

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
May 17, 1983

The Assembly met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

HON. MR. GARNER: — Mr. Speaker, it gives me a great deal of pleasure today to introduce some grade 7 and 8 students from Dana, Saskatchewan. They come from Radar Hill school. They are accompanied by their teacher, Gary Moshinski, and the bus driver, Dennis Macleod.

I'd like to have all members of the Assembly welcome them here this morning, and very hopefully they'll have an enjoyable stay here in Regina. I will be meeting with them later on after question period on behalf of the Minister of Rural Development, Mr. Domotor. And I'd like just to welcome you all to the city of Regina and the Legislative Chamber.

HON. MEMBERS: Hear, hear!

MR. RYBCHUK: — Thank you, Mr. Speaker. It's my pleasure to introduce to you, and through you to this Assembly, 25 grade 8 students and their teacher, Doug Exner, from St. Augustine Elementary School that is situated in the heart of Regina Victoria.

I hope their stay here in educational, and I look forward to meeting with them right after question period at 10:30 for pictures and refreshments. And I would ask all members to welcome them here to the Assembly.

HON. MEMBERS: Hear, hear!

MR. HODGINS: — Mr. Speaker, it's my pleasure to introduce to you, and through you to all members of the legislature, a group of 38 grade 10 to 12 students from the Melfort Comprehensive Collegiate. They are with a music group, and they are accompanied by Keith Taylor, John Davidson, Ann Farwell, and Tannis Erhardt. In addition, they have their very capable bus driver, Mr. Gordon Gibson from Gibson bus lines in Melfort. And I would be pleased to meet with them after question period for refreshments and pictures.

I would ask that all members join with me in welcoming this group to the Legislature.

HON. MEMBERS: Hear, hear!

ORAL QUESTIONS

Payment to Uninsured Depositors in Pioneer Trust

MR. LINGENFELTER: — Mr. Speaker, my question is to the Minister of Finance . . . Oh, the Premier is here. To the Premier then, it has to do with an article that appeared in today's *Leader-Post*, and the headline is: "Premier admits Pioneer matter was not well handled." Mr. Premier, I would like to ask the question that deals with the principle of taxpayers' money from Saskatchewan going out of the province.

Last evening in committee, the committee was informed that of the \$28 million that the government intends to pay out to uninsured depositors, about 9 million will go out of province.

Now what I would like to ask you, sir, is, that at a time when Saskatchewan taxpayers are in some difficulty financially, do you agree with the principle that \$9 million should be paid out to

out-of-province residents?

HON. MR. DEVINE: — Mr. Speaker, I'm not sure that the 9 million figure is accurate, and it may, in fact, Mr. Speaker, when it's resolved, be less than 9 million in total. It might be 6; it might be 5; it might be 7 in total, which means a small fraction would go to people who might be in Manitoba or who might be in Alberta. So the question is somewhat hypothetical when they . . . And it should be examined in detail to know what it will be exactly before you can say that there's going to be \$9 million go to somebody on either side of Saskatchewan or some place else.

I believe that's one of the reasons that it would be fair to say that we should look at what the liquidator is doing to make sure that they have full access to all the information that we do when we're examining the situation in Pioneer.

MR. LINGENFELTER: — Mr. Premier, I asked you very clearly about the principle. I was not wanting to refer to the Bill as you were allowed to do, but what I'm asking you: is the principle of whether or not you believe that at a time when Saskatchewan farmers, and working people, teachers are being asked to take 0 per cent increase, and while welfare recipients are asked to take a 40 per cent cut, whether you feel it is proper and fair that 9 million, as I say; 18 million as my colleague from Quill Lakes says; 6 million, or whatever, that the Minister of Finance says, and you say it may be 2 or 5 or 10 or 15, raises the point of whether or not a principle of paying out that kind of money, not knowing what it's going to be, is a fair principle when the taxpayers of Saskatchewan, with massive tax increases, should be paying for depositors from other provinces.

HON. MR. DEVINE: — Mr. Speaker, my hon. friend raises the question about welfare cuts, and he raises the question about huge increases in taxes to make the point, or to try to make the point, that Saskatchewan taxpayers, or that the welfare system in Saskatchewan is somewhat extremely different in a negative fashion compared to other provinces. And that's not true. The best welfare system in the country is in the province of Saskatchewan. That's the very . . . (inaudible interjection) . . . But you raised it, all right? So I get to talk about it because you raised it. All right?

You talk about welfare. This is the best welfare system in the country. You talk about the tax system. This is the fairest tax system any place we have. So if you want to bring those considerations in when we're dealing with farmers who need assistance, when we're dealing with home owners, when we're dealing with anybody else who wants protection, that's number one.

This is the most positive province that you will find across Canada with respect to what it's doing for home owners, farmers, welfare recipients, and others.

You get back to the principle of whether people who deposit money in a Saskatchewan trust company are going to be treated the same across Canada. And you're suggesting that other Canadians are not going to be treated the same as Saskatchewan people are treated. Saskatchewan, you're saying, is completely different. Manitoba people, if they've invested in a Saskatchewan trust company, should not be treated the same as Saskatchewan people.

Now you're saying if there was a little bit of money, like a million or two or three, you say, well then, maybe the principle changes.

. . . (inaudible interjection) . . . Well you're making that implication, because you start off with nine. At what particular point . . .

MR. SPEAKER: — Order, please. The member is not allowed to use that type of language in this Chamber and I would ask him to refrain from it.

MR. LINGENFELTER: — Mr. Speaker, I would withdraw that remark that I made from my seat,

but I would appreciate the Premier of the province, who has a dignified position, to not carry on that kind of action of misrepresenting what I say.

HON. MR. DEVINE: — Mr. Speaker, I just want to understand the hon. member. Is he saying that it doesn't make any difference at all, the magnitude of the money? And if he says it doesn't make any difference at all — fair enough — whether it's \$1, or 50 cents, or 100,000, or 1 million. Now if he says it doesn't make any difference at all, then we're talking about Canadians investing in Saskatchewan — not the magnitude, not the magnitude whether Canadians are expected in Saskatchewan. All right . . . (inaudible interjection) . . . He's talking about the principle, Mr. Speaker.

The principle of the point is this: can Canadians invest in Saskatchewan and expect to be treated fairly? All right. Can Manitoba or Alberta people invest in Saskatchewan and expect to be treated? That's the question.

Now if it's true, and he acknowledges that it doesn't matter, the magnitude of the question doesn't matter, it's the point of whether they should be treated equally or not, then I say we should try to treat Canadians fairly from one end of the country to the other, particularly in the province of Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

MR. LINGENFELTER: — Mr. Premier, I just want to get one point straight, that the statements made by the Minister of Finance last night, that the farmers and working people of Saskatchewan were being called on to pay the out-of-province, uninsured depositors — some 500 of the 1830 individuals, or companies or groups who had money invested over \$60,000 — that you agree with him when he says that \$9 million should be paid by Saskatchewan taxpayers to protect investors from places like Phoenix, Arizona; Winnipeg, Edmonton, and Calgary, and you do not agree with our position that those governments of Phoenix, or the governments of Arizona, or the governments of Alberta, or Manitoba should be involved in protecting their investors; that it's the responsibility of Saskatchewan farmers, school teachers, and nurses, and others, who have been told to restrain, to bail out investors over \$60,000 from other provinces. Is that what you're saying? I want you to confirm that.

HON. MR. DEVINE: — Mr. Speaker, I think my hon. friend knows that investors is not the right word. These are depositors who put their money in the bank — savings accounts. I think to be fair to the public you should make that distinction. There are investors, and we're having nothing to do with investors, and he knows that. Okay.

There are people who were not creditors . . . (inaudible interjection) . . . Look, I must . . .

MR. SPEAKER: — Order, please. Order.

HON. MR. DEVINE: — Mr. Speaker, I just make the point to my hon. friend that depositors, no matter where they are, put money in the bank. And that's what the members of the legislature say that we should protect, people who have put money in the bank, savings accounts, whether they're school boards, or seniors, or retired people, or others.

Now if the magnitude of the money doesn't make any difference to you . . .

AN HON. MEMBER: — Who said that?

HON. MR. DEVINE: — Well, either it does, or it doesn't. Does it, does it? All right, would \$100 make a difference? All right, where do you draw the line? Where do you say Alberta people and Manitoba people — what's the value you put on it, whether you could be treated the same or not? . . . (inaudible interjection) . . . Okay, you pick the number where you draw it off.

If it's \$100, or \$500, or \$500,000, would it be all right? Is that what you want to find out? At what price do you have to pay to be a Canadian? What price?

The NDP is saying, well, at 9 million it won't work. At 5 million, maybe it would. What, we have an auction sale in here to find out how much it's going to be, to be treated as a Canadian in Saskatchewan? Is that what you're asking for?

SOME HON. MEMBERS: Hear, hear!

HON. MR. DEVINE: — You agree the depositors should be protected, and the NDP agrees with that. And then you're saying the people from Manitoba, people from Alberta, that are Canadians investing in a Saskatchewan company, shouldn't be treated the same . . . put their money in deposits in savings, in savings . . . (inaudible interjection) . . . Well look, they're not investing if they're depositors. They've got their money in savings. And there's a clear difference between shareholders and people who take out shares in a company, and those that are in savings. That's the point.

MR. KOSKIE: — A question to the Premier. Mr. Premier, yesterday in your press conference, the headlines are: "Premier admits Pioneer matter not well handled." And I imagine all the people of Saskatchewan will at least acknowledge one thing — the truth of that statement.

And what I'm asking you, in view of the fact that the Minister of Finance has so totally mishandled this whole affair, commencing with the publishing of the letter guaranteeing the issuing of preferred shares, and now you standing up in public indicating that it was badly handled: is that not in your view, Mr. Premier, an admission of the lack of confidence in the Minister of Finance? And accordingly, will you ask him to resign and appoint another minister with some competence?

HON. MR. DEVINE: — No, Mr. Speaker.

MR. KOSKIE: — Mr. Premier, a new question. Will you indicate to this legislature what you meant by the fact that the Pioneer matter was not well handled, and would you indicate whether there were any implications to the depositors, to the Pioneer Trust Company, and to others, as a result of not being well handled?

HON. MR. DEVINE: — Mr. Speaker, I haven't had the opportunity to read the newspaper article, but I will reiterate what I said at the news conference. And I said at the new conference, as did the Minister of Finance: it may have been better to forward the letter directly to the federal government as opposed to sending it to a company, and it may have been better to reword the letter differently. But that would not change whether the company's going to survive or not.

The point is that when we examine it, we say, first of all, we'd like to see it protected. Secondly, we would like to make sure that the taxpayer didn't have to risk any money. And when we examine it, we say, all right, we can't back the company. And the opposition agrees. And then we say, all right, we have to back those that have money in savings accounts. And the opposition agrees.

Now, when we get to the point of saying, would you design the letter differently, or would you send it to the feds as opposed to a company, yes. Fair enough. I wish companies wouldn't have to suffer the slings and arrows of international recession, of high interest rates, and so forth.

