

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN

May 17, 1984

The Assembly met at 2 p.m.

Clerk: — I beg to advise the Assembly that Mr. Speaker will not be present today to open this sitting.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

Hon. Mr. Garner: — Mr. Speaker, I would like to, on behalf of the MLA for Rosthern, Mr. Ralph Katzman, introduce a group of students from Langham Elementary School, I believe they're just entering the Chamber now. I would like to, on behalf of the MLA for Rosthern, welcome them here to the proceedings this afternoon, through you and to other members of the Assembly, and hopefully their stay will be very enjoyable, very educational.

They come from the area of the city of Saskatoon where they say there's very many fine scholars come out of that area. I'd like to welcome them all to this Assembly and ask other members to join with me.

Hon. Members: Hear, hear!

Hon. Mr. McLaren: — Well, Mr. Speaker, It's my pleasure also to introduce to you, and through you to the Assembly, 45 students, grades 3's and 4's from St. Alphonsus and St. Mary's School from Yorkton. They are accompanied today by Vlad Panio, Helen Murphy, who are teachers; and principals, Mr. Glen Tymiak and Mr. Gene Bialobzyski; and Bradley Westerhaug, the bus driver.

I trust that they will enjoy the . . . Oh, it isn't Barry. How are you doing, Clark? I hope that you enjoy the proceedings in the House, that you'll find it very educational. After question period I'll have the opportunity to meet with you for a few minutes in room 218. And I would ask all the Assembly to please welcome them in the usual fashion.

Hon. Members: Hear, hear!

ORAL QUESTIONS

Economic Forecast for Saskatchewan's Growth

Hon. Mr. Blakeney: — Mr. Speaker, I'd like to direct a question to the Premier. Last evening the Minister of Economic Development and Trade, during his estimates, or yesterday afternoon during his estimates, told us a great deal about the provincial economy and its rosy prospects, based upon reports of the Conference Board of Canada, which he quoted four times during the course of his remarks and rebuttal.

Today the conference board has forecast that, for the first time in many, many years, Saskatchewan's economic growth will fall below the national average for 1984. In fact, the Conference Board of Canada predicts that our rate of growth will be number eight in Canada . . . (inaudible interjection) . . . Eight.

Mr. Speaker, I ask the Premier: can he explain this large discrepancy between what his Minister of Economic Development says and what he, the Premier, says on many occasions, and these hard facts reported by the Conference Board of Canada?

Hon. Mr. Devine: — Mr. Deputy Speaker, the forecasters . . .

Mr. Deputy Speaker: — Order. The Leader of the Opposition asked a question, and I would like you to allow the Premier to answer.

Hon. Mr. Devine: — Mr. Speaker, Mr. Deputy Speaker, the forecasters have varied their forecasts from time to time. The Royal Bank, I believe, forecast the growth in the province of Saskatchewan as something like 5.5 per cent for this year, which will lead the nation. The Conference Board of Canada says it's going to be 2.5. We have forecast that it will, say, be in the neighbourhood between 3 and 4.

The biggest single variable in our province, Mr. Deputy Speaker, and the Leader of the Opposition knows this, is to forecast what the agricultural output will be . . . (inaudible interjection) . . . And that's exactly what it's based on. Agricultural output can change the whole economic consequence.

Now if the conference board can forecast the amount of rain that's going to be in the province of Saskatchewan, accurately, for this summer, then I will gladly say that I have enough confidence to say, yes, it will be 3.6, or 4.4, or 5.2, or whatever it may be. But nobody knows how much it might rain in Saskatchewan. We have something like 50 million acres. If it is a good crop and prices are reasonable, and that's what the forecasts say, productivity and growth are tremendous. If it is dry, or if the prices in agricultural sector are not, then they will be something less. So it depends a great deal on the province's agricultural sector.

Hon. Mr. Blakeney: — Supplementary, Mr. Speaker. As the Premier will know, the conference board based its dismal prediction for this year, 1984 — not some long time into the future, but for this year — on the poor performance of our province in construction, wholesale trade, and retail trade. Would the Premier confirm that that is the basis on which the prediction was made, and will he confirm also that they predict that our unemployment will rise, but unemployment across Canada will fall?

Hon. Mr. Devine: — Mr. Speaker, the hon. member knows that if farmers have money in their pocket, retail sales increase in the city of Regina and the city of Saskatoon. So if we find out that the agricultural sector is strong, then cyclically we will see corresponding expenditures in Saskatoon, Regina, Yorkton, Weyburn, and so forth, and that is reflected in retail sales, in employment, and what not. Now it's very, very difficult for the conference board in eastern Canada to forecast what the crop will be like here in the province of Saskatchewan. So I return and say if the farmer has money in his pocket, retail sales will be very, very high.

Hon. Mr. Blakeney: — Supplementary, Mr. Speaker. I wonder if the Premier would explain how the conference board, eastern-based, can do, presumably, a bad job of estimating, but the Royal Bank of Canada, Montreal-based, can do a better job of estimating which is the report which he just quoted in the reply to his first answer.

Hon. Mr. Devine: — Mr. Deputy Speaker, the hon. member, he's been in Saskatchewan some time, but he must realize that there are banks and credit unions all over Saskatchewan that deal with the public and farmers daily. Every single, solitary day that business is open, the Royal Bank of Saskatchewan deals with them, so they are talking with them all the time. And I didn't say that I accepted the Royal Bank's. I just said they say it's going to be 5.5. Somebody else said it's going to be 3.4; somebody else, it's going to be 2.6; and I'm saying that the people that really are closest to agriculture are going to be the best judge of whether we're going to be successful in terms of above average national growth, or average national growth, or below it, because of the agricultural sector.

Hon. Mr. Blakeney: — Short supplementary, Mr. Deputy Speaker. Would the Premier outline why the Conference Board of Canada was solid authority yesterday when quoted by the

Minister of Economic Development and Trade, but is a bad authority today when they come out with something that the Premier doesn't agree with.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Clearly, Mr. Deputy Speaker, the conference board made a mistake in its forecast about, and its ability to forecast about agriculture. And I would say that if they don't understand agriculture well enough, then they're going to make that kind of a forecast. So yesterday they were right; today they're wrong.

Some Hon. Members: Hear, hear!

Mr. Koskie: — Thank you, Mr. Deputy Speaker. I'd like to address a further question to the Premier. Mr. Premier, in replying to the question of the Leader of the Opposition, you indicated that it was very difficult to indicate what sort of performance our economy will have because of the agricultural sector, because it depends on a good crop and a bad crop.

But I'm asking you, Mr. Premier, you must have done some assessments. Could you indicate whether or not, in view of your statistics, whether you believe that construction industry will be making gains, and will you indicate on the basis of projections whether wholesale, retail will be increasing, and whether or not the manufacturing sector will be increasing?

Hon. Mr. Devine: — Mr. Deputy Speaker, I can only reiterate what I said to the Leader of the Opposition. We can be expanding schools and hospitals and upgraders and downtown development in Saskatoon and Regina. We can be expanding mines. We can have all kinds of economic development. We can have power projects. We can have rural gas distribution systems. We can have lots of public and private money to work. It can have . . . On top of that, Mr. Deputy Speaker, if the agricultural sector isn't as profitable, you will see a modification to the growth rate of manufacturing and retail sales.

If it is successful in terms of both the crop production and prices, you will see an increase in sales and in manufacturing. You might see a reflection in housing. Farmers that have income on their money build houses. They buy apartments. They buy retail goods. They buy all kinds of things. If they have more money in their pockets, they spend more money. If they have less money, they spend less money.

Financial Situation Facing Saskatchewan Farmers

Mr. Engel: — Thank you, Mr. Deputy Speaker. I have a question to the Premier. We raised with the Minister of Agriculture the seriousness of the farm situation and reason . . . the financial situation the farmers are facing this spring and the reason for implementing an immediate farm security legislation.

Your Attorney General, your Attorney General, speaking in Saskatoon this week — I heard him on my tractor radio the other morning — was . . .

Mr. Deputy Speaker: — Order, order.

Mr. Engel: — The Attorney General is raising the issue that the situation on the farms in Saskatchewan is very serious. In fact, the words he used was that the government wants to make it clear to farmers we want to protect them against foreclosure by financial institutions. He goes on to say, "We will do what is appropriate to make sure farmers have protection, and we will strengthen those protections if necessary." Those are the words of your Attorney General, and I believe maybe he made them because I insisted, with the deputy chairman of the House, that I read a paragraph from Roy Romanow's speech that he was making on the same topic the other night in the committee.

Now, my question to you, Mr. Minister: was the Attorney General just echoing the former attorney general's words that he would want to speak on behalf of farmers, or was he really reiterating government policy that you consider the farm situation acute at this time?

Hon. Mr. Devine: — Mr. Deputy Speaker, I believe, if you will check the records, you will note that the Attorney General compared prairie provinces in terms of the seriousness of their farm problems, and you will find that approximately one in 500 farmers in the province of Manitoba are going bankrupt; and in the province of Saskatchewan it's probably one in 1,600; and in the province of Alberta it's something in between.

And we are saying, "Yes, there is an increase in the cost burden because of interest rates, because of the price of commodities and the cost-price squeeze. But there's nothing in Manitoba, and nothing in Alberta compared to the programs that are here in the province of Saskatchewan, and that's why the bankruptcy rate is so much lower. It is serious because crop prices are down, particularly wheat. It is serious because interest rates are up. It's serious because fuel costs are up. But we compare other jurisdictions, and there's much more money going into the farm level in the province of Saskatchewan than there is in either jurisdiction on both sides of us.

Some Hon. Members: Hear, hear!

Mr. Engel: — Supplement, Mr. Deputy Speaker. Mr. Premier, I asked you a question simple: was the Attorney General speaking on behalf of the government, or was he just speaking off the top of his own head?

Hon. Mr. Devine: — Mr. Deputy Speaker, the Attorney General was giving a presentation to an audience in the province of Saskatchewan, comparing the farm problems on either side of us, and was saying that the agriculture sector in the prairies is in some difficulty, but the kinds of response we're giving to the province of Saskatchewan is having far favourable result than it is in the neighbouring provinces.

Mr. Engel: — That's not the case at all. He was speaking to an association of mortgage people and he said, "The message I'm giving . . . (new question, Mr. Deputy Speaker) . . . the message I'm giving is not one you wanted or expected," Lane said. But he added that, "Everyone in Saskatchewan must realize the scope of farmers' plight. The farmer's situation is acute," are the words he used. And if I understand the meaning of the word "acute," is that it's very serious — very serious. And he suggested that we should be going with foreclosure legislation or protection that goes beyond the home quarter.

And my question to you is: the banks and the credit unions and FCC (Farm Credit Corporation) are dealing with farmers all the time. You suggested it earlier that the banks are. And I'm saying FCC says that there's 3,000 farmers in serious trouble. Are you going to wait till they go broke, or are you going to do something about it?

Hon. Mr. Devine: — Mr. Deputy Speaker, the hon. members asks: are we going to do anything about it? There's 3,000 farmers in serious trouble across Canada. I believe that's the figure . . . (inaudible interjection) . . . across Canada. Are you asking if we are going to do anything about it.

I will go back, and I can recite the things that we're doing that aren't taking place in the neighbouring provinces. Mr. Deputy Speaker, one in 500 are going broke or bankrupt in Manitoba, compared to approximately one in 1,600 in Saskatchewan. Our record of recovery or protection is at least 300 per cent better than our neighbouring province.

So yes, we are dealing with it, and we are aware of it, and that's why the Attorney General talks

about it.

Mr. Engel: — Just one final supplement, Mr. Premier. I'd suggest you take the word of the Attorney General seriously — that Saskatchewan farmers are in serious plight. Your own friends at the Royal Bank said there are 79 that are finished . . .

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

Mr. Engel: — Are you going to move forward with a bill that's been on the order paper since early in April? Since the first part of April we immediately, when we got back into this House, introduced a piece of legislation to protect farmers beyond more than the home quarter. Are you going to move that bill up on the order paper so we can deal with it?

Hon. Mr. Devine: — Mr. Deputy Speaker, I've said to the hon. member many times — and I want to make it clear to the media and to the public of Saskatchewan — I am worried about the impact that your idea about debt moratorium will have on credit unions and financial institutions. They may not grant credit to farmers if they're afraid of somebody like you putting in debt moratorium that says you can't get your money back.

