Planning and Development Act will not overrule any of the activities taking place under The Northern Municipalities Act, under which the boundaries commission and the appeals are taking place.

As I understand it, the current act, Planning and Development Act – and this relates to some of the comments made by the Leader of the Opposition – the current Planning and Development Act, section 11, states that:

In the event of a conflict between the provisions of this and any other act, the provisions of this act (and I'm talking about the current act), so far as they relate to urban and rural planning and development, govern.

Now, the intent of the new act, that says the same thing – and I'm told that the legal people have deleted, "so far as they relate to urban and rural planning and development, govern" in the new act – the intent is to be the same as the current act.

In other words, the new act when it says – under section 3 – where it says that this planning and development act will take precedence over any other act, the intent is the same intent as was under the old act.

So in short, no to your answer. This act won't take precedence over The Northern Municipalities Act.

MR. YEW: — I wonder, Mr. Chairman, if the minister may tell the House just what authority and jurisdiction the northern boundaries commission has in terms of appeals that are submitted, very serious ones related to resource development outside of the community's subdivision. Major decisions have to be made which will involve the communities throughout the North – the people affected directly by some major developments that may incur in some future date.

HON. MR. EMBURY: — Again, Mr. Chairman, as I understand the two issues to bring up, the one issue is in the actual formation of the boundaries for those communities. The boundaries, as I

understand it, have been set and there has been an appeal mechanism set up. Now, as far as that issue goes, that is under The Northern Municipalities Act which is presently under the jurisdiction of the Minister of Northern Saskatchewan.

The second issue that you bring up: what kind of influence will local northern communities have on those land policies that happen outside of the corporate boundaries? The act that's proposed contemplates district planning, which would be a board or a mechanism set up where the community itself can have some input into land use decisions that are immediately outside of the corporate boundaries of those communities. So, that is contemplated in the new act and there's a mechanism there where they can have some input.

The committee reported progress.

The Assembly adjourned at 5:05 p.m.