And the taxpayer is saying to the members opposite — obviously they must be — and they're saying to us, people that have money in savings should feel that those savings are safe. And you agree and I agree that we should protect those people and that's what we've done. We said, no, we won't bail out the company, and we haven't. And you agree.

And you said, good, don't bail out the company. And we said, all right, we're going to protect those people who have savings like the sisters in Estevan or retired people. And we agreed.

So we get down to the point of saying, well, maybe you should have wrote the letter differently. Well, I agree. It would have been nice to have wrote the letter differently, or send it to the federal Minister of Finance, as opposed to the company. All right.

HON. MR. BLAKENEY: — Mr. Speaker, a question to the Premier with respect to Pioneer Trust. It concerns the pay-out of depositors — and I trust we'll use that term — who are not citizens of Saskatchewan, but who are Canadians. The Government of Canada has elected to protect Canadians and has done so through the Canada Deposit Insurance Corporation and through the Parliament of Canada. The Government of Saskatchewan is elected primarily to deal with the concerns of Saskatchewan people.

In view of the fact that there is no precedent, so far as I am aware, for any provincial government paying out uninsured depositors of any trust companies that has failed anywhere in Canada, does he believe that the Government of Saskatchewan ought to lead the pack in paying out uninsured depositors who may live in Ontario or British Columbia or the United States?

HON. MR. DEVINE: — Mr. Speaker, it's fair to point out to my hon. friend that this would not be the first time that the Government of Saskatchewan or taxpayers in Saskatchewan have contributed to other provinces in helping, not only people who put money in savings but, indeed, companies.

Well I mean if we look . . . Let's take the example of Co-op Implements. Take the example. Saskatchewan people and the taxpayers, through the NDP administration, put up a great deal of money to bail out Co-op Implements which happened to be manufacturing in Manitoba.

Now the welfare recipients, and the farmers, and the homeowners, and other people under the high tax régime of the NDP had to even put up more money, more money . . . (inaudible interjection) . . . under the NDP it was . . . put up more money to bail out jobs and a company in a neighbouring province of Manitoba, which helped create jobs, and eventually we lost it all. It was lost.

Now we're saying people who invest in mortgage companies, banks, credit unions, and so forth, or have their money in the bank in terms of savings, should be protected. And my hon. friend agrees.

Now I believe it's fair to say that the member from Shaunavon said that you would do it this way. We would cover off, and I quote, we "would cover off certain depositors out of the province that we may think should be covered off." So you want to start to choose who it is.

And I'm saying that if the principle of the thing is not based on money, it's not whether it's \$100 or 500 or a million, but whether they should be considered or not, then we're getting into a pretty tricky situation where you said you could decide who, in Manitoba, you would pay — that's what it says in here — or who, in Alberta, you would pay. Other Canadians maybe at some price could be treated the same in Saskatchewan, or may not be. And you're already living with the record that you've already paid a whole bunch of money to Manitoba.

So I'm saying in principle I would like to think that all Canadians are treated equally in the province of Saskatchewan. I would like to think that's the case.

Now when we get carving out where an Albertan or a Manitoban is not a Canadian and treated the same in Saskatchewan, then I would like to know what criteria you are looking at, or anybody else would look at and say, you don't rank quite a swell in Saskatchewan because the

price is a little bit different. Now that's a pretty big implication to make in terms of principle.

I frankly would like to see all Canadians treated equally, and I'd like to see them treated fairly, and the same in the province of Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — Supplementary, Mr. Speaker. The Premier referred to the arrangement made between three prairie provinces — Manitoba, Saskatchewan, and Alberta — to support a farm implement company that served the three prairie provinces. And whether or not he agrees with that, that was the arrangement.

Did your government pursue a similar arrangement with the three prairie provinces to get them to cover the losses of the depositors in the three prairie provinces, or are you asking the Saskatchewan government in this case to bear the full load, whereas in Co-op Implements the three prairie governments bore the load?

HON. MR. DEVINE: — Mr. Speaker, I'm sure my hon. friend knows that the company in Saskatchewan served the three prairie provinces, as did the company that you were bailing out in Manitoba. You said it provided equipment across the prairies. Well this company provided — in Saskatchewan, mind you — in Saskatchewan provided a service across the prairies. All right?

I'm advised we approached the Government of Manitoba, and they don't want any part of it. Okay? So if they don't want any part of it, then you're going to say, well if you won't step in and treat Saskatchewan people or people in Manitoba who have savings in Saskatchewan, then all right, we'll just say forget Manitoba.

And then you're saying, well, all right, but maybe at some price, and maybe I can choose some people, and some others I might not. Well I think the principle should be, if you believe in the principle of helping across the board, the principle should be that you treat Canadians the same across the board.

HON. MR. BLAKENEY: — Just further supplementary, Mr. Speaker. You indicate that your government has approached the Government of Manitoba. Forgive me for saying so, but there have been a great number of verbal indications in this whole matter which have been totally unsubstantiated by any documents.

Was there any exchange of letters with the Government of Manitoba on the payment out of unsecured depositors — uninsured depositors?

HON. MR. DEVINE: — Mr. Speaker, I don't have any evidence of letters. I don't have any letters. We've had discussions. We've had the discussions with officials. And if you want a letter that says no from the various jurisdictions, that we will not participate, I mean, we can pursue that. But the discussion with them initially, I'm advised they said no.

MR. SHILLINGTON: — Mr. Premier, I want to ask you a question with respect to the need for a judicial inquiry. The matter has been . . . A judicial inquiry has been called for by editorials in the province's papers.

As I was driving to the legislature this morning, I heard an editorial on one Regina's radio stations. It has been called for by the Liberal party in the form of, by Senator Stewart — certainly the New Democratic Party has called for a judicial inquiry. And this morning we find that the matter has all-party agreement in that the Conservative member for Mississauga, Mr. Don Blenkarn, is calling for an inquiry.

I ask you, Mr. Premier, will you now admit the obvious: that there is a need for a judicial inquiry?

And will you announce at this point in time that you give us a judicial inquiry into this matter, as has been called for by Liberals, New Democrats, Progressive Conservatives, and a goodly number of the media in Saskatchewan.

HON. MR. DEVINE: — Mr. Speaker, as I said yesterday, I never have ruled out, and I'm not ruling out, an inquiry.

AN HON. MEMBER: — Will you tell your Minister of Finance that?

HON. MR. DEVINE: — He hasn't ruled it out either. The Minister of Finance has said in this legislature he hasn't ruled it out. So it's not ruled out. I believe that it's fair that we give the courts and the federal liquidator an opportunity to do what it's supposed to do, and they are having an inquiry now.

AN HON. MEMBER: — Who's having an inquiry?

HON. MR. DEVINE: — The federal court has appointed a liquidator to look at the whole thing, and it's being examined now before the courts, and that institution will have to report back to the courts.

Mr. Chairman, Mr. Speaker, I have not ruled out an inquiry. I haven't ruled it out initially. I haven't ruled it out today. And if I believe there should be an inquiry, then I will call in the court.

MR. SHILLINGTON: — New question, Mr. Speaker. The member for Regina East, Simon de Jong, asked the federal minister, Barbara McDougall, whether or not the liquidator—in the House of Commons, in the committee of finance—whether or not the liquidator would provide a report, and the Hon. Barbara McDougall said no. IN the first place you wouldn't get a report for a minimum of a couple of years; and secondly, it would not touch on many of the issues which are before the public's mind.

I ask you, Mr. Premier, who is it that doesn't know what they're talking about? Is it Barbara McDougall, or is it you? Because you're giving us two completely different stories. What she describes as the liquidator's report is something very different than what you believe in. So who's talking nonsense, you or the federal minister?

HON. MR. DEVINE: — Mr. Speaker, as usual the nonsense comes from that side of the House. What I have said is I will not rule out and have not ruled out an inquiry. We have now . . . We are now in a process which I believe that you should at least give a fair chance to. Why not give it a fair chance? You've got the federal government involved, you've got the court involved, and you've got liquidators appointed by the court to study it, to look at it, to examine it.

Now when you go through that process why not give it a fair chance? Why not do it? Why not allow them a fair chance to report back and find out what they have—what the value is, if any shortcomings, any problems and so forth? And at any time you and I both know that we can call an inquiry. If that process in itself reveals things that we think should be examined, or if it doesn't and we still think there should be an inquiry, we have that alternative.

And I haven't ruled it out, and the public in Saskatchewan knows that I haven't ruled that out. But why not give the court and the federal liquidator and all those people a chance to examine what you've got; tell you what some of it's worth, look at what can be done in terms of examining the assets, and find out even closer what the Bill may e—all those things?

I mean why not give them a chance? I mean we can turn loose the entire RCMP and examine the whole thing, and the federal liquidators and the court and whatever you might think is fair.

I have not ruled it out. I will not rule out an inquiry. If we think that it is necessary, particularly

looking at the results coming back in with respect to the liquidator, then we can certainly do it.

MR. SHILLINGTON: — New question, Mr. Speaker. The Conservative member from Mississauga believes that the probe should take place in June. Mr. Premier, will you admit that the two-year delay before the liquidator brings down his report is about what your government is going to need for the heat to dissolve in this matter? Will you admit that what you really need is a two-year delay before there's any inquiry? Will you admit that's what you really want to do, is stall in this matter?

HON. MR. DEVINE: — Mr. Speaker, my hon. member knows better than to say that. Okay . . . (inaudible interjection) . . . My hon. friend, okay? My friend . . . (inaudible interjection) . . . You're not my friend; you are my friend. Good. Well we're friends, okay? These are the lake valley friends.

Mr. Speaker, in about two weeks, in about two weeks the interim report is expected from the liquidator. Say two to three weeks, something like that — two to three weeks, the interim report from the liquidator. Not two years, not two years as the opposition keeps saying, well it will be two years or it will be five years or something . . . In two to three weeks we have an interim report which provides us with a great deal more information. Okay?

If we give the liquidator a fair chance to give his interim report, examine this information and bring it to the public — and as soon as he reports to the court, it's public. Okay. So there's a process now going on to examine the books and examine the assets and examine the procedure. So if they report in two or three weeks, that gives us interim information and we can look at it and say yes, we need more information, or, by gosh, there's the answer, or we need an inquiry or wherever. That gives us an opportunity to examine it, and at least I believe we should be fair enough to the courts and the liquidator to have a good chance to report and provide its interim report to the people of Saskatchewan.

INTRODUCTION OF BILLS

Bill No. 83 — An Act to amend The Summary Offences Procedure Act

HON. MR. LANE: — Mr. Speaker, I move first reading of a Bill to amend The Summary Offences Procedure Act.

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

POINT OF PRIVILEGE

HON. MR. McLEOD: — Mr. Speaker, I've just been made aware of certain information and I was not in a position to give the two hour notice, as required by Rule 6. I would therefore ask you to waive notice under Rule 6(2).

Mr. Speaker, in a CBC broadcast this morning, the hon. member from Shaunavon is quoted as saying the following, and I quote for the House. The quote is as follows from the hon. member from Shaunavon:

This member from Melville who has chaired many committee meetings, I think, has not been impartial in the past. I think he has been directed by the government to protect the Minister of Finance, and I make that charge openly. And I think anyone who would read the *Hansard*, and listened to the debate tonight would realize that he is not acting in the same manner as he has in past committee meetings.