If that's true, the credit unions may not grant credit. And if they don't grant credit to farmers in this province, they might not be able to put in their crops. And that's the kind of thing that you're talking about. So I want to make it very clear, I don't think we should jeopardize the future of the family farm or agriculture by stepping in and doing that.

Bankruptcies of Small Businesses

Mr. Sveinson: — Mr. Speaker, the opposition stole a little of my thunder earlier in question period. But I would like to ask the Premier, continuing in an economic light, an election promise was 45,000 and nine and five-eighths for small business in Saskatchewan. We haven't delivered . . . or you haven't delivered . . . I can't deliver but I'm sure the Liberal party . . . (inaudible interjections) . . .

Mr. Deputy Speaker: — Order. Order. Allow the member to ask his question.

Mr. Sveinson: — I do have a question. But by way of information, I would like to point out, Mr. Speaker, to this Assembly that this government has done very little for the retailers in Saskatchewan. My constituency does have a good number of retailers, and we've had more bankruptcy in north-west Regina than we've had in the last 20 years, in a single year.

I'm asking the Premier: will he please outline for this Assembly what he has in mind for small business people in this province? And I don't want to hear about gas taxes. I don't want to hear about the MURB (multiple unit residential building).

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Deputy Speaker, I believe that the hon. member, if he sincerely believes that he has any impact at all on his colleagues in Ottawa, could ask for several things that the federal government could do now to have a tremendous impact on the province of Saskatchewan. For example, we have asked, time and time again, to have the federal government remove the tax on diesel fuel — remove the tax on diesel fuel for farmers across Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — That would be a first-class thing to do. The federal government is now the only government that charges tax on diesel fuel, and they could do that. The federal

government could take the Farm Credit Corporation, they could renegotiate all the loans that are 17 and 18 per cent down to 12 per cent, or down to 13 per cent like we have. The federal government could also make sure that it is spending the money it's supposed to in Saskatchewan on rail rehabilitation, or branch line development, and all the commitments up to \$12 billion it's supposed to in the province of Saskatchewan which it is not.

Mr. Deputy Speaker, there are many things that could be done by the colleagues of the hon. member that could have a tremendous impact on the province of Saskatchewan if he would just talk to somebody that might listen.

Small Business Benefits

Mr. Sveinson: — Mr. Speaker, a new question. By way of information, several of the leadership candidates that are presently vying for the Prime Minister's chair have, in fact, promised to remove the tax on diesel fuel, possibly as a request from the people of Saskatchewan or, in fact, from the Liberals of Saskatchewan. But certainly that will be delivered in the next Government of Canada, because I believe it'll be a Liberal government.

Mr. Speaker, a new question. The question was not whether we were going to remove from the federal level the tax on diesel fuel. It wasn't the assistance the Farm Credit Corporation can, in fact, deal with, with respect to Saskatchewan farmers. The question, Mr. Speaker, is: what are you prepared to do as the Premier for the small businessman in this province? You promised \$45,000 at nine and five-eighths per cent. Will you deliver that before the next election?

Hon. Mr. Devine: — Mr. Deputy Speaker, if I recall this accurately, if I recall this accurately, the hon. member said recently in his brochure to his riding that this is the best-managed economy in the whole country.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — And if I had a copy of the brochure I could list all the things that he was doing, and this government was doing, for small business, and the interest rates, and employment, and in jobs and so forth, saying that it was absolutely the best thing that he'd ever seen.

All I can say, Mr. Deputy Speaker, is I agree with his brochure.

Mr. Sveinson: — Mr. Speaker, a new question. I have a file here of broken promises. And I would just as soon stay away from broken promises because I think in the next election this government is going to have to answer to that.

We have a Premier that, on last Tuesday with respect to my personal activity, said that with respect to a conversation with the Premier. And on a point of order I address this . . . (inaudible) . . .

Mr. Deputy Speaker: — Order, order! Does the member have a question?

Hon. Mr. Blakeney: — Brief question, brief question to the Premier. The Premier has — and we've all heard him say that one farmer in 1,600 is in trouble in Saskatchewan and is going broke, I think was his phrase. That's what he said. One farmer in 500 in Manitoba; one farmer in 1,600 in Saskatchewan.

I hope he doesn't deny the information given by the Royal Bank that they've asked the Royal Bank — one institution — 79 farmers to liquidate. All right, 79 farmers — just the Royal Bank. Now if that's one in 1,600, it follows that there are 126,400 farmers in Saskatchewan. Now where did you find the extra 50,000 farmers to justify your calculations?

Hon. Mr. Devine: — Mr. Deputy Speaker, if you look at the figures with respect to bankruptcy, it's one in 500 in Manitoba . . . (inaudible) . . . the last figures that I looked at, one in 1,600. Now financial institutions may say I'm going to call your note, and I'm going to call yours. It doesn't mean they've declared bankruptcy. It's just that you've got to refinance it or something else. So it's one . . . (inaudible interjections) . . .

Let's look at the liquidation rates in Manitoba so we can compare them. Any number you want to make comparisons of, we'll take Saskatchewan versus Manitoba.

Loss of Wages to Employees to Fly-by-night Operation

Mr. Shillington: — A question, Mr. Speaker, to the Minister of Labour. My question, Mr. Minister, deals with a fly-by-night operation which has left some 123 people, in at least three Saskatchewan cities, without nearly \$14,000 in wages. I'm referring to a man by the name of Kelly Gall, formerly of Edmonton, who operated a photo studio. This individual hired people across Saskatchewan to solicit business by telephone, and then disappeared before they were paid.

My question, Mr. Minister, is: when was your department first informed of this? I'm given to understand it was last fall. And what steps did you instruct your officials to take to protect the interests of these former employees and others who might be taken in by this fly-by-night operation?

Hon. Mr. McLaren: — Well, Mr. Speaker, I'm not aware of the case whatsoever. I'm not aware of the situation. I'll take notice.

Mr. Shillington: — New question, Mr. Speaker. Mr. Minister, this is precisely the problem. It is your lack of concern about your department's work and your ignorance about what your department's doing.

Mr. Minister, my information is that your department was informed about it last fall. And I have here a certificate dated April 30th in which the labour standards branch finally filed the necessary certificate to give these people a judgement for their wages. The document lists 123 employees from Regina, Saskatoon, Moose Jaw, and elsewhere, and other . . . (inaudible) . . .

My question, Mr. Minister, is: will you undertake to find out when these complaints were filed at the local level, how quickly your department responded to it, and whether or not you find the delay, which I understand to be about six months, to be acceptable even for this government?

Hon. Mr. McLaren: — Mr. Deputy Speaker, I advised the member opposite that I would take notice of the question, and I'll look into the allegations that you have made. Right at the moment I don't recall the case.

Mr. Shillington: — Well I wonder, Mr. Speaker. New question. I wonder, Mr. Minister, if the Minister of Consumer Affairs is any better informed about her department.

While the individual, Kelly Gall, was hiring people to solicit business by telephone, he was selling people a number of photographic sittings over a number of years for a cash payment. This individual, according to the Alberta Department of Labour, which appears to be somewhat more on top of its work, left the Edmonton area for whereabouts unknown a couple of months ago.

And are those individuals who purchased the service simply out of luck? Has your department been able to make any arrangements, and does your department have any idea how many consumers were taken in by this fly-by-night operation?

Hon. Mrs. Duncan: — Well obviously, Mr. Deputy Speaker, if this particular business was a fly-by-nighter as alleged by the member from Regina Centre, it would be unlikely that it would be registered to do business in Saskatchewan. But I will take notice and I'll bring back information.

If the people did have a licence, they most likely would have bonding, and I have no information as to whether complaints have been made to the department at this point in time. If you have information, I would ask you to share that information.

Mr. Deputy Speaker: — Order, order!

INTRODUCTION OF BILLS

Bill No. 55 — An Act to amend The Income Tax Act

Hon. Mr. Andrew: — Mr. Speaker, I move first reading of a bill to amend The Income Tax Act.

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

Bill No. 56 — An Act respecting Medical Radiation Technologists

Hon. Mr. Taylor: — I move first reading of a bill respecting Medical Radiation Technologists.

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

Bill No. 57 — An Act respecting Lotteries

Hon. Mr. Folk: — Mr. Deputy Speaker, I move first reading of a bill respecting Lotteries.

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

Bill No. 58 — An Act to amend The Arts Board Act

Hon. Mr. Folk: — Mr. Deputy Speaker, I move first reading of a bill to amend the Arts Board Act.

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

Bill No. 59 — An Act to amend The Department of Finance Act, 1983

Hon. Mr. Andrew: — Mr. Deputy Speaker, I move first reading of a bill, An Act to amend the Department of Finance Act, 1983.

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

ORDERS OF THE DAY

GOVERNMENT ORDERS

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mrs. Smith that Bill No. 42 — **An Act to incorporate the Saskatchewan League of Educational Administrators, Directors and Superintendents** be now read a second time.

Mr. Koskie: — Thank you, Mr. Deputy Speaker. I'm pleased to comment briefly in respect to this piece of legislation which is designed to provide a professional association for members of the league of educational administrators, directors and superintendents. I note as well that the development of this legislation has been a result of co-operation between the STF (Saskatchewan Teachers' Federation), the SSTA (Saskatchewan School Trustees Association), and the Department of Education. I also had the opportunity to meet with members of the proposed league to discuss the proposed legislation prior to it being presented to the House.

Members of LEADS have a very important role to play in the education system of this province, and I'm pleased to note that in the objectives of the association as stated in the bill, in this bill, highlights this function, in addition to safeguarding of the interests of the profession.

This past March, the former member of this House, the former attorney general, Mr. Roy Romanow, was a guest speaker to this very organization in Saskatoon. And in his address to the meeting, some of the issues of education were raised in relationship to the new charter of rights. He raised then the impact of the freedom of conscience provisions in the charter as it may apply to the school curricula. And this is only one example of the type of issue I would hope that the organization with this bill will establish — would, in fact, deal with.

The members of this association are directors and superintendents in our system, and it is an issue of direct concern to their responsibilities. And on the issue of this type, LEADS, the new organization, could well be useful, an important consultative mechanism for the Department of Education and indeed, for the local school boards. And for this reason I am pleased that the first objective of the association, as stated in the legislation, is to promote the cause of education, and later set out to influence the direction of education and to make any representations that it considers requisite to promote a high quality of education.

This legislation is similar to the provisions . . . contains similar provisions to other legislation regarding professional associations, and in that regard I draw to the attention a particular principle that is established in that, regarding membership. It states, as does other legislation governing professionals, that any individual having a professional teaching certificate, employed in a supervisory or administrative position, pursuant to section 106 of The Education Act or designed section of 261 of The Education Act, are required to be members of the association.

I'm not urging against this particular section, but I want the members opposite, those who believe in the so-called right-to-work legislation, that this is a provision really . . . goes in the opposite direction to some of the provisions of the labour legislation which this government enunciates. In the final analysis, I think that to some extent provisions of that nature, making it mandatory, as has been argued in this House before when it comes to compulsory membership in unions, I think one could say that it denies educational administrators and supervisory personnel what many of you call freedom of choice. And perhaps the Minister of Labour will, indeed, keep this in mind when he considers the so-called right-to-work legislation which is an integral part of the philosophy of the government opposite.

In any event, I want to say in closing, Mr. Deputy Speaker, that I am pleased to be able to support this legislation. I think the consultation has been excellent and, accordingly, I'll have a few questions that I want to raise when it comes into committee of the whole. Thank you.

Hon. Mrs. Smith: — Thank you, Mr. Deputy Speaker. I thank the hon. member from Quill Lakes for his remarks. I guess I find part of them odd, particularly his words on the mandatory membership. I'm wondering if he thinks the same thing about the Saskatchewan Teachers' Federation, but I really didn't get a yes or no out of him, only a question put forth.

My comments will be brief. The bill before us is very straightforward, and it is important, not only to the professionals that are basically out of scope in education, but to the educational community as a whole. Consequently you see, in bringing this bill forward, a great deal of

communication with the various partners in education. I would urge the members of the House to support it. It has received support, broadly based, but the educational community is a whole, and therefore, Mr. Deputy Speaker, I move second reading of this bill.

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. McLaren that Bill No. 43 — **An Act to amend The Power Corporation Act** be now read a second time.

Hon. Mr. Blakeney: — Mr. Deputy Speaker, I want to address a few remarks on this bill, but I want to say at the outset that I will be opposing the bill.