Therefore you have to assume that he is being instructed by the government to protect the Minister of Finance.

I therefore, Mr. Speaker, ask for leave to raise this question of privilege.

MR. SPEAKER: — It's a very serious charge that the member is making. I think it's serious enough that the Assembly needs to look at it and, therefore, I waive notice and give the member the right to proceed.

HON. MR. McLEOD: — Mr. Speaker, I . . . Our parliamentary tradition, Mr. Speaker, dictates that the House protect its Speaker and Chairman from reflections on their actions. A negative reflection on the Chair is a breach of privilege and more particularly, I suggest, a contempt of this House.

The hon. member from Shaunavon has clearly suggested the Chairman has acted in an unfair way. Therefore, I would ask you consider this as a prima facie case of privilege.

AN HON. MEMBER: — Is there an opportunity to make comments on this?

MR. SPEAKER: — Yes, there's always opportunity for comment. The member for Regina Centre.

MR. SHILLINGTON: — Thank you very much. Mr. Speaker, what the minister, what the acting government house leader said is accurate. Members of this side felt that the chairman of the committee . . . acting chairman's rulings were unfair. We feel very strongly to that effect. That is not an unparliamentary comment.

What I understood the member for Shaunavon to say is that the chairman's rulings were so unfair, they admitted no other rational explanation, Mr. Speaker. I don't think that in itself is unparliamentary.

What the member from Shaunavon was saying was that the chairman's rulings were unfair to the point where they admitted of no rational explanation. I suggest that that is not unparliamentary. That's simply expressing an observation, a fact. And I would suggest, Mr. Speaker, that the member's comments were not unparliamentary. They were made in the context of a very difficult evening, one of the most difficult evenings I have put in in 10 years in the Assembly.

Mr. Speaker, there have been times when I have been frustrated with the goings-on in the House. In 10 years that's inevitable, and I'm sure Mr. Speaker has experienced that as well. But I may say yesterday, with the rulings which we faced on two or three occasions, it was a very, very frustrating evening.

The member from Shaunavon expressed that, expressed his feeling that the chairman's rulings had not been fair. I suggest that that's simply expressing an observation felt by all members in the opposition, and is not unparliamentary.

MR. SPEAKER: — I was not aware of the matter that was raised on the radio, I have listened to both sides and I would like to take time to review the tapes. I'll try and obtain them from the radio stations, and I will bring in a ruling at the earliest opportunity.

ORDERS OF THE DAY

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 69 — An Act to amend The Local Government Election Act

HON. MR. EMBURY: — Mr. Speaker, I wish to move second reading of this Bill, The Local

Government Election Amendment Act, 1985.

I want to say at the outset that this Bill is designed to make local elections more democratic and more efficient. It has two major objectives. The first is to streamline urban, municipal, and school-board election procedures.

The second objective is to remove obstacles to voters and candidates who want to take part in local democracy.

I think many members of this House will recall that the local Government Election Act, which we are amending with this Bill, was passed quite recently, in 1982. Consequently it has been used in only one province-wide round of elections in urban municipalities and school divisions.

Mr. Speaker, we are gearing up for another round of local elections in the fall of 1985. In resort villages these elections take place in July.

As with any major new Act, the initial use of the Act reveals significant ways of improving it, and that's what's happened here. While local administrators and SUMA like the new Act, there were some bottle-necks that were encountered in the use of the Act during the 1982 elections.

In particular, the major cities felt the Act had to be streamlined to permit them to handle the big voter turn-out they face, as well as the need to get the votes counted quickly after the close of the polls.

As a result of some very cordial and very constructive discussions with SUMA, with the urban administrators' association, and with the city clerks' association, we drafted this Bill, which I think satisfies these groups and serves the voters well in the process.

Let's look at some specifics, Mr. Speaker. First let me mention some of the reforms to improve efficiency. A major improvement in the Bill is the new office of associate returning officer. All cities in Saskatchewan and all school divisions in the North will be able to appoint associate returning officers to carry out any duties assigned by the returning officer.

In the past, Mr. Speaker, only one local returning officer was permitted in each city, imagine the problem in Regina and Saskatoon, where 10 or more provincial returning officers are needed in each city to conduct the vote involving the same electorate in provincial elections.

Keep in mind that city returning officers really run elections in the various wards, plus the election for school boards in the city at large. If this isn't enough, Mr. Speaker, throw in a plebiscite or two or a money by-law or a question, and you have in reality three or four elections running at the same time, with only one returning officer in charge.

A similar job of rather staggering size has been required of the school returning officer in the North, where one school division extends from the Manitoba boundary to the Alberta boundary. To streamline and rationalize this, Mr. Speaker, this Bill will permit the appointment of any number of associate returning officers who will divide up the task and the territory.

They will act essentially as returning officers, except for declaring the results.

I am convinced, as are local election officials, that this amendment will permit cities and northern school divisions to clear the major administrative hurdle contained in the existing Local Government Election Act.

A second major administrative feature of this Bill is that it will for the first time be applied to municipal and school elections in northern Saskatchewan. In the last round of local elections in the North, both this Act and The Northern Municipalities Act governed local elections in the

North. We are now removing the election provisions from The Northern Municipalities Act for the sake of uniformity and consistency. However, we have not forgotten that North is unique in some respects.

For example, we have retained the tradition of flexible election dates in the North to accommodate the demands of the trapping and fishing seasons. Also this Bill will permit northern municipalities and school boards to conduct elections jointly for the first time, if they find it practical to do so.

A third key feature of the Bill is the new flexibility in the role of the deputy returning officer. At the request of municipal administrators, we are going to permit the returning officer to appoint more than one deputy returning officer for each polling place. This will speed up the voting and the counting of votes in the larger polling places in the larger urban centres.

And in the small urban centres and school divisions, we are now going to permit the returning officer to take over the job of the deputy returning officer. This will apply in municipalities and school divisions with a population of less than 200 where there are only a few voters. This will not hinder the election, and it will save the local authorities the expense of hiring a deputy returning officer.

Mr. Speaker, let me turn now to some of the improvements in the local democratic process contained in this Bill.

We are saying explicitly in this Bill that a polling place can now be set up in a home for the aged. Formerly, polls could be set up in hospitals, but there was no explicit provision for polls in senior citizens' homes.

We've made a number of improvements for disabled and institutionalized voters, Mr. Speaker. For example, for the first time, the election officials in a poll in a hospital or a senior citizens' home will be able to go from bed to bed to take the vote of electors who are bedridden for whatever reason. I think this is particularly appropriate, as we move into the decade of the disabled, and at a time when the Canadian Charter of Rights and Freedoms is giving increasing recognition to the rights of handicapped people as full citizens.

This Bill gives any member of the public the right to inspect or obtain from the returning officer any information on the nomination paper. This clarifies the rules for election officials and ensures that the voters and potential candidates can find out who has been nominated.

To make the local system truly democratic, we are opening the doors to municipal offices to many groups that were previously disqualified from holding municipal office. We do not believe that a person should be disqualified from seeking municipal office simply because he is indebted to the municipality or has an undischarged bankruptcy, especially when there is no criminal activity involved.

So, Mr. Speaker, we are in this Bill reinstating the right of those who have undischarged bankruptcies, those who are indebted to the municipality to serve on urban municipal councils. We believe this will operate in the best interest of the local electors, who deserve representatives who can give them the best service.

(1045)

On the other hand, Mr. Speaker, we are in this Bill allowing municipal employees to run for office if they take a leave of absence during the campaign and resign their position if they are elected. It gives thousands of municipal employees the fundamental right to serve their fellow citizens by running for local office. At the same time it ensures that if they are elected, they do not stay on as municipal employees in an obvious conflict situation.

A final point I want to mention in the area of improved democratic procedures is the provision that permits two voters to be present in the polling place, representing either the pro side or the con side of a vote on a by-law or a question.

This will permit people who feel strongly about a vote on a by-law, say, on fluoridation or store hours, to carry out the time-honoured tradition whereby the person in the poll checks off the names of people who have already voted, and another person working for the particular cause comes into the poll to get this list. The outside person then goes out of the poll to encourage his supporters who haven't yet voted to get to the poll.

This is democracy, Mr. Speaker. To do this kind of campaigning, we have to permit at least two people in each poll to represent each side of the issue, even if it's a by-law vote.

In conclusion, Mr. Speaker, this is a lengthy amending Bill because election law is very detailed and complex. I hope I have assured all members of the House that the key provisions are worthwhile. I know, Mr. Speaker, that the key reforms I've mentioned result from lengthy discussions with municipal and school representatives, and I know they respond to local requests for reform.

Mr. Speaker, I urge all members to support the Bill.

SOME HON. MEMBERS: Hear, hear!

MR. SHILLINGTON: — Mr. Speaker, at the conclusion of my remarks we will be prepared to let this matter come to a vote if the government House Leader, whoever that might be at the moment, the member from Saskatoon, I guess, so wishes.

We do have some concerns about some of the details of the Bill. Those, however, can be dealt with in committee of the whole. Specifically we have some concerns, and really questions more than concerns, questions with respect to the eligibility to vote. It is not clear from the minister's remarks whether or not people who don't reside in a municipality but own property in a municipality will still be able to vote in all matters after this. It is not clear whether the minister is broadening the definition, narrowing it, or changing it, or what. I don't clearly get the answer from the Bill.

There are some other questions which we'll be raising as well. I want to make a comment about what isn't in the Bill and I think should be. School-board elections in the city of Regina and Saskatoon are totally and completely unmanageable without dividing the city into wards. And I would have wished that the minister would have dealt with this problem in this Bill. It is impossible for voters to deal with 20 electors, a ballot that is the size of a city newspaper, and make a rational choice as to who should vote, who should serve.

Inevitably, Mr. Speaker, those whose names are at the first of the list are the most likely to be elected because most people find the thing unmanageable. They go through the list and vote for 10 of the first 20 . . . (inaudible interjection) . . .

Yes, that's right. A person with the name of Andrew has a much better chance of getting on the school-board than a person with the name of Shillington. And perhaps given the qualities of some people who have had those names, that stands to reason. But the process is unworkable. It may well be workable in the smaller cities — in Moose Jaw and P.A. The system of having a school-board elected on a city-wide constituency may work. It doesn't work in Regina. That's acknowledged, I think, by virtually everyone except the present school-board who have, I say, a personal interest in maintaining the existing system.

It would be difficult for all the existing board, if they were the best qualified in the world, it

would be difficult for them all to get re-elected because the members are not evenly distributed throughout the city. That, in itself, is another problem.

So I say to the Minister of Urban Affairs, that I dealt wish that you had dealt with this problem, which I think is far more serious than any that you have dealt with. We are not, however, going to be voting against the Bill for what isn't in it. That is not a rational way to vote on a Bill. We are going to be voting in favour of the Bill. We will have some questions in committee of the whole and probably some amendments to make. That, however, is beside the point.

I acknowledge, as the minister has stated, that there is a need for reform in the area. I don't think the minister has gone nearly far enough. I think he's just scratched the surface. But I guess that's no reason to vote against these amendments, however inadequate they are.