I read the remarks of the minister introducing the legislation, and I thought his remarks dealt with the trivia that's in the bill and did not deal with the substance that was in the bill. And I think that this is becoming all too common on occasion, for ministers not to address what at least I feel to be the nub of the bill.

And I want to talk first about the principle contained in section 3 of the bill. And here we have a government which says that the power corporation should not be liable, should not be liable, when it otherwise might be liable for actions which it takes in the course of dealing with its customers. Now that is not a sound principle, not a sound principle.

The Power Corporation Act now provides that the power corporation will be liable in instances where any other ordinary business should be liable, and that's reasonable. But here we have special provisions saying, "No, the power corporation is unwilling to accept the liability that ordinary business people have to face. We want to put in a couple of clauses which protect us." And that's not reasonable.

We have a clause protecting the power corporation against any failure to provide power or natural gas. And the power corporation is perfectly well able to protect itself by contract if it feels that it's likely to be met with a large claim by failing to provide, let us say, natural gas to Ipsco. It is able to protect itself, the same as any other supplier of any other goods or services can protect themselves, and they don't need statutory protection.

But the next portion is even worse. They say, regardless of whether or not our negligence, our carelessness, caused a loss, if the loss is beyond the point of delivery to the customer's premises, if somehow our action caused loss or damage on the customer's premises, we will not be liable, regardless of whether we were careless, regardless of whether we were negligent. That's not good enough. The customer shouldn't be in that position. He has to take his power and his natural gas from the power corporation. Where else is he going to get it?

And under those circumstances, the power corporation ought to stand up and be liable, the same as any other citizens, and it doesn't need any special protection. When the power corporation, a \$2 billion corporation, is dealing with a citizen, it ought not to be the power corporation that needs protection against the citizen. It ought to be the other way around. The power corporation can take out liability insurance and can well afford it, and there's no need to protect the power corporation against legal claims. For 30 years the power corporation has gone without this type of special protection, and it doesn't need it now. And I think that that provision ought not to be in the bill before us.

There are other provisions. The bill, in effect, cuts down the amount of information which the public will learn about the power corporation. Some members opposite suggest, not true. Now the law is that when land is purchased or sold for a value of more than \$25,000, it has to be approved by an order in council, which is a public document. They now wish to move that figure to \$150,000. So obviously, purchases which would have been covered will not be covered.

Similarly with equipment. Where equipment was purchased to a value of more than \$250,000, it had to be disclosed. Now the figure is \$1 million, and obviously we will know less about the power corporation.

I have no quarrel with a modest increase in those figures to take account of inflation, to take account of the fact that we're not trying to pick up small transactions. But I believe that transactions of \$900,000 are not small transactions, and we ought to have access to information which discloses purchases and sales in those sums, particularly with this government which seems, in many cases, to be bent upon selling off assets that belong to the Crown in order to get cash.

And the list is long, and I will not recite them here, but they will be known to hon. members and will be known to the public. And, in fact, it's going on today at Saskatoon in the form of highway equipment.

Now, Mr. Deputy Speaker, there are some other aspects of the bill which I will want to deal with more particularly in committee. There are proposals whereby the power corporation can advance money to customers who have a responsibility for paying a part of the installation costs. I have no quarrel with that principle. I would think it might be useful to provide a maximum rate of interest so that we are sure that we are benefiting the customer.

There is one other point, and that deals with interest charges by the corporation on overdue accounts. That is a principle which has not been in the legislation before. Again, I am not quarreling with that principle, but would suggest that we need to address whether or not the power corporation should have a ceiling on the interest they can charge. At least it seems to me it ought to provide that the corporation should not be able to charge any amount it wants since, once again, citizens have to buy their power and natural gas from the power corporation. Some may say they don't have to be in arrears, but arrears are something that happen to some people whether or not they make an effort to avoid it. And accordingly, it seems to me there ought to be some limit on the interest liability that they can face if they are in arrears.

Those points, Mr. Deputy Speaker, will be addressed in committee. My principle objections surround the effort of the power corporation to rid itself of liability — protections which it doesn't need, protections against the citizen which it doesn't need. Indeed, if anything, the citizen needs protection against any monopoly utility. This has not been necessary for 30 years. The power corporation can adequately protect itself by liability insurance, and I will oppose the bill.

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Pickering that Bill No. 52 — **An Act to amend The Department of Parks and Renewable Resources Act** by now read a second time.

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

SECOND READINGS

Bill No. 36 — An Act to amend The Teachers' Superannuation Act

Hon. Mrs. Smith: — Thank you, Mr. Deputy Speaker. This bill before you today is, in part, consequential to The League of Educational Administrators, Directors and Superintendents Act, which is also being considered by this Assembly during this sitting. The LEADS organization will

be established as a professional association of out-of-scope educators in Saskatchewan by that bill.

Sections 3 and 4 of this bill today confirms the continued participation of LEADS members employed by boards of education in the teachers' superannuation plans after the passage of the league's bill.

Sections 5 and 6 of this bill today correct an unintentional error which crept into The Teachers' Superannuation Act, as a result of numerous amendments which were considered by this Assembly, as a consequence of the 1979 provincial agreement between the teachers of Saskatchewan and the boards of education and the Government of Saskatchewan.

Mr. Deputy Speaker, clauses 5, 11(2)(a) and (b) of the 1979 provincial agreement clearly stated that:

A teacher in the annuity plan with less than 10 years service can apply for and receive a refund of all his or her contributions, and interest thereon.

Unfortunately, this intent did not appear in the amendments of 1979. The teacher in the annuity plan can presently receive a refund of their annuity fund contributions, but cannot receive a refund of their supplementary allowances fund contributions according to the wording of the act. This omission came to light with the recent application by two teachers in the annuity plan for refunds of their contributions and accumulated interest.

Mr. Deputy Speaker, I am recommending this housekeeping bill to this Assembly for its early consideration.

Mr. Shillington: — I will be very brief. Members who have been in this House for some time will recognize this bill. It has been here before. The superannuation, as the minister explained, the bill is, I think, routine. We will not be opposing its passage, nor delaying it by any lengthy remarks. And with that, Mr. Speaker, I'll just indicate that we'll be voting in favour, but we'll let her go.

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

COMMITTEE OF FINANCE

CONSOLIDATED FUND BUDGETARY EXPENDITURE

THE SASKATCHEWAN ASSESSMENT AUTHORITY

Ordinary Expenditure — Vote 44

Mr. Chairman: — While we await the officials of Revenue and Financial Services, I might say that the Chair has information that the officials of Revenue and Financial Services believed that our proceedings would start at 3:30 today, so there may not be any fault on their part.

Is the minister ready to proceed with the Saskatchewan Assessment Authority? Will the minister introduce his officials.

Hon. Mr. Embury: — Thank you, Mr. Chairman. To my right is Don Bennett, the acting executive director of the Assessment Authority; Gord Krismer, the director of operations; Dave Robinson, the assistant executive director; and Laura Jooristy, the manager of accounting services for Urban Affairs.

Item 1

Mr. Shillington: — Mr. Minister, one of your contributions to the debate was the suggestion, in a pamphlet I believe, that we ought to have variable mill rates. Mr. Minister, the idea was roundly condemned, I think, by anyone who understood what that might do.

Mr. Minister, do you still hold to the belief that variable mill rates should be brought in, or have you seen the light and abandoned this proposal?

Hon. Mr. Embury: — Mr. Chairman, I don't think the member opposite understands the concept of variable mill rates. Almost every jurisdiction in Canada, and many in the United States, have a variable mill rate of one sort or another.

It is a more flexible, generally speaking, a more . . . It gives the municipalities a more flexible approach to their taxation policy, and I say that because they are not, then, bound by the rather restrictive and time-consuming reassessment process to establish some taxing policy in regards to property tax in their municipalities.

The whole matter of those types of mill rates, and other matters as their pertain to local government finance, of course, as the member knows, will be addressed in the next two years with the local government financing commission. There will be a complete review of financing mechanisms that have been in place and that could be in place for local government.

And that idea was put out simply as that — as an idea and a concept. We had indicated to the municipalities that it was simply that, a concept, and we wished to discuss it with them. That, along with many other ideas, will be reviewed and discussed in the next two years.

It is time we think in this province to have an overview and a review — a complete review of financing and sources of revenue for local municipalities. We'll no doubt discuss more of that local government financing commission under my main estimates, Urban Affairs, but I'm sure that part of the discussions will be on a variable mill rate.

Mr. Shillington: — Well, Mr. Minister, do I assume from that that you are seriously pursuing and considering introducing variable mill rates in Saskatchewan?

Hon. Mr. Embury: — Mr. Chairman, we aren't . . . we do not introduce things in this province without consulting with those who would use them. And we do not intend to introduce that concept at all.

Mr. Chairman: — Order. The member for Regina Centre has asked a question. Does he wish to hear the answer?

Hon. Mr. Embury: — Mr. Chairman, as I was saying, we don't intend to introduce any new concept or program without full consultation with those who would use it. That will continue. As I say, that, along with many, many other issues in regards to financing of local governments, will be pursued in the next two years with the establishment of the local government finance commission. So at this point in time the answer to you would be is we are not actively pursuing it.

Mr. Shillington: — Well, I have your answer. I gather it's still an option that's open to the government. Mr. Minister, you, in that pamphlet to which I refer, you stated that there were two . . . you cited some concern, perhaps correctly, about the impact of the higher assessment on commercial land, and then went on to say that there were two means by which this could be dealt with. One was a three-year phase-in, and the other was a variable rate proposal where the clear suggestion behind that is that variable rate proposals might be used as the mechanism to reduce the taxes paid by, call it commercial land, and particularly by developers.

Mr. Minister, the pressure which municipalities are under, to create development and create construction, because of the prestige that that attracts to a municipality, has, in many jurisdictions, given developers an influence with city councils all out of proportion to, I think, what is appropriate.

The concern which I have, Mr. Minister, is that variable mill rates would, in fact, mean less tax paid by, on commercial land, particularly land which is being about to be developed, land which is available for development, and higher tax being paid by someone else, and that's very likely to be homeowners.

I suggest to you, Mr. Minister, that given the, as I say, the traditional, I think, extraordinary and often inappropriate influence which developers have at the municipal level, I suggest a system like this is designed for abuse. I would be surprised, although I suppose it might happen, and I suppose it would be equally unfair, but I'd be surprised to find such a system used to alleviate taxes on homeowners and load it onto commercial land. That has not been the custom and pattern of municipalities.

So I suggest to you, Mr. Minister, that unless there's some safeguard which isn't apparent to me, variable mill rates should not be introduced in this province. I think they're likely to result in the taxation system being even more inequitable than it is.

Hon. Mr. Embury: — Mr. Chairman, I do not agree at all. As a matter of fact, the variable mill rate would be of great benefit to communities who wish to re-establish their downtown cores and who wish to re-establish the areas around those downtown cores.

The present problem with just using your straight assessment is, of course, the use of the bench-mark system, usually the highest bench-mark being located in some portion of the downtown, so that with every redevelopment scheme you tend to get into a catch 22 situation where municipalities, together with provincial governments and whoever, try redevelopment schemes in the downtown.

Of course, once that development takes place, the tax load goes up because of the improvements. This would be a vehicle by which municipalities could encourage that redevelopment downtown. Most of that land is highly assessed, and there is difficulties for municipalities. And I know from experience in Regina, and in particular, for instance, the transition area and the core itself, in promoting private sector redevelopment, because of the high tax cost involved, because any redevelopment simply makes the thing . . . any redevelopment uneconomical.

The use of a variable mill rate would give municipalities the tool to promote and encourage that redevelopment. The concept would allow municipalities to, as I say, have flexibility, more flexibility than they have now, to set taxes and, more importantly, to set tax incidents for who is going to pay the tax, which class of property is to pay the tax.

I say that because the assessment function is, as I say, slow-moving, rather static, and takes a long time to change. And it does not allow municipalities the flexibility that they should have to do the type of redevelopment works that most of these cities — not only the size of Regina, but smaller cities — in fact, could use this. And it would be optional. They could use it, or they could not use it if they didn't wish to. I do not think that this is particularly aimed at raw land or land that could be developed on the periphery of town, but it would be a very useful tool for municipalities who are many times trying to redevelop their downtown through the peripheral areas around their downtowns.

Mr. Shillington: — Well, the minister's confirming what I just finished saying. All you just said is: but the development might take place downtown, rather than on the outskirts. And, Mr. Minister, I suggest to you that you haven't . . . that what you have done is, in fact, confirmed

what I've said, is that any variation in mill rates, it's going to operate to the benefit of developers, be they downtown or on the outskirts, and it must then operate to the detriment of the single-family dwelling. I don't know where else you're going to put the extra burden. There's no free lunch.

Mr. Minister, I suggest to you that that will simply make, as I say, an existing tax system even more unequal.

Mr. Minister, you've confirmed what I've just finished saying, and that is that a variable tax rate will operate, if it operates at all, in favour of developers. What you've just said, but it might be down town. So it might be down town. But I suggest to you that's not . . . that that is still going to result in single family dwellings picking up an increased share of the taxes, and developers who, I think, enjoy fairly substantial profits on what they do — picking up a decreased share of the tax burden. I suggest, Mr. Minister, that is . . . that should strike even a Conservative government as being unfair.

Hon. Mr. Embury: — Mr. Chairman, I might remind the member opposite that this same vehicle or tool is now available and has been available to municipalities for some time, not by variable mill rate, but by their power to abate or exempt either part or all of taxes on properties. So that any municipality now could, in effect, accomplish what a variable mill rate could accomplish. That is, if a municipality had an area down town they wished to redevelop or encourage development, they have always had the power to abate portions of that tax, or exempt portions of that tax, so that they can encourage that development.

It is not a new vehicle, and it has been used before in this province by municipalities to encourage development in the municipality where they want it developed. So that the concept of variable mill rates is simply an additional tool to a municipality that they can use as they wish. It certainly doesn't give them any powers that they haven't had before, but by using a different act, and that being the urban act, that allow them to do that.

You might notice lately that the city of Swift Current has embarked on a down town redevelopment strategy which uses abatements, and uses lower cost of land that the city owns, and are doing the same kind of thing using the existing rules, and all we're saying is that this is another tool that they could use for that type of project.

Mr. Shillington: — Well it strikes me that waiving the tax . . .

Mr. Chairman: — Order, order. The topic before the committee is the Saskatchewan Assessment Authority.

Mr. Shillington: — Well, it strikes me that . . .

Mr. Chairman: — Order, order. The topic before the committee is the Saskatchewan Assessment Authority and the estimates thereof, and which to me suggests relevance in the expenditure of that particular authority. I've allowed a lot of leeway on both sides — the questions and the answers — with respect to general policy that, in the opinion of the Chair, would be more appropriate on the Department of Urban Affairs.

So I will allow further questions that may stray a little off the specific topic, but I was hopeful that the members could limit themselves to the spending of the Saskatchewan Assessment Authority.

Mr. Shillington: — Well, I'm surprised that rates of assessment aren't relevant to the Assessment Authority, Mr. Chairman. I think you've surprised the minister equally as much. I don't suppose I have much option but to accept the ruling.

But I'm going to say this, hopefully without being sat down, and then I suppose I've no option

but to get off the subject. I think the system whereby municipalities waive individual taxes on individual properties is a far better system. It's done piece by piece.

What I fear about this is that all developers in a city, or all developers in a certain area — I suppose you could have it by zone — will be given the benefit of a lower tax rate whether they need it or not. And I think the system is bound to result in at least some developers getting benefits which they do not deserve and do not need.

As I say, I've probably taxed the patience of the Chair longer than I should. The minister may want to comment.

Hon. Mr. Embury: — Well I think, Mr. Chairman, that this is a . . . and I'm not questioning the call of the Chair either, but I think the debate is useful. This is the type of debate that has to take place before any proposal of this sort would proceed. It's not a new debate. The debate's taken place within municipalities and SUMA (Saskatchewan Urban Municipalities Association), and will continue to take place. And I suggest that that debate will take place for the next couple of years as we're looking at different options, along with local governments, on the whole financing question.

So I could agree with the member opposite in that the debate must continue. But I think it will be up to the municipalities to either consent to it . . . If they do, then it will proceed. If they think it is too far-ranging a power and it could be misused, or it has all likelihood of being misused — I'm sure they wouldn't that they consensus will be not to go ahead with it. And that's fine. But we think that new ideas have to be thrown out and discussed.

Mr. Shillington: — Well, I'll try another line of questioning, and hopefully this will not be ruled out of order.

Mr. Minister, the comments . . . (inaudible interjection) . . . That's about as much . . . That ruling was . . . I will not say what I was going to say, because that would be unparliamentary. I was about to make a comment on the Chair's ruling, and that would be inappropriate.

Mr. Chairman, Mr. Minister, you have talked — I'm not sure in what forum; I believe it's in a public forum, not in a pamphlet this time — about the desirability of having assessments done at the local level, and not by the Saskatchewan Assessment Authority. I've only seen press reports of that, and I wonder, Mr. Minister, if you could tell us precisely what you had in mind when you raised that subject.

Hon. Mr. Embury: — Well, no, it wasn't a question of having assessments done at the local level. As the member may be aware, the cities of Regina and Saskatoon do their own assessments, using the *Saskatchewan Assessment Manual* as their guide. All other municipalities use the services of the Assessment Authority staff, 116, to physically do the assessments. And the same is true of rural municipalities.

The discussion that has taken place is a discussion with the three local government groups that use assessments, basically, SUMA (Saskatchewan Urban Municipalities Association), SARM (Saskatchewan Association of Rural Municipalities), and SSTA (Saskatchewan School Trustees' Association); and the discussion is really whether they wish to have much more input into the formulation, or into the preparation of those assessment formulas, than they've had before. They are the main users of assessments.

The provincial government, as the member is aware, uses the information from assessments in some grant programs, like revenue sharing, but the main users of assessments are the local governments. So that we have had discussions with those three groups of their input into the general formula, their input into the formulas that are used over the years for assessments.

There was not a question of small communities having to hire their own assessors to do the physical assessments, which obviously would be very onerous for them. I think you also know that, legally of course, the secretary-treasurers are the assessors, so to speak, and are in charge of the roll, but the physical work is done by the assessment authority, and I wouldn't perceive that that would change, basically, because small communities really wouldn't need a full-time assessor to do the assessment work.

Mr. Shillington: — Well I take it, Mr. Minister, that either I misunderstood the article, or you were misquoted. Because what I read was . . . What I thought I understood was a comment you were suggesting that municipalities might want to do their own assessments.

Mr. Minister, it strikes me that there's something basically wrong with an assessment system which results in such abrupt changes in assessments. And it may have been that past governments have been neglectful in not having assessments more often.

But I wonder, Mr. Minister, if there isn't, or if there shouldn't be, some system whereby assessments are adjusted perhaps more often, so that the adjustment is less abrupt and less destructive. Some of the increases in assessments were really numbing in size. And I wonder, Mr. Minister, if your group has given any thought to some more-civilized system than what we seem to have.

Hon. Mr. Embury: — Mr. Chairman, let me close-comment on the adjustments, as you say, or the shifts in tax incidents. These occurred for two reasons. The first reason was the length of time between reassessments. In that case it was due to understaffing of the assessment authority — something, sire, that took place under your government and before it. There has not been enough attention paid to the assessment authority vis-a-vis manning. I am happy to indicate that we have additional funds in the budget this year to hire 20 additional assessors to finish the provincial reassessment up to the end of next year.

The second reason for the dramatic shift in some cases in tax incidents is because of the formula that was adopted under your government in 1976 without consultation with any of the users. Without that consultation you tend to get some results from reassessment after drafting a formula that perhaps no one knew that that would happen. And that has happened, so there is obviously a need. And as I indicated in my previous answer, there is a need for much more input and consultation from local governments who use this assessment in that formation of the formula. And that's what we intend to do in the future.

We have done a number of things then. We have increased the budget this year through the assessment authority, so that additional staff can be hired to finish the assessment. The assessment itself, for the first time, is being put on computer. Prior to this time, all the assessment information for the one-million-odd properties in Saskatchewan was not on computer, so that the information that was pertinent to every assessed property was not easily accessible, and therefore not easily changed with the formula change.

We think that now that all that information will be on computer, that if, in future, there are formula changes or shifts in formula, that it can be done much quicker, and we won't be looking at the 10, 12, or 15-year gaps that have been there previously. So we think that we will have it under hand. We intend to review the present formula, to see if they're fair, in consultation with local governments. Once we come to some consensus with that, there may be changes in the formula, and they can be implemented much quicker than previously has been the case.

Mr. Shillington: — Well, Mr. Minister, I only wished what you just said was accurate. You have not increased the amount of staff in this branch, unless I'm looking at the wrong estimates, and I'm not. Mr. Minister, the total staff is 115 persons. The assessment services are down two, and the administration is up two. But your staff available for assessment services is, in fact, down by two persons. And I'm surprised, Mr. Minister, you find in that staff complement a huge army

of people who can now go out and do the job that needs to be done.

Hon. Mr. Embury: — Mr. Chairman, if the member will look under item 3, assessment services, he will note the increase in the vote from 3.021 million to 3.498 million. These 20 additional staff will be contract services. They are presently being trained, I understand. As a matter of fact the 20 of them — and they will be in the field, so they don't show up on item 1 — they show up in item 3.

Mr. Shillington: — Why would the authority now hire them under contract rather than hiring them through the regular public service.

Hon. Mr. Embury: — Because, Mr. Chairman, when the assessment is complete, as I indicated earlier, the function of the physical assessments will not be as important, except for new development and the routine, as has been the case in the past for reassessment, because all the pertinent information will now be on computer and is much easily changed if you change the formula.

Heretofore if you wanted to do a reassessment which began in '76, you basically had to go and collect all the pertinent information on every property, and that was done. But it has taken 10 years to do. That information is now on file, and so that all you have to do from now on is to update that information if there is further development on the property or additions to, for new subdivisions and new properties, so that we will not require those 20 additional people after the reassessment is finished. So rather than bloating the permanent staff there, we have added them on for two years under contract.

Mr. Shillington: — I have a suspicion that your additional staff were hired by contract, at least in part, to keep the figures in the blue book, so-called, low.

Mr. Minister, would you tell me whether or not they have individual contracts with the individuals? Have you contracted with a firm to provide these, or what are the nature of the contractual arrangements which have been entered into?

Hon. Mr. Embury: — They're hired as individuals under the Public Service Commission.

Mr. Shillington: — Mr. Minister, are they all hired at the same rate and according to the same terms?

Hon. Mr. Embury: — They're hired by qualification, and they are hired under the — whatever the schedule is under the Public Service Commission.

Mr. Shillington: — Was there a standard form of contract used to hire them, and, if so, are you prepared to give us a form of contract?

Hon. Mr. Embury: — There is no contract. My officials tell me they're hired as . . . under the Public Service Commission as temporary. So there's no contract. I presume there's a schedule of — whatever the schedule is for payments.

Mr. Shillington: — The minister is saying . . . then they're not contractual; they are temporary.

Hon. Mr. Embury: — Yes.

Mr. Shillington: — Ah, that's somewhat different. Mr. Minister, you have two additional staff in administration. Would you tell us what that is all about?

Hon. Mr. Embury: — The one person is a transfer from La Ronge, who is now the

co-ordinator — auditor of rural assessments. The other is a transfer from North Battleford, who's a draftsman.

Mr. Shillington: — Mr. Minister, under subvote 1, other expenses have increased by 200,000 — about 20 per cent — which seems to be something other than an inflationary increase. I wonder, Mr. Minister, if you'd tell us what that figure is?

Hon. Mr. Embury: — Mr. Chairman, the largest portion of that increase is \$114,400 for aerial photographs. There's an additional 14,000 in travel for the assessors — the additional assessors — and the rest are minor: 8,000 in telephone; 3,290 in membership and registration; and \$2,580 in miscellaneous.

Mr. Shillington: — Was the aerial photography work . . . I assume the government is not doing this directly. I assume this is done by contract with some firm. Is that accurate?

Hon. Mr. Embury: — I'm told it's done through Central Survey and Mapping.

Mr. Shillington: — Do your officials know whether or not Central Survey and Mapping does it by contract? They don't have their own equipment and facilities, do they?

Hon. Mr. Embury: — We're really not . . . I think that question would be better directed to the minister in charge who does that.

Mr. Shillington: — His estimates are already through.

An Hon. Member: — . . . in question period tomorrow.

Mr. Shillington: — Yes, get that in question period tomorrow.

I'm going to run through a couple of these other items, Mr. Minister, and then I won't interrupt when the items are read off.

The advisory assessment board . . . Some considerable savings have been experienced in percentage terms of minuscule amount in absolute dollar terms. Why the decreased expenditure under that item subvote?