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

Bill No. 72 — An Act respecting the provision of Financial and Other Assistance to Urban Municipalities and Hamlets for Capital Works Projects

HON. MR. EMBURY: — Mr. Speaker, I rise today to move second reading of a Bill introducing the new Provincial Capital Fund Program. Mr. Speaker, last January I had the privilege of attending the 80th annual convention of the Saskatchewan Urban Municipalities Association in Saskatoon. At that time I was pleased to announce that the provincial government would be introducing a new capital funding program for urban municipalities in 1985. The new program assures that there will be no interruption in capital funding following the wind-up of the community capital fund program.

Mr. Speaker, the introduction of a new capital funding program to support the government's job creation efforts was confirmed in the recent provincial budget. I will summarize the highlights of the new program.

It is to be known as the Provincial Capital Fund Program. The program will provide grants of \$25 per capita per year. It will be an interim program of two years duration, pending the report of the Local Government Finance Commission. All urban municipalities plus rural municipalities in respect of hamlets located within their boundaries will be eligible for assistance. Grants will be provided to assist with the capital cost of capital works incurred between January 1, 1985 and December 31, 1986. The province will fund 60 per cent of the capital cost of the projects.

Mr. Speaker, this new program of financial assistance will address two very important concerns of this government. These are: firstly, local government financial needs and autonomy; and secondly, job creation. Mr. Speaker, local governments require autonomy and decision-making authority if they are to respond to varying local needs and local conditions. Part of local government autonomy is having financial resources necessary to meet local responsibilities. Local government responsibilities fall into two categories: operating and capital. The provincial government financial assists urban municipalities in both of these areas. The province will pay over \$65 million to urban centres in '85-86 under revenue sharing to help meet operating requirements.

Urban municipalities have identified three principal types of capital needs. First, they are faced with major expenditures over the next few years to repair or replace the aging urban infrastructure of roads, water distribution, sewage collection systems, transit, and community facilities.

And second, there will be major sewer and water expenditures and other developmental expenditures at the same time.

And third, there are periodic unique capital expenditures which some municipalities face and which are beyond their financial capability.

These needs were summarized in the interim report of the Local Government Finance Commission which was asked to consider the major issues related to local government financing.

The commission also recommended in its interim report that capital funding continue to be available pending the results of its review. The provincial government expects the commission will have more to say relating to capital financing for local governments in its final report since it identified this as an important issue.

In the interim, the government had to make some decisions in this regard. The previous community capital fund program was scheduled to end March 31, 1985. The per capita annual amount of assistance under this program which was inherited from the previous government had remained at \$20 per capita for five years. Many individual urban municipalities had expressed to both the province and the local government finance commission a strong preference for unconditional, as opposed to conditional, capital funding.

The Saskatchewan Urban Municipalities Association had also indicated concern about the effects of the conditionality of some types of provincial assistance, particularly in terms of influencing local priorities. This view received some support from the Local Government Finance Commission.

The Provincial Capital Fund Program will be a major source of provincial capital assistance to urban municipalities. Over two years the province expects to provide \$34.6 million in assistance under this new program.

Mr. Speaker, the level of annual per capita assistance to be provided under the new Provincial Capital Fund Program represents a 25 per cent increase over the level under the program which it replaces.

The province has also moved towards greater unconditionally in providing capital funding to urban municipalities. Urban centres will no longer have to contend with the influence of as many conditional program rules in setting their priorities relating to capital needs and expenditures.

Mr. Speaker, the legislation before you sets out the provisions under which grants from the Provincial Capital Fund Program will be made. It will be supplemented by regulations specifying specific amounts, dates, cost-sharing, and administrative details. Both the legislation and regulations will draw heavily in their specifics on the program which the provincial capital fund replaces, primarily because municipalities were familiar and comfortable with those provisions.

Urban municipalities will continue to be asked to submit their five-year capital works plans to encourage advance planning of capital expenditure. This will also assist the provincial government in monitoring municipal capital needs. Smaller urban centres will be able to draw all of their grant assistance for the two years in either year. This provides flexibility in scheduling their capital works.

Mr. Speaker, the other important concern of this government, which I referred to earlier, is job creation. In his budget address the Minister of Finance announced the creation of a five-year Employment Development Fund to stimulate employment creation on a long-term basis. One of the basic components of a government's employment development strategy is to ensure a stable base of secure permanent employment through long-term economic development.

Mr. Speaker, the new provincial capital fund has been integrated with the other elements of the employment development strategy. The provincial government considers that one of the ways to help promote long-term economic development in our urban centres is to continue to build

and replace necessary public services and facilities in these centres. By doing so, we can enhance the potential for growth and reinforce opportunities for productivity improvement. Increasing or improving the type and range of services and facilities in our urban centres can increase their attractiveness as efficient economic vocations and can encourage the growth of new firms.

Support for this approach comes from a variety of directions, Mr. Speaker. In its 1984 brief to the Local Government Finance Commission, the Saskatchewan Urban Municipalities Association suggested, and I quote:

That firm ongoing capital support programs with substantial funding on an unconditional basis available through the other levels of government to local government, will better serve objectives of economic growth in job creation and will allow the municipalities to set their own priorities in a continuous planning of programs to meet the needs of our community.

(1100)

Mr. Speaker, clearly urban municipalities have an important role to play in stimulating long-term economic development in job creation. In its 1984 review of western Canada's economy, the Economic Council of Canada concluded that the service sector offered a major opportunity for growth, productivity improvements, in employment development in the West.

The service sector includes five major categories: transportation, communications and utilities; wholesale and retail trade; finance, insurance, and real estate industries; public administration; and fifthly, community business and personnel services.

Improved public services in urban centres, where service industries can prosper, were seen as one way to make the most of these opportunities for growth. Urbanization economies, localization economies, and internal economies of scale were cited as key elements in the productivity and growth of service industries.

Mr. Speaker, this government is building a co-ordinated strategy for employment and economic development. As part of this, the government is making \$34.6 million available to urban centres to undertake capital works. Municipalities will supplement this with their own funds to cover the remaining 40 per cent of the capital cost to the projects.

This will not only have immediate and direct employment benefits resulting in an estimated 1,000 new jobs, but will also contribute to the longer term objectives which I have described.

Mr. Speaker, I would urge members of the House to support the Bill.

MR. SHILLINGTON: — Mr. Speaker, I spoke for a very few minutes with respect to Bill 69, I guess it was, and suggested that, notwithstanding its inadequacies, we were going to vote in favour of the Bill.

This time, because of what we think are the inadequacies of this Bill, I'm going to adjourn this legislation. We may, indeed, at some point in time vote in favour of it. But I, and I think some of my colleagues, will want to make some comments on this Bill on second reading with respect to the inadequacies of the Bill, the inadequacies of the government's capital program in so far as it relates to municipalities.

We may want to do nothing more, indeed, than just echo some of the sentiments that have been expressed by individual municipalities and SUMA. I'm going to ask leave of the Assembly, Mr. Speaker, to adjourn this, so that I and other members of the Assembly may prepare comments and make them on second reading with respect to this program.

Debate adjourned.

Bill No. 76 — An Act to amend The Education and Health Tax Act

HON. MR. ROUSSEAU: — Mr. Speaker, I rise today to move second reading of Bill No. 76, an Act to amend The Education and Health Tax Act.

This Bill provides for the following changes announced in the budget. Used vehicles are subject to tax on the purchase price where a trade-in is not involved. The new and used vehicles are subject to tax on the cash difference between the purchase price and the price allowed for the vehicle traded in.

For taxation purposes a “vehicle” means any vehicle eligible to be licensed under The Vehicles Act, 1983 or The Snowmobile Act, and includes cars, trucks, power units, buses, trailers, motor cycles, motor homes, vans, and snowmobiles. Boat trailers, farm implements and machinery, and motorized construction equipment continue to be subject to the taxation rules in effect prior to the budget.

Mr. Speaker, this will reduce the amount of tax paid on many new vehicles and provide a more equitable tax structure, and will make our law consistent with all other taxing provinces.

Mr. Speaker, I move second reading of Bill No. 76.

HON. MR. BLAKENEY: — Mr. Speaker, we have heard the minister’s explanation about how this will make the tax system more equitable. I suspect that a number of people, including those on this side of the House, may have a different point of view to put. I will want to examine the minister’s statement before making our full remarks and, accordingly, I beg leave to adjourn the debate.

Debate adjourned.

INTRODUCTION OF GUESTS

MR. GERICH: — Thank you, Mr. Speaker. Mr. Speaker, through you, and to you to the members of the Assembly, I would like to introduce 17 students that are seated in the Speaker’s gallery. They’re from grades 8 and 9 of the Prince Albert Collegiate Institute. They’re accompanied by Gordon and Beverly Graupe, and Bonnie Reed. I hope that their trip is educational and interesting this afternoon, and I will meet with the students in the rotunda at 12 noon.

I ask the members to make welcome the students to the Assembly.

HON. MEMBERS: Hear, hear!

SECOND READINGS

Bill No. 77 — An Act to amend The Tobacco Tax Act

HON. MR. ROUSSEAU: — Thank you, Mr. Speaker. Mr. Speaker, I rise again to move second reading of Bill No. 77, An Act to amend The Tobacco Tax Act.

This Bill increases the tax on a package of 25 cigarettes from 67 to 77 cents, effective April 11, 1985, and the tax on 25 grams of fine-cut pipe tobacco goes from 27 cents to 31 cents. The tax on cigars increases from 5 cents to 10 cents for cigars retailing for less than 10 cents . . . (inaudible interjection) . . . I am hearing the member from Quill Lakes say “shame.” I suppose he’s going to vote against this. From 20 cents to 25 cents for cigars retailing in the 21 to 40 cents category, and from 40 cents to 45 cents for cigars retailing over 40 cents. There is no tax change for cigars

retailing in the 11 cents to 20 cent category. Maybe the member from Quill Lakes can smoke cheaper cigars.

Mr. Speaker, these increases are expected to yield an additional \$9 million in 1985-86. With these changes, Saskatchewan now has the same rate of tax on cigarettes as New Brunswick, and four provinces have higher taxes.

Mr. Speaker, I move that Bill No. 77 be now read a second time.

HON. MR. BLAKENEY: — Mr. Speaker, I beg leave to adjourn the debate.

Debate adjourned.

Bill No. 78 — An Act to amend The Corporation Capital Tax Act

HON. MR. ROUSSEAU: — Mr. Speaker, again I rise to move second reading of Bill No. 78, an Act to amend The Corporation Capital Tax Act.

This Bill, Mr. Speaker, increases the tax rate for banks from 0.8 per cent to 2 per cent effective April 1, 1985, as announced in the budget.

Tax payable for the current fiscal year will be determined on a prorated basis, using a tax rate of 0.8 per cent for the period ending March 31, 1985, and a tax rate of 2 per cent for the period on and after April 1, 1985.

Mr. Speaker, this change is expected to yield additional revenue of \$3.8 million in 1985-86. Sections 3, 4 and 5 of the Bill are housekeeping amendments designed to clarify the tax treatment of accounts payable and accounts receivable . . . (inaudible interjection) . . . I'm surprised to hear the member from Quill Lakes again objecting to this Bill. However, it shouldn't surprise anyone.

Mr. Speaker, I move that Bill No. 78 be now read a second time.

HON. MR. BLAKENEY: — Mr. Speaker, I beg leave to adjourn the debate.

Debate adjourned.

Bill No. 79 — An Act to amend The Saskatchewan Telecommunications Act

HON. MR. LANE: — Thank you, Mr. Speaker. We are proposing changes to the legislation governing Sask Tel which will assist the corporation to operate successfully in an increasingly competitive telecommunications environment.

The amendments to the Sask Tel Act which we are proposing will clarify the powers of Sask Tel to own shares in the subsidiary for purposes such as the provision of consulting services on the use of fibre optic technology. One amendment will allow cabinet to expand Sask Tel's powers. The Acts governing many other provincial Crowns, such as the potash corporation, already contain a similar clause.

The amendment, coupled with an amendment allowing Sask Tel to own shares in related companies, will mean that the cabinet can approve Sask Tel setting up a subsidiary to compete in international markets.

As you know, last year Sask Tel completed the world's longest commercial fibre optics system, a most important technological achievement for this province, coming at a time when fibre optics is gaining international reputation as the transmission medium of the future.

Sask Tel's leadership in the application of fibre optic technologies has resulted in considerable international interest. The corporation has set up a special office in order to respond in inquiries which have come from a dozen countries, including the United States, countries in South America, Europe, and Asia.

Clearly, Sask Tel's pioneering use of fibre optics has given the corporation an important advantage in a competitive field. Sask Tel's international leadership will benefit the entire province as we gain a reputation for our achievements in the field of high technology. One benefit will be increased employment for Saskatchewan residents, both within Saskatchewan and in other parts of the world. The wholly-owned subsidiary Sask Tel plans to set up will allow it the freedom to market its expertise most effectively.

The amendment to section 9 will permit cabinet to expand Sask Tel's powers to permit it to keep pace with the changes in the telecommunications industry. The amendment to section 43(1) will expand upon Sask Tel's powers to own shares in other companies and will permit the corporation to own shares in a wholly-owned subsidiary.

In addition, section 3 of this Bill amends section 3 of the Act to conform with Sask Tel's new corporate design program. In summary, the amendments before the Legislative Assembly are representative of this government's continued commitment to the Crown corporation's job creation and high technology endeavours.

I so move.

MR. SHILLINGTON: — A comment before I ask for leave to adjourn debate on this Bill. This Bill, indeed, is a Bill to facilitate Sask Tel in its operation of fibre optics of a number of other high technology areas, this Bill being moved by the minister who fought tooth and nail of Sask Tel getting into the area of fibre optics.

I could repeat at length from memory some of the less complimentary things that the present minister had to say about Sask Tel when it got into fibre optics.

It is another example, Mr. Speaker, of how this government drives through the rear-view mirror. There is absolutely no foresight in this government, and they're always wise after the event. Notwithstanding that, I suppose, better that they comes to their senses later, rather than not at all.

I'm going to beg leave to adjourn this debate, not because I found anything particularly offensive in the Bill, but because our critic who normally deals with Sask Tel is not here, and, out of courtesy, I think I would like to adjourn it. And on that basis I therefore beg leave to adjourn the debate.

Debate adjourned.

(1115)

Bill No. 81 — An Act to amend The Workers' Compensation Act, 1979

HON. MR. McLAREN: — Thank you, Mr. Speaker. It's a privilege for me this morning to move second reading of Bill No. 81, an Act of amendments to The Workers' Compensation Act.

Workers who are now, or may some day be, subject to workers' compensation payments across Saskatchewan will pay close attention to these next few moments, Mr. Speaker. What they are about to hear will ensure them of a new security in the workplace, a brighter future for themselves and their families, and a resounding pledge of commitment from this government

that we are concerned with the welfare of the Saskatchewan work-force. I am speaking, of course, of the amendments to The Workers' Compensation Act, amendments that clearly demonstrate this government's concerns for the welfare of the worker and their dependants in Saskatchewan.

There is no longer any doubt that under our government workers are better off than under any previous administration in the history of this great province. I am optimistic that the work-force in our province will see these amendments as proof positive that we, on this side of the House, understand the worries and concerns of the everyday worker.

There are many new, progressive amendments to the Act, Mr. Speaker, and I want to mention but a few. The first concerns itself with a change from gross to net income in relation to workers' compensation payments to claimants. This was a proposal put forward by the committee of review, and this amendment reflects a more equitable and fairer approach to workers' compensation board payments.

Secondly, Mr. Speaker, we intend to increase the maximum on which compensation is based. The maximum will be changed from \$33,000 per year to \$48,000, which coincides with the change from gross to net income. Saskatchewan has taken the lead once again, Mr. Minister, as only Alberta and Newfoundland are close to our maximum.

I want to mention here, Mr. Speaker, that my insistence upon co-operation in the workplace continues to bear results, as both labour and management representatives on the committee of review support this amendment.

Thirdly, Mr. Speaker, under the new Act medical files for future claims will be made available to the claimant. It is hoped, Mr. Speaker, that this amendment will crush the mistrust, the apprehension, and secrecy that was evident under the former government's Act, and give way to a more open type of appeal procedure.

Another amendment will see equality brought to children of a claimant. The intent is to bring children's benefits to a non-discriminatory status as opposed to what now exists. Children of claimants who fell under the old Act will no longer be penalized by a forgetful, apathetic legislators.

It is proposed to make the following improvements to the benefits structure for children and spouse's benefits: increased monthly dependent child payments; extend payments until the youngest child is 18 if that child is attending school; provide tuition and fees and cost of books for dependent children and orphans when in attendance at a post-secondary institution.

Further, Mr. Speaker, provisions have been made for the compensation board to grant pension payments to children over 18 who are going to post-secondary and other educational programs until they reach age 21. This will allow a young person the opportunity to advance in the workplace without fear and worry about education costs — a perfect example of a caring compassionate government, Mr. Speaker.

Finally, this government is going to get out of the private lives' scrutiny business. Under the previous administration there was a discriminatory situation where spouses of deceased people were policed to see if they were living common-law, or had remarried, or their single status had changed somehow. This government will not investigate the private lives of Saskatchewan citizens to arrive at a compensation settlement. Under this government, fairness isn't determined by how an individual lives his or her life. It is determined by what's rightfully entitled to those involved in a compensation settlement. We are removing the remarriage qualifying clause in the existing Act.

Mr. Speaker, this government has not forgotten the injured worker, this government has not

forgotten the spouses of the disabled or deceased worker; and this government has not forgotten the children of the disabled or deceased worker. And, Mr. Speaker, regardless of the accolades won in the past; we do not intend to rest on our laurels. I promise this House and the Saskatchewan people that we will continue to pursue advances in workers' compensation such as I have just mentioned.

Amendments to The Workers' Compensation Act illustrates that we are more responsible than the past administrations; that we are more committed to the people of this province than past administrations; and that all surely must realize that progressive reform has been, and continues to be, the trade mark of our government in labour matters.

Mr. Speaker, I am pleased to move that this Bill now be read a second time.

MR. SHILLINGTON: — It is disappointing, Mr. Speaker, that this Bill should have been three years in the making and have come into the world in such an imperfect form.

The minister is right. There are some positive features in the Bill. But there are some very negative features in the Bill, and I, Mr. Speaker, for my part, am very disappointed that it has taken three years to produce such a square egg, if I can put it that way.

Mr. Speaker, I and my colleagues are going to want to look at this. I don't frankly know how we're going to vote on this Bill. I suspect, like many of the public, it'll be received with very mixed emotions. I am going to beg leave to adjourn this debate. And I can say that however we vote in second reading we will almost certainly be proposing amendments in committee of the whole.

This Bill is unusual in that while it spends money it does not spend money out of the consolidated revenue. We can therefore make amendments to the figures. We can move amendments which increase the expenditures and so on.

So I say, Mr. Speaker, it is received with the most mixed of emotions. We want an opportunity to review it in light of the minister's comments. No matter how we'll be voting on it I can assure you that there will be amendments in committee of the whole, no matter how we vote on it. I therefore beg leave to adjourn debate.

Debate adjourned.

Bill No. 82 — An Act respecting Credit Unions

HON. MR. SANDBERG: — Mr. Speaker, it is with pleasure I rise today to speak on this proposed new credit union Act. It is of major importance to the province and people of Saskatchewan. It provides the legislative framework for a group of Saskatchewan financial institutions which are owned by some 560,000 residents, and which handle close to 50 per cent of the financial transactions in this province.

Saskatchewan currently has 220 locally owned and controlled credit unions, all with their head offices here in Saskatchewan. And they're all 100 per cent Saskatchewan owned. Each credit union has its own local board of directors who make decisions and determine policies based on the needs and wishes of their members. In 153 communities the local credit union is the only financial institution in that district, and it is relied upon for a variety of necessary services. Credit unions are an important and integral part of Saskatchewan's business community.

I'd like to describe the environment in which credit unions are currently operating, an environment which has changed significantly in the last 20 years because of technological advances, economic and social changes, and demographic shifts in Saskatchewan's population.

The financial industry has undergone a major transformation, especially with the passage of new

federal banking legislation. The Bank Act of 1980 virtually created new rules for Canadian banks, as did the Canadian Payments Association Act. Examples include new rules concerning cheque clearance, reserve requirements, and mortgage subsidiaries.

Look at the four pillars of the financial industry: banks and credit unions, insurance companies, trust and loan companies, and securities and brokerage firms. The division of power between the four pillars is no longer clear cut. They're integrating, and their respective areas of operation frequently overlap. They buy out each other, or the subsidiaries are owned by the same company.

Even major retail department stores are now offering insurance and trust services. A retail food chain is currently entering into an agreement with a major bank to provide automated teller machine services to their shoppers.

And the federal government in its recent paper on re-regulation of the financial industry states that one-stop shopping, where the public demands it, should be encouraged and allowed through legislation. Such a trend would increase the competitive impact on credit unions.

I believe that financial institutions should be encouraged to provide a broader range of services as long as they are adequately informing the public about all associated terms, conditions, and risks. This approach is especially significant in a vibrant and expanding business family in the province of Saskatchewan.

International financial institutions have the legal right to diversify and integrate services, while Saskatchewan credit unions face a major road-block. And what is the road-block? It's outdated provincial legislation which is generally inadequate and restrictive.

Let me explain that statement by describing the provincial legislation which governs Saskatchewan's business sector. Saskatchewan has four major Acts which govern the establishment of corporate bodies and they are: (1) The Business Corporations Act of 1977; the Non-profit Corporations Act of 1979; The Co-operatives Act of 1983, which we brought through this House; and The Credit Union Act of 1937 — that's almost 50 years ago.

Consider the dates, Mr. Speaker. The first three of these Acts were updated during the past eight years in response to major changes which took place in corporate laws across North America during the 1970s. These new Acts reflect advances in corporate law, sort out some complexities in common law, and replace legislation which was no longer meeting the needs of the business sector and the people it serves.

The fourth piece of legislation, Mr. Speaker, The Credit Union Act, has been amended frequently, but its format and wording remain virtually unchanged from the original 1937 version.