Hon. Mr. Embury: — The estimate has simply been moved closer to what was actually expended in the year previous, so it's not an indication of any more restricted work or expanded. It's simply a closer estimate to what was expended last year.

Mr. Shillington: — Well, can the minister tell me what was actually expended in the last year?

Hon. Mr. Embury: — The amount expended in '83-84 was 2,500.

Mr. Shillington: — I assume that was the figure for personal services. What about other expenses?

Hon. Mr. Embury: — That's the total.

Mr. Shillington: — Well, was that an extraordinary low . . . That's the total for the subvote. Was that an extraordinary low expenditure? You've now, apparently, budgeted for an increased expenditure of some 60 per cent. You've now gone 4,500 to 4,480. I don't understand your budgeting, Mr. Minister.

Hon. Mr. Embury: — We think that they will meet more often this year because they are

looking at the formula for irrigated land. And they've been asked to come in with recommendations on that formula for irrigated land, and they will have to expend more money this year than they did last year, talking to the irrigation groups and what have you. So there will be more travel and meetings.

Mr. Shillington: — Mr. Minister, can you give me the names of the people who have been appointed to the board, and the actual per diems paid to them?

Hon. Mr. Embury: — Mr. Chairman, they are: Ray Clayton, representing the Department of Education, is the chairman; Leonard Boxell, the major of Unity, representing SUMA (Saskatchewan Urban Municipalities Association); Dave Innes, representing the Department of Urban Affairs; Michael Deren from Lampman, representing SSTA; Lorne Wilkinson, representing SARM (Saskatchewan Association of Rural Municipalities); Dick Bailey, representing the Department of Northern Saskatchewan; and Mr. Gilewich, representing the Department of Rural Development. The only members that would receive per diems would be those members who are not in the civil service . . . (inaudible interjection) . . . We don't have the amount. We'll get that for you. The per diem, I'm told, is \$60 per day, plus travel.

Mr. Shillington: — Mr. Minister, there were two fewer staff persons in assessment services. Can you give us an explanation for that?

Hon. Mr. Embury: — Those are the two people that showed up under item 1 — transferred.

Item 1 agreed to.

Items 2 and 3 agreed to.

Vote 44 agreed to.

Hon. Mr. Embury: — Mr. Chairman, I would just like to thank my officials for their assistance today. They did a good job.

Mr. Shillington: — Mr. Chairman, I would like to reciprocate by thanking the minister for the forthright way he answered the questions. I can say, Mr. Chairman, that I make these comments at the end of virtually every department, and it often takes a great deal of self-discipline to stand up and say it. In this case, however, the minister has been fairly forthright and forthcoming, and it is . . . I can say this with a good deal more sincerity that I have in many cases in the past, and I won't pick out, I will not pick out ministers for whom it has been harder.

CONSOLIDATED FUND BUDGETARY EXPENDITURE

THE LOCAL GOVERNMENT BOARD

Ordinary Expenditure — Vote 22

Mr. Chairman: — Local Government Board. Would the minister please introduce his officials?

Hon. Mr. Embury: — Mr. Chairman, Mr. Oren Wilson, the chairman of the Local Government Board.

Item 1

Mr. Shillington: — I want to thank the member from Saskatoon Fairview for that introduction. Mr. Minister, have there been any changes in the makeup of the board over the last year, and if so, would you give me those changes?

Hon. Mr. Embury: — Mr. Chairman, the only changes to the board was Bruce Smith, who has resigned because of ill health, and the appointment as of May 1 of Mr. John Pass, from Nipawin; John Pass, from Nipawin.

Mr. Shillington: — What were Mr. Pass's qualifications for the appointment?

Hon. Mr. Embury: — Mr. Pass has been in the local government field for some 25 years. He was recently the town administrator of Nipawin.

Mr. Shillington: — Can you give me the amount of borrowing approved over the last year? And I guess I should have the number of different borrowings or issues, as well, so I can usefully use the information.

Hon. Mr. Embury: — I think, Mr. Chairman, that that information is contained in the '83 annual report. You'll find in the schedules the breakdown per community, the total amounts, the number of borrowings, the number of borrowings for a purpose. Schedule B would indicate the total borrowings were \$65 million in 1983.

Mr. Shillington: — Yes, I was actually thinking of the figures for '83-84, if you have them available.

Hon. Mr. Embury: — The year end for the local government board is December 31, so we don't have the figures up to the end of March 31, '84. The year end doesn't line up with our year end.

Mr. Shillington: — Well, then, do you have them up to the year ending March 31, 1983? The minister may want to supply this is writing, if that's easier. I don't . . . It's not information I need now, particularly.

Hon. Mr. Embury: — We'll provide that, Mr. Chairman.

Item 1 agreed to.

Vote 22 agreed to.

Hon. Mr. Embury: — Mr. Chairman . . . (inaudible) . . . for coming over this afternoon.

Mr. Shillington: — . . . (inaudible) . . . thank the minister and his officials for their assistance.

CONSOLIDATED FUND BUDGETARY EXPENDITURE

REVENUE AND FINANCIAL SERVICES

Ordinary Expenditure — Vote 18

Mr. Chairman: — Is the minister ready to introduce his officials?

Hon. Mr. Rousseau: — Yes, Mr. Speaker. To my right, my deputy minister, Mr. Paul Robinson; directly behind me, Mr. Keith Laxdal, the assistant deputy minister of the revenue division; and to his right, Mr. Barry Halbwachs, executive director of the administration division.

Item 1

Hon. Mr. Blakeney: — Mr. Chairman, and Mr. Minister, I would like to direct a few questions to you on . . . Would you indicate the members of your personal staff?

Hon. Mr. Rousseau: — Yes, Mr. Chairman. My secretary, Mrs. Lynn Beres; assistant secretary is Miss JoAnne Burnett; my ministerial assistant is Mr. Bob Valcov and Mrs. Maureen Boyle.

Hon. Mr. Blakeney: — Is Margo Fries an employee of yours, Mr. Minister?

Hon. Mr. Rousseau: — No, Mr. Chairman, she is not.

Hon. Mr. Blakeney: — Was she an employee?

Hon. Mr. Rousseau: — Yes, she was. She has transferred.

Hon. Mr. Blakeney: — Is Lynne Kliim-Hansen an employee of yours?

Hon. Mr. Rousseau: — No, Mr. Chairman.

Hon. Mr. Blakeney: — Was she an employee of yours?

Hon. Mr. Rousseau: — Yes, Mr. Chairman.

Hon. Mr. Blakeney: — Does the minister know when she left our employ, and whether she went to another government agency?

Hon. Mr. Rousseau: — Last September, and no.

Hon. Mr. Blakeney: — I'm sorry. I didn't catch the last answer. Is it, no, you don't know, or no, she didn't go to a government agency?

Hon. Mr. Rousseau: — No, she didn't go to another government agency. She went to British Columbia.

Hon. Mr. Blakeney: — Could you give me the background of Mr. Valcov, did you say?

Hon. Mr. Rousseau: — Mr. Chairman, I don't have his CV with me, but I'll be happy to supply it to the Leader of the Opposition.

Hon. Mr. Blakeney: — Is Mr. Valcov a Saskatchewan resident? Did he live in Saskatchewan when you engaged him?

Hon. Mr. Rousseau: — He's a Saskatchewan resident now. No, he didn't.

Hon. Mr. Blakeney: — I think that the minister's being very helpful in saying that he's a Saskatchewan resident now, and the EA to the minister. I might have concluded that. From where did Mr. Valcov come, if he came from somewhere other than Saskatchewan?

Hon. Mr. Rousseau: — From Montreal.

Hon. Mr. Blakeney: — Did I understand the minister saying that he did not know?

Hon. Mr. Rousseau: — From Montreal.

Hon. Mr. Blakeney: — So Mr. Valcov came from Montreal. Did the minister not feel there might be good and competent people in the Saskatchewan public service, or at least in Saskatchewan, to fill the post?

Hon. Mr. Rousseau: — Well, Mr. Chairman, certainly there are competent people in Saskatchewan. I interviewed a few people, and we chose Mr. Valcov.

Hon. Mr. Blakeney: — Thank you, Mr. Minister. You chose Mr. Valcov from Montreal, even though there were competent people in Saskatchewan. Fine.

I refer to . . . this has to do with investment capital sourcing. It has to do with a request from the Minister of Industrial Development or, I believe it was industry at the time, industry and commerce perhaps, the then minister, Mr. Paul Rousseau, request of the then minister of Revenue and Financial Services, Mrs. Duncan, and it has to do with the investment capital sourcing project and asking . . .

This has to do with . . . Pemberton Houston Willoughby has requested certain information in connection with this study, and wanting to know how much money was in pension funds and information of that nature, description of the various pension funds, copies of the primary and secondary legislation. Did you, for the purpose of preparing a report on where capital funding might be found . . .

An Hon. Member: — What's this got to do with Revenue and Financial Services?

Hon. Mr. Blakeney: — Because the request went to Revenue and Financial Services, went to the Minister of Revenue and Financial Services who is the minister in charge of all of these pension funds.

And the question that I ask is: what reply did you, or your predecessor, make to the then minister, one Rousseau?

Hon. Mr. Rousseau: — I'm going to try and give you this answer as best I can in my present capacity.

An Hon. Member: — Right. As Minister of Revenue.

Hon. Mr. Rousseau: — Of Revenue. Minister of Revenue. Right. I'm informed that we don't have a reply. Now wait a minute. The reply was coming from us to them. That's what it was . . . (inaudible interjection) . . . Well, we wouldn't have the reply. The Department of Economic Development would have the reply, wouldn't they? . . . (inaudible interjection) . . . Well, we'll have to search and get it for you.

Hon. Mr. Blakeney: — Mr. Chairman, and Mr. Minister, I'm not asking for a copy of the reply. I've no right to ask for inter-ministerial memos, but what I'm asking is: did the minister, or the Department of Revenue and Financial Services, supply information with respect to the investment capital sourcing with a view to using the pension funds as a source of industrial financing in Saskatchewan?

Hon. Mr. Rousseau: — Mr. Chairman, to the Leader of the Opposition the answer is no, we wouldn't give that information.

Hon. Mr. Blakeney: — Is it . . . My question is directed in this direction. Are there proposals for using the pension funds under your jurisdiction under this department for financing venture capital schemes, or other proposals which might be put forward by your government, quite properly, for the financing of industrial or commercial ventures in Saskatchewan?

Hon. Mr. Rousseau: — No, Mr. Chairman.

Hon. Mr. Blakeney: — Mr. Chairman, and Mr. Minister, I will change my focus for the moment, and ask about your collections of education and health tax and, for these purposes, I will include tobacco tax as well — sales taxes. During the year, let us say, ended March 31, 1984, if you have that compiled, approximately how much was lost because E&H licensees or tobacco

tax licensees did not remit? You always lose some money and I'm wondering what the nature of your losses is.

Hon. Mr. Rousseau: — For the fiscal year 1983-84, I think is what you're asking, \$1.3 million.

Hon. Mr. Blakeney: — Mr. Chairman, and Mr. Minister, is that an unusually large figure, or about normal, or somewhat above normal?

Hon. Mr. Rousseau: — Mr. Chairman, the amount is slightly higher than the year before, but it's about average for the percentage of revenue.

Hon. Mr. Blakeney: — Mr. Chairman, and Mr. Minister, are the chief difficulties being encountered with . . . Automobile dealers have been a particular problem. I didn't think of that until I said it, Mr. Minister . . . (inaudible interjection) . . . Well no. I have vivid recollections of, because they handle large sums of money, and perhaps building supply dealers. What sorts of businesses have presented the chief problems resulting in these losses of more than 1 million?

Hon. Mr. Rousseau: — No, I am informed, Mr. Chairman, that there were no particular trends, nor was there any particular section of the economy that was any worse than another. They were sort of spread out throughout the economy.

Hon. Mr. Blakeney: — Mr. Chairman, and Mr. Minister, there have been for the last several years, I would think, studies, comments by the Provincial Auditor, studies by the Public Accounts Committee, with a view to considering whether or not it would make sense to put more tax auditors on the road, and whether it would be cost effective to put more tax auditors on the road and cut down on losses. The argument being that some of the losses arise because of the fact that audits are only able to be conducted every two or three years — whatever the cycle is.

Firstly, Mr. Minister, would you indicate approximately what your normal cycle is, whether it varies for different type of businesses, and whether or not you have considered the advisability of putting more auditors on and would it be cost effective?

Hon. Mr. Rousseau: — Mr. Chairman, as for the . . . There were several parts to the question there and I'd try to address them all. But as for the advisement from the Provincial Auditor, yes, we have considered that. The Leader of the Opposition might be interested in knowing that, as a result of the removal of the gas tax (that had five auditors for that purpose only), we transferred those auditors into the revenue division, so we have, in fact, augmented the number of auditors by five.

As for the cycle, we look at a two-years-plus-one, being the current, as a cycle, and the audits are chosen on the basis of selection or selective way, as well as at random.

I think that was pretty well the questions that the leader asked.

Hon. Mr. Blakeney: — Mr. Chairman, and Mr. Minister, when you say they're selected, are various firms selected, or classes of firms, or do you do it sort of on a spot basis — on a random basis?

Hon. Mr. Rousseau: — Mr. Chairman, on the . . . The selection is done on the basis of certain firms, certain classes of firms, as well as geographic locations. That's about the way it is.

Hon. Mr. Blakeney: — Mr. Chairman, and Mr. Minister, and you have no plans in this budget to significantly increase the number of tax auditors over and above the additional five that you say were made available because of The Fuel Petroleum Products Act repeal?

Hon. Mr. Rousseau: — Mr. Chairman, the answer to that question is no.

Hon. Mr. Blakeney: — Mr. Chairman, I want to turn for a minute to the Provincial Auditor's report and to the report for the year ended March 31, 1983, which is the last one we have, and to page 13 and to the comments therein addressed with respect to the accounting practices of the Department of Revenue, Supply and Services, in which I ask a general question: have you addressed those, and are you able to tell the committee anything that would be reassuring in the light of the auditor's comments?

Hon. Mr. Rousseau: — Mr. Chairman, in both cases the problems have been addressed and have been corrected.

Hon. Mr. Blakeney: — Well, the answer is brief if not reassuring, coming from the minister, but I will drop that . . . (inaudible interjection) . . . No, it is not.

But I want to get onto a point of somewhat more direct interest. And this, Mr. Minister, has to do with the payments under the mortgage interest reduction program. Mr. Minister, I've had a goodly number of complaints of people who are being asked to repay amounts that they received under the mortgage interest reduction program, and I am not sure that I understand all of the circumstances.

But certainly one of the circumstances is this: — that people took out a mortgage, and I will say it was 15.25 per cent for easy figuring, and it was a five-year mortgage or a three-year mortgage, and they believed that they were entitled to the 2 per cent, the difference between 13.25 and 15.25 in my example.

They allege that they were told that by real estate people. They allege that they were told that by bankers. I don't know whether they say they were told that by your department officials, but they certainly say that they talked to the bank and the bank said, "No, you're entitled to 2 per cent."

They now say, they tell me, that they're being asked for a refund, or to repay some of the money they got, on the grounds that the one-year mortgage rate was under the 15.25 per cent, and let's use 14.75 for example, and therefore they are asked to pay back this half of 1 per cent over the period of time. And it comes as a surprise to them. And they feel they did everything they could possibly be expected to have done, and they're being dinged.

I don't know whether that is a fair description of what they're telling me, but can you say, could the circumstances which I have outlined have happened, and are they being dinged?

Hon. Mr. Rousseau: — Mr. Chairman, this department does not ding anybody. I want to say that the Leader of the Opposition was fairly accurate in his question on the basis that we guaranteed the rebate from 13.25 per cent to, let's say for example as you indicated, to 15.25. And we did. We refunded and rebated that money. Now if . . .

The description . . . There was only slight error perhaps in your description. That is on the variable rate. Variable rate means that it could change from week to week, or it could change from month to month, or on a quarterly basis, or on a semi-annual, or on an annual basis. And most of them were, I believe, a monthly and quarterly basis, but the rates varied, so that using your example, it's perhaps a little difficult to understand.

But if you take, for example, an 18 per cent mortgage that over a period of time, or a period of one year, would reduce from 18 to 17.5; to 17; to 16.5; to 16; to 14 — we would rebate from 13.25 all the way up to those various rates.

I'm sorry, let me rephrase that. That isn't quite accurate. We would rebate from the top rate to the 13.25, and the difference then would be owed to the government or to the department, because they had been overpaid. Somewhat similar, I might add, Mr. Chairman, to the income

tax system that we have in Canada, where employees will pay a rate every month to the Government of Canada and at the end of the year they submit their tax return and they will either owe the government some more money or they have some money coming back to them.

So there's really very . . . The limit is very . . . It's nearly impossible to be able to change the rate or to adjust the rate on a weekly, monthly, quarterly, semi-annually basis.

In other words, we went with a system. The banks and all of the credit unions, all of the lending institutions, had been so advised. They had been instructed to advise their customers that if the rates came down they'd still get the same amount of money, but at the end of the year they would have to rebate the amount of money that was overpaid to them, and again, similar to the way the income tax system works.

Hon. Mr. Blakeney: — Mr. Chairman, and Mr. Minister, we have really two issues here, and I want to pursue them separately. The one is the situation which you have outlined, where the citizen started out paying 18 per cent and got a rebate calculated on the 18 per cent. Then it dropped down to 17 per cent, and there was a time lag in adjusting the rebate to the drop in interest rates — that you paid him at 18 for a period during which he only paid 17. And then you ask him to rebate that. And that I understand. That I understand, because the citizen in this case didn't pay 18 for the full period during which you rebated for 18. That's one situation.

I want now to turn to the other situation, whereby it is alleged by the people who talk to me that you are paying on the basis of the one-year mortgage rate, and that some people had took out three-year or longer mortgage rates at a higher figure, and they believed that they were going to get the difference between 13.25 and the actual rate their paid.

Now, I will start this questioning by asking: is your rebate based upon the difference between 13.25 per cent and the one-year mortgage rate?

Hon. Mr. Rousseau: — Mr. Chairman, yes, it is.

Hon. Mr. Blakeney: — Mr. Chairman, and Mr. Minister, it is true then that if someone took out, let us say, a three-year mortgage and the three-year mortgage rate was higher than the one-year mortgage rate, he is not going to get, and he was not entitled to get, the difference between 13.25 per cent and what he paid, but rather 13.25 per cent and the one-year mortgage rates.

Hon. Mr. Rousseau: — Mr. Chairman, I think my best answer I could give to the Leader of the Opposition if I were to read this particular explanation:

It is necessary to establish a maximum interest rate to ensure that a home owner does not receive assistance based on an abnormally high interest rate, particularly in the case of mortgage arrangements that do not involve the lending institution.

As an example, one individual could loan money to another individual in order to purchase a home, and the agreement could stipulate that interest is to be paid at 25 per cent. That is considerably higher than the going mortgage rate. Such an arrangement may or may not be legitimate.

(And finally) A maximum interest rate encourages home owners to shop around for the lowest rate. Since the maximum interest rate is based on the average of one-year mortgage rates, the plan does not provide additional benefits to home owners acquiring longer term mortgages, which are at a higher rate relative to those acquiring one-year terms.

You're right.

Hon. Mr. Blakeney: — Mr. Chairman, and Mr. Minister, I quite agree with your need to set some sort of a maximum, particularly with respect to mortgage deals that might not be at arm's length. And everyone understands that immediately.

I say to you, Mr. Minister, that your ceiling based upon the one-year mortgage rate was not understood by a goodly number of people. They believed, and a fair number of them will tell me that their bankers told them, that if they took out a three-year mortgage and an arm's length, obviously with a banker, three-year mortgage, and I will use an example of 16.25 per cent, when the one-year rate was 15.25 per cent, they were entitled to the 3 per cent, the difference between 13.25 and the 16.25, and not the 2 per cent difference.

And there are a goodly number of people who say, "Look my banker told me that. My real estate person told me that. I did everything I thought I needed to do, and I am having to pay more than the 13.25." I wonder if you would comment on that. These people are not . . . I don't think they're stringing me about who told them what. I think they are telling me what they believe to be true.

Hon. Mr. Rousseau: — Well, Mr. Chairman, the Leader of the Opposition has indicated a small problem that exists with mortgage insurance rebate program. Certainly it's not very widespread, when you consider there are 40,000 applicants to it, or participants in it . . . (inaudible interjection) . . .

If the House Leader over there would like to hear the answer, I'd be happy to give it to him . . . (inaudible interjection) . . . Sure, if you like. Take all the time you want.

Mr. Chairman, again I say that the information on the maximum rate had been given to the lending institutions in the package that was sent to them. Furthermore, it was indicated in the application to, by, the home owner.

And as I indicated earlier, it really is not a very serious problem. But some of those cases, I believe — I stand to be corrected on this — but I think were situations where the home owner . . . (inaudible) . . . to his advantage to go with the three-year mortgage as a means of insurance, if anything else, or if nothing else, and therefore had that protection there. So the problem that the Leader of the Opposition refers to is not a very serious one — a very small one, as a matter of fact.

Hon. Mr. Blakeney: — Mr. Chairman, and Mr. Minister, I've received a fair volume of mail and complaints, but I'm not sure whether I have sorted them out into the declining variable mortgage problem, if I might put it that way, and the more than one-year fixed interest mortgage problem on the other side. But there're some of both, and the number is a little larger than the minister would indicate, certainly in total, because there's a fairly brisk number of letters.

I repeat again, that a number of these . . . It may well have been that the information package that went to the financial organizations explained that the shelter was only from 13.25 per cent up to the one-year rate, the rate for one-year mortgages. But a goodly number of people will assert that their banker or their mortgage person or trust company person didn't tell them that and, in fact, when they discussed whether or not it should be a one-year or a three-year or a five-year mortgage, this element didn't come into the discussion. And I can understand why, because the three years fixed would, was not only for the protection of the citizen but was also for the protection of the department.

If the interest rate had gone up briskly, you would have been very happy that that person had taken a three-year mortgage. You got the benefit of the protection which he negotiated, and you don't want to pay for it. The citizen is taking the view that you are riding on him. You're taking the benefit of the protection which he bought for himself and for you, because of a three-year program, and you want him to pay for the insurance feature which might be there by

way of a difference between the one-year rate and the three-year rate.

Have you given any consideration to recognizing any of these instances where the citizens have actually paid out more in an arm's length transaction than you have refunded to them because they got a three-year mortgage, let us say, at a slightly higher rate than the one-year mortgage?

Hon. Mr. Rousseau: — Mr. Chairman, no, we haven't.

Mr. Shillington: — Mr. Minister, I just want to reiterate what my colleague from Regina Elphinstone said. You violate people's sense of justice when you ask them to repay sums of money which have been, when you ask them to repay overpayments which occurred through, really, through no fault of their own.

Mr. Minister, whether you realize it or not, some of these overpayments which have to be repaid are a burden to those who pay them, and when it happens through no fault of their own, you violate people's sense of justice and fair play. I wonder, Mr. Minister, if the problem is as insignificant as you pretend it is, why didn't you just admit that the problems occurred through an inadequately designed program and bear the responsibility yourself, rather than asking the public to repay these things?

Hon. Mr. Rousseau: — No, Mr. Chairman, the member for Regina Centre is completely, as usual, inaccurate. The program, Mr. Chairman, was designed to put money into the hands of the home owners on a monthly basis, which it did, rather than the previous program that was introduced here some three years ago that would have caused people to lose their homes. We acted. We provided a program that would put the money back into their hands immediately, and some people received more money than they should have received, and it wouldn't be fair to other taxpayers that that would go on.

The number — yes. Just to give the member opposite a little bit of information on this, there were approximately 42,000 people at one time or another on the program, and using the variable rate and the regular rate overpayments, there was a total of 3,647, which is a very small percentage to the 42,000 people. Some of those, I might indicate, Mr. Chairman, some of those were people that had sold their homes and didn't notify us for months later, and were still receiving these rebates and weren't entitled to it. And there were quite a few of those.

So if we take what the members opposite are considering to be a problem, no, it was not a problem. It was not an injustice to anyone. In fact, their received a good deal of money from this government to assist them when they needed that assistance.

Mr. Shillington: — Well, Mr. Minister, unless I miss my guess, you're going to get your ears blistered in the next Provincial Auditor's report. What you have told us is there is a 7 per cent error rate. That's a quick calculation, but it's not far off. Mr. Minister, a 7 per cent error rate in the administration of any program, particularly where money is going to public, is simply not a satisfactory error rate.