The situation must be rectified. It must be fixed. We must remove the road-blocks which impede the ability of credit unions to serve their members' needs. The proposed new credit union Act has been written to give Saskatchewan's credit unions the opportunity to compete, to compete on an equal basis with large national and international institutions.

We are proposing legislation which is compatible with other existing legislation affecting the business sector, and which will enable the government to apply the same rules and regulations to all financial institutions, including credit unions conducting business in this province.

The proposed legislation was developed after one round of public hearings in major Saskatchewan centres in 1983 and 1984, plus four rounds of hearings with credit union members, directors, managers, auditors, and other interested parties. This consultation with people who will be affected by the new Act was well received as demonstrated by the excellent turn-out and participation at the public hearings.

The public hearings were attended by more than 600 persons in five centres and demonstrates positive public interest in new credit union legislation. The proposed credit union Act was written without our government's guide lines for regulatory reform.

The proposal:

1. Gives credit unions the right, the right to engage in all legal activities related to the business of a credit union. Previous legislation limited credit unions' activities to those which were specifically authorized or listed in the Act;
2. It eliminates obsolete wording and unnecessary regulatory compliance;
3. Results in a restructuring of the department's regulatory programs by reducing direct government involvement in the day-to-day operations of individual credit unions, and thereby makes credit unions more accountable for their actions;
4. It reduces reporting to government by individual credit unions. Credit unions will report to government through the Credit Union Deposit Guarantees Corporation. Therefore, credit unions are required to report to one body on key operational activities.

(1130)

Guide-lines, Mr. Speaker, for the proposed legislation were mutually agreed to by the credit union system and my department, and they include the following objectives:

1. To retain the commitment to basic co-operative principles of democratic control structures and ownership by the people who use the credit union services;
2. To incorporate the benefits and protection measures of other corporate legislation;
3. To provide a flexible legislative framework while maintaining the necessary resources to protect the interests of both members and the general public.

Now, the proposed new Act has two basic functions: (1) is to incorporate credit unions in this province; (2) to establish fundamental rules and regulations about how they conduct their business.

Basically the Act addresses requirements for lending, protection of members' deposits, conflict of interest, member reserves, the roles and responsibilities of the board of directors, confidentiality of member information, and electronic banking functions.

The proposed Act will authorize credit unions to accept deposits, provide chequing accounts, to make loans, an issue their own securities, and these functions are specifically regulated in the legislation.

Mr. Speaker, this proposed legislation is a major milestone for credit unions, because the restrictions in previous legislation created a barrier between credit unions and the regulatory authorities which approve business services other than deposits, loans, and chequing services.

Credit unions could not request authorization to offer additional services, but this new legislation will give them the legal right to apply for permission as equals with other financial institutions. My government, through this model piece of legislation, will not restrict credit unions in competing with other major financial institutions.

Mr. Speaker, this new approach to credit union regulation involves a three-tiered system of

accountability. The first tier of accountability is at the local level. Credit union managers and boards are accountable to their members to ensure that the operation is being managed in a sound and prudent manner.

The second tier is accountability to each other as a system. Each individual credit union is a member of the larger credit union system which provides direction and consistency in policies and procedures. The proposed new Act gives increased authority and decision-making power to the Credit Union Deposit Guarantee Corporation to set loan limits and to ensure that member deposits are not placed at risk. Individual credit unions will be accountable to the corporation and to each other as members of the system.

The third tier is accountability to the registrar of credit unions. The registrar, through the Department of Co-operation and Co-operative Development, will provide inspection and regulatory services to ensure the entire credit union system has adequate liquidity and reserves to offset any potential risk.

This is responsible regulatory reform. One of the important principles in this approach is local decision making and control: the members make the recommendations; the board provides the direction; and the managers handle the day-to-day business of the credit union.

The government has responsibility for public protection and will meet that responsibility by working with and through the deposit guarantee corporation on a regular basis and with Credit Union Central as required.

I believe this proposed new Act demonstrates our government's respect and recognition of the credit unions' many services to their members, to their communities, and indeed to this province.

Mr. Speaker, my colleagues in this Progressive Conservative government are to be commended for their co-operation and valued input into seeing this responsive Act through to completion. The Act will establish credit unions as equals with other financial institutions, and will give credit unions increased opportunities for self-regulation and development.

Mr. Speaker, I believe that it's important to point out that Saskatchewan's credit union system requested these legislative changes. They asked for efficient, up-to-date, and most importantly, enabling credit union legislation, and they said they wanted to be involved in the development process.

My department and I honoured this request through direct consultation with credit union members, their directors, their managers, auditors, and Credit Union Central. We also held detailed discussions with government departments and agencies that regulate segments of the financial sector, and with other institutions such as the insurance industry.

I am pleased to report that we reached a reasonable and positive consensus. This proposed new credit union Act responds to changes in the operation and roles of the four pillars of the financial industry, and gives credit unions up-to-date legislation.

Therefore, Mr. Speaker, in the interests of Saskatchewan residents and the credit union system, I trust that our hon. members will debate this Bill and give it the unanimous consent that it deserves. And so, most importantly, with the endorsement of the credit union system of Saskatchewan I move second reading of this Bill.

MR. SHILLINGTON: — Mr. Speaker, I find myself in the odd position of agreeing with one or two things that the Minister of Co-operation and Co-operative Development has said — a novel development; I feel somewhat strange.

One of the things he said which is quite accurate is that the credit union system is of vital

importance to the province of Saskatchewan. The credit union system in Saskatchewan does 40 per cent of the banking business . . . (inaudible interjection) . . . It's 50 now, is it? That makes Saskatchewan unique in Canada, apart from Quebec. In no other province in Canada, apart from Quebec, does a single financial institution enjoy that kind of size. In Quebec, the caisse populaire is large. I don't know how large it is, but it would be of a similar size. But among the English-speaking provinces, it makes Saskatchewan unique.

It would be difficult to imagine a more important institution in the province of Saskatchewan, apart from the government itself, than the credit union system.

I say that as a prelude to my next comment, which is not any opposition to the Bill. We will be voting in favour of the Bill on second reading. We do not oppose it in principle, and I frankly don't understand the detail well enough to talk about the detail of the thing.

I made the comments with respect to the importance of the credit union system because I believe we need a different way to deal with the Bill rather than the committee of the whole. It is unmanageable to deal with a Bill which is 118 pages long and 265 sections in committee of the whole. I can describe the process. I'm not casting aspersions on either government or the opposition.

I can describe the process to you. What will happen is we will start dealing with it section by section. We'll all get totally lost, and we'll begin to deal with it page by page, and we'll whip through it in three-quarters of an hour without the Bill ever having gone through the mind of the minister or the opposition.

And I make the suggestion to the minister and the government House Leader that we need to consider the detail of this Bill in a different forum. There are two options available to us. One would be a special committee set up to deal with this, which would operate much like the Non-Controversial Bills Committee, except that government members could appoint those who are interested in co-ops.

And there are a number of government members — I see the member from Biggar by way of one — there are members who have a background in co-ops and credit unions who could sit on the committee and deal with it section by section and make sure that this Bill is in the best interests of the public. And the opposition would do the same. Maybe the member from Assiniboia-Gravelbourg and I, maybe a couple of others who would sit on this Bill. But we could put on a special committee those who are interested in co-ops and the co-operative development. The minister could be there with his officials answering questions.

Another option is to refer it to the Non-Controversial Bills Committee. That is almost as good, except that I don't know that the members of the committee were chosen with particular reference to their interest in co-ops and credit unions.

So I say to the minister and to the government House Leader, more I suppose to the minister, the Bill is important. The detail of it is important. And I think it deserves the care and time of members of this Assembly. We are not going to be able to do that in committee of the whole — we never have. I have seen several dozen Bills of this size dealt with in the House. I've never seen one dealt with in any way that was adequate.

So I make the suggestion to the minister, and to the government House Leader, that when we come to the committee of the whole we move the Bill to a special committee. Or failing that, to the Non-Controversial Bills Committee where we can deal with it in a relaxed atmosphere — ask questions of the minister — and if the questions get too convoluted (as they sometimes will when we're dealing with a subject we don't know a great deal about) the officials directly can assist us. It is just a much easier atmosphere to deal with.

So I make that suggestion to the minister and to the government House Leader that, given the importance of the Bill, given the enormous amount of time and money which has gone into the drafting of the Bill and the preparation of it, it deserves something better from us than what it's going to get in committee of the whole. And I make the suggestion we should either set up a special standing committee or refer it to Non-Controversial Bills Committee.

HON. MR. McLEOD: — Mr. Speaker, if I may direct a couple of remarks to the procedural things that the member from Regina Centre was suggesting as we attempt to deal with this Bill in committee. I understand that the opposition members are saying that they will be voting for the Bill in principle, which we would hope to be able to do today. And I will give the undertaking to the member that we'll try to come to a procedure which we can bring back when the Bill is called in committee — we'll come with some type of a procedure where it can be referred to some committee outside of the House to deal with it as the member has suggested.

We have no problem with that. And while I don't agree totally that Bills can go through this House in the relaxed way that the member has suggested, I do know that there are some days when Bills do go through page by page.

So with that, Mr. Speaker, I would say that I'm pleased to hear that all members of this House will be supporting this Bill.

HON. MR. BLAKENEY: — Mr. Speaker, I do not intent to detain the House long. I was interested in the Bill, I am interested in the Bill, and will be interested in its progress.

I had occasion a goodly number of years ago to draft some major amendments to the old credit union Bill. At that time, and during a period of a number of years, there has been a concern about defining the powers of credit unions too broadly, and the concern was a constitutional concern. I know the Bill now defines the powers quite broadly, and everybody agrees that that's a good idea, provided that it does not allow the credit unions to be open to the allegation that they're engaged in money and banking, which is a federal government concern under the now — the Canada Act (I guess it's the Constitution Act) but what used to be the British North America Act.

When the minister closes the debate here on second reading, if he has been briefed on this, I would appreciate him commenting on it. If not, we can pick it up in committee as to whether or not any concerns were expressed about the possible loss of provincial jurisdiction for credit unions. Is it possible to argue that the credit unions, as they now operate, are carrying on the business of money and banking and are therefore properly regulated by the federal government rather than the provincial government?

The credit unions have always wished to be provincially regulated rather than federally regulated, and I am sure the counsel for the credit unions will have turned their mind to this. I think people have got less concerned as the years went on about the possibility of the federal government attempting to assert jurisdiction, but I would be interested in any comments that the minister may have, either now, or when he is additionally briefed and will be able to comment on that point in committee.

I will, Mr. Speaker, be supporting the Bill here in second reading.

(1145)

HON. MR. SANDBERG: — Thank you, Mr. Speaker. I concur with the suggestion of the member from Regina Centre. The House Leader has indicated that we will go along with his suggestions.

The Hon. Leader of the Opposition has asked if the supervision of credit union regulation will stay within the province of Saskatchewan under our jurisdiction. I can assure him that is my goal; that will be my direction; that will be the direction of the Government of Saskatchewan in

regards to legislative authority over the credit unions of this province.