And I ask you, Mr. Minister, having given us that rather startling bit of information, if you could tell us what the average overpayment was.

Hon. Mr. Rousseau: — Well, first of all, Mr. Chairman, I want to correct . . . Again, I want to correct the member from Regina Centre. And I don't expect to get my ears blistered by the Provincial Auditor, because there was no error. He talks about a 7 per cent . . . There is a zero per cent error. It's the best administered program that's ever been introduced by . . . They could have used the kind of expertise and the kind of dedication from the employees that worked on this program when they were in government. And certainly what we experienced here was a zero — zero per cent error. Nothing. We didn't have any errors. They weren't errors.

Mr. Shillington: — Well, you had 7 per cent were over-paid. Now you may want to quibble about the language, and I recognize the minister has his own view of the English language. But you had 3,000 individuals. I understood you to say you had 3,000 individuals who received overpayments out of a total of 3,600. We'll do a quick calculation here so we have the figure. I was wrong, and right — it's 9 per cent, Mr. Minister. It's 8.5 per cent, Mr. Minister.

Mr. Minister, I suggest to you that there may have been some cases of fraud, some cases of house sales, but there was a goodly number of people who received overpayments through no fault of their own. It occurred, I suggest, Mr. Minister, through an incompetently structured, and an even more incompetently administered program.

I suggest to you, Mr. Minister, those who received the overpayments through no fault of their own should not have been put to the burden of repaying an error that really occurred through the department's fault.

Mr. Minister, I think I asked you for the average amount of the overpayment and I'd be interested in getting the answer to that.

Hon. Mr. Rousseau: — Mr. Chairman, if the member from Regina Centre was interested in getting some answers, rather than grandstanding over there like he usually does . . .

Using his logic, using that member's logic that he may as well stand up in this Assembly and say that the Department of Revenue in Ottawa is 100 per cent in error — 100 per cent in error — because every year every taxpayers in Canada files a return and either owes the government money or has some coming back. The number that is right on the nose is a very, very minimal number.

So using his logic, using that kind of logic — and I'm not surprised that it's the member from Regina Centre using that kind of logic — Mr. Chairman, that member may as well tell the Minister of Revenue in Ottawa that he's 100 per cent in error. That's exactly what you're saying.

As for the average, first of all, in dollars and cents we're talking about 1 per cent. One per cent of the total amount of money that was paid out, that was over-paid, is about 1 per cent. And the average overpayment was \$238.

Mr. Lingenfelter: — Mr. Chairman, I would ask the minister, on the overpayment, the total amount of overpayment — have you got that number? — would it be about \$1 million? Is that a number that, if you multiply the roughly 3,647 by 240, does that work out to about \$1 million in overpayment?

Hon. Mr. Rousseau: — Mr. Chairman, the total amount of overpayment — there was two figures here, so I'll give them both to you — on the variable rate was \$292,036.18; and under the regular was \$574,359.10.

Mr. Lingenfelter: — So about 866,000 — and you say that's 1 per cent of the . . . What was the total payout, then?

Hon. Mr. Rousseau: — Yes, when I gave you the 1 per cent I was looking only at the 574. It's about \$48.4 million. So that would work out to 1.8 per cent, or 1.7 — somewhere in that area.

Mr. Lingenfelter: — And of that money, Mr. Minister, how much has been re-collected? You will know that we've had a ongoing letter-writing exchange, you and I, and I won't take the time of the committee to read any of those letters into the record, but you will know that some of the people are not paying back the moneys that you inadvertently sent out, and through no fault of their own. I think there are a number of people who have decided, at least the last I talked to

them, had decided not to repay it, because they feel it is not their responsibility. You were the one who inadvertently sent the money. Can you tell me how much of that 800,000 that you have collected back at this time, and how much is outstanding?

Hon. Mr. Rousseau: — Well, I'll give you all the figures you want here. There are, again, two amounts in each case. Under the variable rate, there was \$237,505.06 paid back as of March 16, 1984 — as of March 16th, so there's been more since that time. And under the regular, there'd be \$357,871.93 — leaving a balance as of that date of \$54,531.12 under the variable rate, and \$216,487.17 under the regular rate.

Mr. Lingenfelter: — The minister will know that he has written to individuals talking about court action that he plans to take if the money isn't refunded. I wonder whether you have now any court actions that you, as a minister, promising as an election program, and I believe one that many people believed would help them. Now you are trying to collect back close to \$1 million, and taking people to court, in fact, to collect the money back. What kind of actions have you started, at this time, in order to collect the money back, the about 250,000 that's still outstanding.

Hon. Mr. Rousseau: — Mr. Chairman, first of all, let me indicate that we on this side of the House consider that most people in Saskatchewan are honest people. I'm wondering if the member from Shaunavon is indicating that we should do nothing about the person who sells a house last September, for example, and doesn't notify us until March of this year, and who meanwhile has received 11, 12, 13, \$1,500 that he wasn't entitled to — that we should just close our eyes to that? If that's what you're suggesting, I wish you would say so. We don't believe that we should let that person keep that kind of money. It wouldn't be fair to the other taxpayers in this province. And I don't think that that's what the member opposite is saying.

So yes, we certainly are going to attempt and use every means possible to attempt to collect those overpayments. And we have sent out several letters as of this date, plus — then there's been a few that we don't have the exact figure — perhaps 30 or 40 minister's orders that have gone out as well.

Mr. Lingenfelter: — Well, Mr. Minister, the people who have got letters in my constituency saying that you will be taking them to court to re-collect that money — none of them have sold their houses. And I think it's unfortunate that you would stand here and attempt to paint a picture that the people who you're trying to re-collect from, that the majority, or in fact, any significant percentage of the people, in fact, that sold houses. The individuals that I talk about — and you will very well know, because you have received letters from myself and from the individuals — are very legitimate citizens of the Shaunavon and surrounding area who were over-paid by your department and by your government, as much as \$500. And now you're taking them to court to re-collect it.

And I would say that in all fairness, I wish that you would use your good office and attempt to set up some other arrangements besides taking what have to be innocent people to court to re-collect money which you inadvertently sent out to them. I think it's unfortunate that you would use the strong arm, I suppose, of a big majority government to re-collect money that was part of an election promise that you made. And I think that's unfortunate.

Hon. Mr. Blakeney: — Mr. Chairman, and Mr. Minister, I take it the minister is not going to comment on that. All I can do is underline the comments of my colleague, the member for Shaunavon, with respect to the minister's suggestion that any significant number of these people are people who have sold houses or done anything else which could be considered shady.

These people, for the most part, made applications; got their money; believed they were entitled to it; are surprised when they're being asked to repay; and make the point that they did everything they thought they should be doing under this program. And now they're being

dinged, and they're being threatened with legal action. So there's no question about what's happening.

We're not quarrelling with the minister if somebody was guilty of misconduct, shady misconduct, but the great bulk of these people — that cannot be alleged against them. They simply got this money, calculated by the government; believed they were entitled to it; and now are being told by the government that they must pay it back under threat of legal action.

I don't know whether the minister wishes to comment.

Hon. Mr. Rousseau: — Mr. Chairman, I don't know why the members opposite want to use the kind of language and the kind of descriptions that they're using, because I never indicated anything that was shady, because it could even have been that a home owner who sold and forgot to notify us and continued receiving and didn't do anything about it . . . That happened. And when they realized that it had happened, they immediately corrected the overpayment and remitted it to the department.

Mr. Chairman, I'd like to outline some of the reasons — and perhaps it's only fair that they should know what the reasons are — why overpayments can occur.

First of all, I indicated already, a mortgage is discharged or transferred to the purchaser of a home. And by the time the documents and the title transfers and everything else happened, it could well take two, three months. So therefore there has been an overpayment that that home owner is definitely not entitled to, because he wasn't, first of all, making the mortgage payment and, secondly, he would receive the rebate from us.

Secondly, a mortgage is renewed or renegotiated by a home owner. And those . . . Many of those happen. We had a good number of those, Mr. Deputy Chairman, that are people who renegotiate and, again, forgot to notify the department. And those payments were being credited to their accounts, and therefore, not knowing they were receiving them, as a matter of fact.

And it might take months before they would check their bank account and realize that they had forgot to tell the Department of Revenue, realized they had received extra money — but even when they received a letter from us, wouldn't even know they had received extra money. So again those people . . . And the statistics indicate that most of those people repaid, and did not object to the repayment.

Thirdly, the original application for benefits contained incorrect mortgage information provided by the home owner and his lender. I don't believe there were too many of those, but they did happen.

Fourthly, the home owner fails to disclose mortgage assistance that he is receiving from other government sources. And when those situations were brought to our attention, we had to act on it. Again, it was the only right way. If we didn't do these things, the members of the opposition would rightly criticize us for not looking after the money of this government, which is the taxpayers' money.

Fifthly, Mr. Deputy Chairman, the home owner makes a lump sum payment on his mortgage, and there are many of those, I understand, that happened, and those people who made those lump sum payments, of course, were not entitled to the same amount of money that they had been entitled to and, again, rightly so.

The sixth reason, Mr. Chairman, is that the method chosen to pay benefits to home owners with variable rate mortgages resulted in overpayment in times of rapidly declining interest rates, and last year the members opposite will remember that when the rates started to come down, they

came down very quickly.

So all of those reasons were reasons why overpayments had been made. We're talking about money that belongs to the taxpayers, and in some situations they were \$1,000 or some of them were very small amounts. But regardless of the amount . . . I don't think the amount is important. The fact is that it's money that belongs to the taxpayers, and we cannot, as a government, allow that to happen. And it's not right. And if we did allow that to happen they'd be the first to criticize.

Hon. Mr. Blakeney: — Mr. Chairman, and Mr. Minister, you're dealing with a group of people who are, for the most part, reasonable income. They're home owners. And you still structure a program that has some sort of an overpayment rate of 8 or 9 per cent.

If welfare payments were ever overpaid to the extent of 8 or 9 per cent, which they . . . 8 or 9 per cent of instances, there would be a hue and cry, saying, "All of these welfare recipients are somehow taking money they shouldn't, and the government structured a very bad program." Now you have structured a program with a great bulk of the people who got your money, had no intention of defrauding you of one penny. And yet you structure a program whereby you are going after some 8 or 9 per cent of the people who got your money, and asked to repay it. Now that is a . . . This is not the citizens' fault that you paid out taxpayers' money to people who weren't entitled to it and didn't know they weren't entitled to it.

And it's not they who deserve to be made the object of the minister's speech here saying, "We've got to go after the taxpayers' money." It would have been a good idea to think about that before you paid it out because a great . . . a properly structured program would have had a good deal less of that, a good deal less. I'm not saying that it all could have been eliminated, but certainly a good bit of it could have been eliminated. A good bit of it could have been eliminated by making sure that the lending agencies were fully briefed. There may have been stuff in the package, but perfectly competent and well-meaning bankers and trust company officers were in error and told citizens the wrong information.

And I don't know why this all came to pass, but I don't think you can blame it on the borrower and his lender, as you say. You have a better vehicle for advising the bankers what your program is than the citizen out there, and you're saying, "Oh no, the mortgagor — his lender made the error." What's he supposed to do — go in and tell the Royal Bank how to deal with this program because you haven't? And that's what you're implying when you say, "His lender made an error." It was your job to advise the lenders, not his. And that you didn't do, and this caused this very, very large number of cases of people who were overpaid. And surely the minister will acknowledge that 8 or 9 per cent overpayment is a very large number.

Hon. Mr. Rousseau: — We started out pretty good today, giving answers very quickly, and now we are getting into an area where all I seem to be doing is correcting the information on the questions that they're asking. They don't get into questions with any degree of accuracy at all.

First of all, the Leader of the Opposition, by that little speech he has just made, is saying to us that it would have been better for all of the people of Saskatchewan to lose their homes instead of doing what we did. That's what he's really saying because, you know, here we are — we bring in a program that assisted 30-some-thousand people in this province, and from the little speech he just made we'd have been better off to say, "Let's not do that because there could be some little problem within it, so we don't do anything at all," as if what they were talking about before.

Secondly, Mr. Deputy Chairman, the lending institutions have been well-advised of all of the problems that could exist, and it was up to them to make sure that the clients understood — the credit unions, or the banks, or anyone, the trust companies, anyone else who was involved in lending money.

He talks about 8 per cent. Again, inaccurate, Mr. Chairman. The fact is that the overpayments were about 1.8 per cent of the dollar amount. And that's what we're talking about. We're talking about dollars; we're talking about taxpayers' money. And the dollar amount came to 1.8 per cent, which is not that serious.

He's saying the same thing as what the member from Regina Centre said earlier, that under that logic the income tax department have a 100 per cent error, have a 100 per cent problem because that's the way it's done. That's the way that every year when they file their returns they either owe the government money, or they have money coming back, but very seldom is it right on the nose, or the amount that they owe.

And fourthly, Mr. Chairman, I want . . . The Leader of the Opposition is suggesting that we should have built the program, or designed the program so that no errors could have been made — and I don't want to use the word "error" because he's using it, but I say no adjustments were necessary or rebate to be paid — then it would have meant at least doubling, perhaps tripling the number of people in the department to administer the program. I believe that the members opposite would probably choose that route by building up a much bigger bureaucracy than would be necessary to administer the kind of program that we, as this government, did put in place for the taxpayers, for the people of Saskatchewan, which they would never have done. They would never have provided the kind of assistance to the people of Saskatchewan that this government provided. And we're very, very proud of the program that went out, of the amount of money that was paid, of the assistance that we gave those home owners when they needed that assistance.

Hon. Mr. Blakeney: — Mr. Chairman, and Mr. Minister, the minister really tempts one. He's the sort of person who says that if you paid out 12 monthly payments to 50,000, and you went after 50,000 of them to get the last payment back, he said, "That's not a great problem. After all, it's only 8 per cent." In fact, on that example you'd be going after 100 per cent of the people. And the facts are that you're going after 8 per cent of the people you dealt with, because with 8 per cent of the people you dealt with there was an error on one side or the other . . . (inaudible interjection) . . .

The minister says there was no error. I don't know what he calls it when letters go out saying, "Please pay back the money you got or we'll sue you." That strikes me as . . . If this was designed into the program and was not an error, then the minister has even more to answer for than I thought. Because surely it wasn't your intention to have 8 or 9 per cent of your clients dinged and threatened with legal action. Surely you felt the program would work better than that. And if it was your intention, you should have taken steps to reduce that.

And there are a goodly number of things could be done, and I'm not attempting to redesign the program. But you're here admitting that a fair bit of it comes from the fact that variable interest rate mortgages were being negotiated and that the interest rates change fairly rapidly. Yet I take it you made no arrangements with the financial organizations to advise you of changes in the interest rate. You waited till the citizen did that. I don't know why you did that, but that's the way you did it. And anyway now you got 3,600 people out there who you're dinging.

If the minister says that that is up to his usual standards of efficiency, I'll take his word for it. But I certainly don't think that it's a well-designed program when, after a relatively short period and dealing with people who are, for the most part, thoroughly literate with no problems of age or illiteracy, you still have 8 or 9 per cent of the people who, for one reason or another, have been overpaid. That doesn't sound like a great program to me.

Hon. Mr. Rousseau: — Mr. Chairman, the Leader of the Opposition talks about what our intentions were. Our intention, Mr. Deputy Chairman, was that the people of Saskatchewan would not lose their homes. That was our intention: they would not lose their homes at a time of excessively high interest rates. I would carry this on a lot longer if the Leader of the Opposition

wants me to, and compare it with their home program.

Secondly, Mr. Deputy Chairman, there was no error. There was no error. And I want to repeat that. There was no error made by this government in the administration of this program. There was no error made, Mr. Chairman.

What we did — we designed a program that would, in fact, show some overpayments. As a matter of fact, there might have been some cases of underpayment, and we paid them. And the fact is, Mr. Chairman, that there are only about 1,000 cases outstanding at the present time.

Hon. Mr. Blakeney: — Mr. Chairman, and Mr. Minister, I don't want to pursue this. We had the minister's admission that there was no error; that it was intended that these payments be made. It was intended that the suits be launched; and that's what he intended. All right, we know that and he's said so.

I'll move to another topic. And I want to ask the minister a relatively simple question here and it has to do with superannuates and what you intend to do to supplement their pensions.

Mr. Minister, on April 6th, you introduced some supplementary provisions legislation. On April 17th, a month ago, I asked you whether you were going to supplement and you said you would tell me later. On April 19th, you told me, yes, you were going to supplement. I asked you on a couple of occasions how much you were going to supplement. You said that the legislation was already drawn; it was in the file on the House Leader's desk. If the legislation is drawn, you had the figures in it. Would you please tell me how much you are going to supplement the pensions of superannuates? And you will know the formula, and I am simply asking you what you are paying, what you intend to pay.

And you can tell me: is it going to be the same type of formula that has been used for many years, and if so, how much is it going to be for a year, per year of service for the superannuates, how much for the spouses of deceased superannuates, and how much for the child of the surviving spouse?

Hon. Mr. Rousseau: — Mr. Deputy Chairman, I want to inform the member opposite that the legislation is drafted. The legislation will be introduced perhaps as early as this week or next week at the very latest. It will be, and I've already indicated this to the members opposite, it will be retroactive to May 1. And the amount of money that will be involved will be announced with the introduction of that bill.

Hon. Mr. Blakeney: — Mr. Chairman, and Mr. Minister, you've been playing this cat and mouse game now for well over a month. On May 2nd you told me, and I will quote, "Yes, we will be bringing the bill very, very shortly."

Very, very shortly. Now that's more than two weeks ago. Very, very shortly. You admit that you know the amount. You say it's drafted. So you admit that it's retroactive to May 1, and the money should be in the cheque that goes out at the end of May. What is the reason for playing this cat and mouse game? Why won't you tell the superannuates what you're paying them? Obviously you know the answers. There are just three figures I'm asking, six digits, and unless there are cents as well, in which case it would be 12 digits, and that will solve it. And these people who are calling me, and I suspect calling others, asking what's the supplement, will know what their situation is.

Hon. Mr. Rousseau: — Mr. Deputy Chairman, the normal practice for that information is to be announced at the time that the bill's introduced. They've introduced enough bills in this legislature to know that, and we are going to be doing it, as I say, no later . . . I'm sure that it will be no later than next week. Would be introduced, tabled, the payments will be made retroactive to May the 1st, and that's all I have to answer.

Hon. Mr. Blakeney: — Mr. Speaker, the minister has brought up this matter of what's normal and, as he has pointed out, we've had a bill like this in every year except for two years, I think, for about 20 years, and I will quote now the minister: "For the past 18 years, except 1967, '68, and '71, '71, we've had these bills?"

Now talking about normal, we have never had a bill introduced, any one of those, after the 17th of May. And if anyone can find one, I invite them to find it. In 1981, for example, it was announced in the Speech from the Throne in November, and in 1980 was also in the Speech from the Throne, as I recall it, if we're talking about what's normal. I am just saying that it is not normal to hold out on the public servants this way. Not normal, when it's effective May 1, to be telling us on May 17 that you won't tell us what the figure is. What is the problem? Why won't you give us the figures? We'll acknowledge that you're behind in getting your legislation in. Let's not fight about that. Just tell us what the figures are so the public servants will know.

Hon. Mr. Rousseau: — Mr. Deputy Chairman, I advised the members opposite twice now — I'll do the third time — I will announce that. I'm sure it will be next week. The House Leader has assured me that we will be doing it very, very shortly and the amounts will be included, will be announced at that time.

Hon. Mr. Blakeney: — Mr. Chairman, and Mr. Minister, there we go again — very, very shortly. Those were the very words you used on May 2 . . . (inaudible interjection) . . . Page 2118 of *Hansard*, on May 2, had "very, very shortly." And nothing has happened since then.

I won't belabour this any more, but for the life of me I don't know why you won't tell the public servants what the supplement is. The only reason I can think of is that it's an embarrassingly low amount, and you would prefer to have that a little later on in the session.

I hope that isn't true . . . (inaudible interjection) . . . Well, I don't know whether we said it last year. The last year's amount of 19.20 a year, per year, was a reasonable figure and I'm not complaining about that. I'm sure that people felt that it was too low. There are some will always feel it too low, but \$19.20 was an in-the-ballpark figure, and I hope that the minister will keep that in mind when inserting his 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 digits in the bill which could have been drafted a year ago and inserting those 11 figures. I take it that the minister is assuring us that I will be similarly pleased this year with the figure.

Item 1 agreed to.

Items 2 to 7 inclusive agreed to.

Item 8

Hon. Mr. Blakeney: — Just one very small item. I could ask it here under the administration or under subvote 20.

There is a substantial reduction in the public employees' dental plan. Is that because of the lack of take-up because of the position taken by the Saskatchewan Government Employees' Union — or otherwise?

Hon. Mr. Rousseau: — Well, Mr. Deputy Chairman, the reason for that is a very favourable position and overfunding that we had in it.

Hon. Mr. Blakeney: — Mr. Chairman, and Mr. Minister, do I understand the minister to say that there's no cut-back in benefits or in the number of people served, but rather because the funding did not require as large a sum this year as last?

Hon. Mr. Rousseau: — Mr. Deputy Chairman, that's accurate. There are no cut-backs on the benefits.

Hon. Mr. Blakeney: — Mr. Chairman, and Mr. Minister, with respect to the pension funds generally, could the minister indicate . . . And I say, by way of introduction, that the minister sent me some information for which I thank him, and will save a fair amount of time because I was wishing to get this information.

It will be known that under the public service superannuation plan there will be a very large unfunded liability. I don't know what it would be, but it will be numerous hundreds of millions of dollars and probably quoted in the auditor's report — if not this year, last. He does it regularly. And it will also be known that, as the number of employees shifts over from the public service superannuation to the public employees superannuation plan, unfunded liability in effect gets dealt with.

It'll take a long period of time but we are not . . . The process is one whereby our unfunded liability is not growing but is declining. In any given year it might grow but, over time, it's got to go down, which is . . . since the one plan is fully funded, and by definition there cannot be an unfunded liability under the public employees superannuation plan.

During the year under review, was any thought given to inaugurating any plan which would supplement the public employees' superannuation plan, not on strict matching basis for individual employees, but one which would give those particular employees a little more protection against cost of living than you get under a plan like that? Was any thought given to any augmenting of the public employees' superannuation plan, the matching benefits plan? . . . (inaudible interjection) . . . No, the new one, the new one. The old one is a perfectly good plan. The new one has got some shortcomings.

Hon. Mr. Rousseau: — Mr. Deputy Chairman, unfortunately we're not quite sure of the question. Perhaps you could elaborate a bit. Are you talking about the added contributions by the government, or indexing, or what?

Hon. Mr. Blakeney: — Mr. Chairman, and Mr. Minister, I don't think anyone has got it worked out. First, I'm talking about the new plan. Secondly, I would talk about probably an increased contribution by the government and very possibly by the employee, this contribution to be polled, as opposed to an individual account, which is the basis of the current plan, and this to look after instances where employees live a long time, for example, or otherwise. And I suppose that may well be looked after by annuity arrangements anyway. But otherwise to deal with possible sharp increases in the cost of living, an indexing for superannuates, of what is going to be an un-indexed pension.

And I'm just asking whether any thought was given . . . At one time when this was put in, it was realized that somebody at some point would have to think about this in the future, but for the time being, when we were in effect paying for two plans at once, we would defer that . . . (inaudible interjection) . . . Yes, we'll wrap it up.

Hon. Mr. Rousseau: — Okay, Mr. Deputy Chairman, no. The answer to the question is: no, we haven't, because we feel that at this time the 5 per cent matching contribution is sufficient and is funding the plan quite adequately.

As to the second part of the question to do with indexing for the superannuates, again, no, we haven't at this time given any consideration at all.

Item 8 agreed to.

Item 9 — Statutory

Item 10 agreed to.

Items 11 to 17 inclusive — Statutory

Items 18 to 20 inclusive agreed to.

Items 21 and 22 — Statutory

Item 23

Hon. Mr. Blakeney: — Mr. Chairman, and Mr. Minister, I would like to advise the minister that I would be interested in getting some figures on how many are under the teachers' old plan and how many are under the teachers' new plan. I don't need it now, and if you could send it along I'd be interested in getting it in due course.

Hon. Mr. Rousseau: — Yes, Mr. Deputy Chairman, I'd be happy to give the Leader of the Opposition that information.

Item 23 agreed to.

Item 24 agreed to.

Vote 18 agreed to.

Hon. Mr. Rousseau: — Mr. Deputy Chairman, I want to take this opportunity to thank my officials for their assistance that they provided me this afternoon.

The Assembly recessed until 7 p.m.