I know there are question marks out there at this time because of the report of the federal minister, the Hon. Barbara McDougall, as to what direction financial institutions, indeed, right across the country, are going to be going. And this is going to affect financial institutions and, indeed, credit unions in the province of Saskatchewan. So we'll be watching this with great interest in months to come to see where they are going. But I'm sure we can resolve any of these questions, any misunderstandings in committee of the whole, if, indeed, we do go on to an outside committee at that point.

So I'm pleased to see that the members opposite are supporting this Bill in principle, and I urge all members to do so.

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

SOCIAL SERVICES

Ordinary Expenditure – Vote 36

Item 1

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

HON. MR. DIRKS: — Thank you, Mr. Chairman. Seated beside me is the acting deputy minister, Mr. Con Hnatiuk; and directly behind me, the assistant deputy minister, Mr. Dan Cunningham; and immediately to his right, Mr. Art Uhren, the executive director for the administrative services division.

Mr. Chairman, because the Department of Social Services is a large department with hundreds of employees, and it has a large appropriation and touches almost every family in one way or another in the province of Saskatchewan, I would like to take some time at the outset of these estimates to review for the members of the Assembly the programs and the policies of the Department of Social Services.

And I would like to begin by briefly reviewing for the members and the general public the broad changing social needs which are impacting upon our society here in Saskatchewan, and indeed across Canada, and which, therefore, are impacting upon governments everywhere; and then to review in some detail, Mr. Chairman, the expenditure plans for the Department of Social Services for this upcoming year.

Before I do this, Mr. Chairman, I would like to say that I consider it a great privilege and, indeed, an honour to serve the people of Saskatchewan as their Minister of Social Services, and to work with literally thousands of people across our province who help to meet the needs of our fellow citizens.

And I want to take a moment or two, Mr. Chairman, to at this time express my gratitude to the many talented and dedicated employees of the NGO sector, and of my department, and the many hundreds and, indeed, thousands of volunteers who help to make our social services system one of the best in the world. In particular, Mr. Chairman, I do want to recognize the tremendous contribution made by those many volunteers that I have just mentioned.

Volunteers often make the difference, whether it's serving on a board, or helping out at the crisis nursery, or working with Big Sisters, or at the local sexual assault and crisis line. There are few components, Mr. Chairman, of our social services system, that do not in some way rely on volunteers, and we can only say thank you for helping to make our province a better place in which to live.

Mr. Chairman, we would all agree that our society is rapidly changing. It has done so in the past; it is undergoing significant change today, and will continue to do so in the future. I am referring to factors such as the changing patterns of our labour force, our ageing population, the changing structure of many families, the impact of technological change upon our society, and the continuing problems faced by the various disadvantaged groups.

I want to discuss a few of these areas now, Mr. Chairman. A major factor, of course, are the changes that are taking place in many of the families in our society. The increasing number of single-parent families, and the fact that family structures are becoming more diverse, certainly impacts upon all of us and definitely upon my department and, therefore, upon the appropriations that we will be talking about later.

And there has been a substantial increase in the awareness of family violence within our society. And, Mr. Chairman, this is a problem that we know cannot be dealt with easily. It is a problem that cannot be faced alone by government, nor is it a problem that we can expect the non-governmental organizations to face alone, nor is it a problem that church organizations should face alone. It is a problem that we all have to face together because it is a difficult problem.

With respect to young people, the very ways in which we have dealt with young offenders across our country, and now across our province are changing, changing because of the new federal legislation, Mr. Chairman, and because of the need to find better ways to work to rehabilitate and to redeem young people who are having problems.

Another significant factor, Mr. Chairman, is our changing work place. We know that there has been a large increase in the number of females participating in the labour force, and I expect that this trend will, of course, continue. And more young, teen-age, single mothers are choosing to keep their children — another changing factor in our society.

All of these factors that I have mentioned, Mr. Chairman — the changing the families; the changing work force; The Young Offenders Act — all of these trends affect our income support programs; our child, family, and youth services; and our day care program.

We shall also have to be responsive, Mr. Chairman, to the continuing needs of persons in our province who are mentally or physically disabled. Their special needs, and those of their families, are important to the people of Saskatchewan; they are important to myself as Minister of Social Services; and they are important to our Progressive Conservative government.

And we shall have to be innovative, Mr. Chairman, in our approach to meeting the demands of the future that is associated with an ageing society. In another few years, people over 65 years of age might well constitute 14 to 15 per cent of Saskatchewan's population. And needless to say, the baby boom group is ageing as well.

If we are going to meet these and other challenges during the remainder of this decade and the next, the challenges that I have just spoken of, Mr. Chairman, then we must put in place realistic plans and policies. And this is what your Progressive Conservative government and I, as Minister of Social Services, have been doing during the past year.

As I bring you up to date on some of our major program and policy initiatives, you will see evidence of some of the ways that we are attempting to meet the challenge: through the

strategies that we have introduced, through specific proposals for change, and through the process of consultation with the public and community interests, a process of consultation that has become the hallmark of this government.

Turning now, Mr. Chairman, to our income security programs. These, by their very nature, continue to be the program areas that account for the largest portion of the department's total budget. Within the Saskatchewan Assistance Plan we had estimated that last year our expenditure during 1984-85 would be approximately \$162 million. However, some supplementary funding in addition to this allocation was required during the year.

During the past year the case-load was projected to be 28,000 per month at an average cost per case of \$483. However, the case-load was higher than expected as a result of a number of factors: the impact of the drought last year; the population migration into Saskatchewan; and I note, Mr. Chairman, that Saskatchewan was the only western Canadian province to record an increase in population.

And because the former federal government did not agree to cost-share certain employment opportunities which we generated for clients, meaning that fewer job opportunities than we felt potentially could be created, actually were created, even though we had been given the initial impression that such cost-sharing would be available.

And the average cost per case under the Saskatchewan assistance plan increased due to higher shelter costs and an increase in the costs of residential care for handicapped persons.

There also was a necessary increase in utility rates, which affected the average cost per case. This increase was, of course, reviewed by the Public Utilities Review Commission and approved by them.

So we actually experienced, Mr. Chairman, an average monthly case-load of just over 30,300 cases, with a cost per case in reality of about \$517, which resulted in an expenditure of \$188 million.

In 1985-86 we are anticipating, for the purposes of these estimates, that we will average 31,100 cases per month, at an average cost of about \$517. That cost per case will then be consistent with the actual average that was expended last year.

Mr. Chairman, this past year, I'm proud to say, was marked by very significant changes for the better in the administration of our social assistance programs here in the province of Saskatchewan — changes that, I might add, Mr. Chairman, which should have been introduced years ago, but were not.

New supports were introduced for those persons who had potential for full employment and independence to help them realize their potential, a goal which I believe all Saskatchewan residents would concur with.

And for persons who could not become totally independent of welfare, for reasons of age, or health, or family responsibilities, we actually strengthened the amount of financial support going to those particular individuals.

As you may know, Mr. Chairman, benefits were increased under both the family income plan for low income families, and under the Saskatchewan income plan for our low income senior citizens.

Very important, Mr. Speaker, were the new reform measures that were introduced to help eliminate the work disincentives and other inequities. And these measures were designed to encourage training and employment so that people could take advantage of the opportunities

which are there for them.

I might add, Mr. Chairman, that I believe this is one of the major significant changes that this Progressive Conservative government has brought about which will benefit literally thousands of people in the province of Saskatchewan.

And I will, during the course of these estimates, be referring to specific examples of individuals who were on social assistance, who have been taking the training and employment opportunities, and who have benefited immensely from that.

Many clients are employable today, Mr. Chairman, in contrast to a few years ago when the majority of clients were dependent upon social assistance, due, for example, to handicaps of one kind or another. However, it is important, Mr. Chairman, to say that many employable people today are handicapped by lack of work experience or training.

The key to improving our welfare system, Mr. Chairman, therefore has been to improve the ability of employable clients to become more competitive in the workplace through providing productive alternatives to welfare in the form of training and job opportunities. And these included, Mr. Chairman, 2,160 new jobs created under the Saskatchewan Employment Development Program in the small business and the local government and non-profit sectors, and in addition, 2,275 training opportunities made available through the Saskatchewan Skills Development Program involving welfare clients. Mr. Chairman, assessment and placement units were also put in place in Social Services offices to help assess client needs and capabilities and to offer services tailored to individual needs, something that was lacking previously.

(1200)

I want to speak, Mr. Chairman, for a moment now about the government's employment development program, so that members can understand why we wish to continue this program in the upcoming fiscal year, and why, therefore, we are asking for the appropriations today. Our goal for this program last year was to create 1,500 jobs, and I can recall the member from Regina Centre saying that he would be surprised if even 1,000 of those jobs would be created, let alone 1,500. Well I am pleased to indicate to the Assembly today, Mr. Chairman, that this program last year created not 1,000 jobs, not 1,500 jobs, but 2,160 jobs within 723 employment projects. And more jobs, Mr. Chairman, were created in the northern part of the province, where unemployment is a greater problem than in the central or in the southern areas.

Nine hundred and six jobs were created within the non-profit sector, compared with 670 in the local government projects and 584 within business. In terms of actual wages paid, employers topped up wages provided by the program, with the business community paying the highest average wage of \$5.05 per hour. Employers, in addition to contributing over \$1 million to wages, also spent an estimated \$13 million on project costs, including overhead and other expenses.

Mr. Chairman, overall, about 20 per cent of the jobs created under the previous, but similar, Canada-Saskatchewan Job Creation Program continued beyond the actual project time frame. And about 60 per cent of the jobs created in the business sector under that program continued on as well. Well Mr. Chairman, we are now funding proportionately more business projects under the Saskatchewan Employment Development Program. And so we are optimistic, Mr. Chairman, that much of the employment created under this program will continue beyond the life of the funding provided.

I want, Mr. Chairman, to give you now just a few examples of some of these projects within the business sector and their successes.

I can think, Mr. Chairman, of a Regina manufacturer of automotive accessories who located, not in Ontario, which is known as the heartland of Canadian manufacturing — not in Ontario, but

who located in Saskatchewan, Mr. Chairman, because of the employment development program which was able to abate the risks of starting up for this particular business by offsetting early labour costs.

Ten jobs, Mr. Chairman, 10 jobs for welfare clients will probably continue here. That is just one example of a successful project.

Another example, Mr. Chairman. A Regina company has hired 10 welfare clients to manufacture chopsticks for export to Japan. Continuing employment is expected here as well, Mr. Chairman.

And I can think of the recent opening of the Regina south Mr. Lube shop on Albert south, where six welfare clients received training and are working full time at that particular project.

Mr. Chairman, I have many, many other successful projects which I would be most happy to talk about for the members opposite if they would be interested. I would like to . . . (inaudible interjection) . . . I'm sure we will have opportunity to talk about those later.

Mr. Chairman, we have introduced a number of administrative efficiencies into our income security programs. Measures have been introduced to streamline management, something which the former administration did not pay attention to; measures to reduce fraud and abuse in overpayments, Mr. Chairman, and to improve services to our clients, which is, of course, Mr. Chairman, the most important goal of any such efficiency measures — to improve service to our clients and to ensure that dollars spent are spent appropriately.

The department began in earnest during this past year, Mr. Chairman, to computerize the delivery of the Saskatchewan assistance plan. The goal of this exercise is to improve service to clients, while at the same time making it easier for department workers to do their job effectively. We plan to complete this process by the end of this new fiscal year.

Again, Mr. Chairman, I reiterate: we want to improve service to clients while enhancing the economy and the efficiency of the program to ensure that public money is well spent on those who need help most.

I mentioned a moment ago, Mr. Chairman, that we have also been able to strengthen support in some areas. I am pleased to say, Mr. Chairman, that we were able to increase financial assistance under the Saskatchewan Income Plan to thousands of senior citizens in Saskatchewan, doubling the rates for single seniors and increasing them by two-thirds for couples.

And in addition, Mr. Chairman, we were able to increase benefits provided to low-income families under the family income plan for meeting the costs of food and shelter and other necessities during the year to the point where we now have the most generous rates in Canada of this kind.

I also want to say, Mr. Chairman, that we have taken steps during the past year to improve the understanding which clients have of the system, and to protect their rights. Our appeal system, Mr. Chairman, continues to be the best of its kind in Canada.

One initiative during the year, Mr. Chairman, was work to develop a booklet for clients, outlining their rights and responsibilities as recipients of assistance under the Saskatchewan Assistance Plan. This will be ready this year and will be provided to clients.

The department plans to continue all of these program initiatives in 1985-86, Mr. Chairman. The result, Mr. Chairman, will be an income security program which continues to meet the needs of clients, while also providing people with productive opportunities and alternatives, hopefully long-term alternatives to public assistance. And surely that has to be the goal of any responsible government, Mr. Chairman.

I want now to turn to the area of child and family services. As Minister of Social Services, the responsibility for protecting children is one of the most important that I have. The crisis of child abuse is certainly one of the biggest challenges that I face. I want to say that this problem cannot be addressed effectively by government alone, nor by non-government agencies, as I indicated before, but by everyone involved together, Mr. Chairman. There must be a partnership, a linking together of non-governmental agencies, of individuals in society, of governments at all levels, the community at large.

Mr. Chairman, the challenge of re-working Saskatchewan's child and family services legislation provides us with a good example of working together. The government has worked with community interests and individuals through a ministerial advisory council, and lately through the process of consultation with the public.

As you are aware, Mr. Chairman, my department provides a broad range of preventive, in-home support services and family support services generally. We want to see the government acting to assist families wherever possible before those families fall into crises. In partnership with many community organizations we operate, for example, a very successful teen-parent program to teach parenting skills to young teen parents. And we provide home-maker services, parent aid programs, training programs, life skills training, special tutoring, assessment and counselling, therapy, and emergency day care.

My department also funds many non-government agencies in the province that provide family support services. These include the Family Service Bureau, native family worker programs. Last year, Mr. Chairman, the funding to these agencies amounted to \$6 million.

Mr. Chairman, of the 2,825 child abuse cases investigated by the department last year, 154 were cases of physical abuse, and 463 were cases of physical neglect. It is interesting to note, Mr. Chairman, that these reports of physical abuse have declined, no doubt in some part due to preventive efforts and general awareness of the public.

But while all abuse of children is damaging, Mr. Chairman, sexual abuse is probably the most devastating. In this category, Mr. Chairman, the numbers are not so encouraging. Since 1979 my department has had a 300 per cent increase in the number of reported cases of sexual abuse — 76 cases in 1982, 164 cases last year.

Let me mention, Mr. Chairman, some of the things that we are doing in regard to the crisis of sexual abuse. We are training our case workers, of course, and staff has participated in important workshops on this topic. We are also involved in co-ordination and education work to broaden the sense of ownership for this issue and to help people pull together. An interdepartmental committee on child abuse has been established which will undertake measures to help address the problem. Obviously, before we can ask doctors, and the police, and educators, and mental health professionals, and others to work together, we, of course, need to be co-ordinating our own activities across government.

This committee includes persons from the departments of Health, Social Services, Justice, Education, Advanced Education and Manpower, and the Executive Council. The departments of Social Services and Education are also working together on a protocol for the reporting and investigation of cases of child abuse, for use in the school system.

We have provided staff support to three community co-ordinating committees on sexual abuse in Prince Albert, in Saskatoon, and in Regina.

With respect to public awareness, Mr. Chairman, my staff is always making presentations to various community and professional groups, and are involved in training programs for the RCMP, for day care workers, and organizations such as Big Brothers and Big Sisters. And I would want to

indicate, Mr. Chairman, to the members of the Assembly and to the public that we would be more than willing, whenever possible, to make available members of my staff to respond to community requests for information and for training in this regard.

Mr. Chairman, Crown prosecutors and the coroner have also been involved in discussions regarding the effective response to the question of sexual abuse. And we continue to rely very heavily, Mr. Chairman, upon foster parents as a resource in our child protection field. I am pleased, Mr. Chairman, to tell the members of the Assembly today — they may not be aware — that we have been able to fund a full-time position within the Saskatchewan Foster Parents Association this year. Better co-ordination and training will surely result because of this position.

And I want to provide you with some examples of community services and resources which are having an effect in the area of prevention of child abuse and in dealing with this reality.

I've already mentioned the teen-parent programs, Mr. Chairman. Through these, five community organizations provide direct support services to young mothers and their children through the use of trained volunteers. Many of the potential frustrations which might be experienced by a young, single mother can be eliminated through these services. My department also directly delivers the teen-parent program to assist in parenting, child development, and planning with young parents so as to avoid long-term dependency on social assistance.

I want to mention the family worker programs, Mr. Chairman, which are very important in our province, and particularly a new program in La Loche where teen parents and families in crisis can now receive information and referral and counselling services. There are 12 of these programs in Saskatchewan. The Riel Local of Regina and the Ka-Pa-Chee Centre of Fort Qu'Appelle, both affiliated with the Association of Metis and Non-Status Indians, are delivering parent aid services for the first time, Mr. Chairman, in these communities providing support to the families in crisis and teaching parenting skills. Similar services are also provided in Regina by the Peyakowak organization.

(1215)

And, Mr. Chairman, I would be very remiss not to mention the \$100,000 in funding which we are now providing to the Saskatoon Society for the Protection of Children so that a crisis nursery can be operated in that city. This is an innovative program, Mr. Chairman, the first of its kind, that we are aware of, in Canada.

I also want to mention that we fund the preventive mental health program for infants which is operated by the Merici Centre here in Regina. This program has considerable potential to reduce the incidence of child abuse or neglect.

On the other side of the family violence coin is the issue of violence victimizing women, Mr. Chairman. New Social Services initiatives were announced during this past year. These were designed to expand the network of services for battered and abused women. We are working to develop a continuum of Saskatchewan programs which will complement the transition house system. The safe house project was established in Melfort. The Melfort safe house project will be monitored, Mr. Chairman, and reviewed to assess its effectiveness in meeting the needs of battered women in a rural area.

And we established a new urban service, Mr. Chairman. A safe shelter was set up in Yorkton by the Yorkton Women In Need organization. We provided \$38,000 in funding to the La Ronge native women's family crisis centre last October. And we have also been working with the same group in La Ronge toward developing a safe shelter project for northern Saskatchewan. I am pleased, Mr. Chairman, to tell the members of this Assembly that this safe shelter project can be implemented this year.

We were able to provide almost \$64,000 last year so that a family support centre offering preventive and crisis intervention services could also be established in La Loche, and three family crisis centres in Kindersley, Melfort, and Swift Current received \$56,000 last year.

Family violence, Mr. Chairman, is a national issue. I was pleased to recently represent the Government of Saskatchewan at a meeting of provincial ministers of social services which was arranged specifically to encourage interprovincial discussion in this important area. I believe that this was the first time that social service ministers had met to discuss a single pressing issue.

I also want to say at this time, Mr. Chairman, that not enough attention has been paid to the uniqueness of the native culture and the native social needs in the past. For example, Mr. Chairman, Indian child welfare is an important issue today, and this government is committed to ensuring that native people are afforded a greater opportunity to develop appropriate social service systems to meet their needs.

Funding for native services was substantially increased last year with emphasis being placed on increasing services to persons in northern Saskatchewan. Native family worker programs have been expanded, and I should mention as an example that we now have a family worker in Buffalo Narrows. And I reiterate that new family services were established in Regina and Fort Qu'Appelle. A native family worker program was re-established in Carlyle, joining all of the other family worker programs in the province, all of which received over \$1 million in funding.

Now, Mr. Chairman, let me turn to our response to the federal new Young Offenders Act. As you know, the federal government has implemented new laws affecting the way young people in conflict with the law will be dealt with by the police and the courts. For youth aged 12 to 15 years, the Act came into force on April 1st last year. Sixteen- and 17-year-olds charged with offences after April 1st this year are now also under the jurisdiction of the Act and the youth court. Children under 12 years can no longer be charged with a criminal offence.

The new Act embodies rights and responsibilities approach to young people in trouble with the law. It emphasizes that young people must be responsible for their behaviour, and that society has the right, the right to necessary protection from such behaviour. It also recognizes that young people have special needs and should not always be held accountable in the same manner, or necessarily suffer the same consequences as adults because they are dependants of varying degrees of development and maturity.

In view of society's right to protection, and the special needs of young people, they not only require supervision, discipline, and control, but must also be given guidance, assistance, and special protection for their basic rights. The provisions of the Young Offenders Act are administered by the province, Mr. Chairman, through the Departments of Social Services and Justice.

The Social Services department administers alternative measures programs, detention services, custody services, community and personal service order programs, compensation and restitution programs, probation services, and other services to the youth court.

Mr. Chairman, community agencies will offer a province-wide mediation diversion program as an alternative to the court process, offering this service to young persons accused of less serious offences and having no pattern of serious criminal behaviour.

We shall be relying upon organizations like the John Howard Societies to provide programs in this area. Provincial community services order, and personal service order programs will be implemented to allow the courts to require a young person to undertake a supervised work assignment as an alternative to probation or fine or custody. The work may be ordered by the youth court to make monetary or other restitution for loss of or damage to property.

Secure custody facilities are being expanded and new facilities are being constructed to meet the demands of the new Act, Mr. Chairman. These are designed to restrain or contain the young person. Detention space is also required for holding certain offenders until the first court appearance or sentencing.

Open custody facilities, Mr. Chairman, may be operated directly by the province, or by non-governmental agencies. These facilities will provide significant supervision and guidance, but do not devote physical resources toward preventing youth from leaving. Generally, residents may participate in community activities such as school. Open custody facilities include staff, community residential facilities, group homes, youth centres, and parks or wilderness camps.

Probation services provide counselling and supervision. In this area, Mr. Chairman, a new program will be implemented to allow the court to order earlier releases from custody under intensive community supervision. A judicial interim release program will also be operated in Regina and Saskatoon.

I also had the pleasure recently, Mr. Chairman, to announce the renaming of the Saskatchewan Boys' Centre in Regina to the Paul Dojack Youth Centre in recognition of Mr. Dojack's many contributions to young people and his community over the years. This facility will be expanded this year, Mr. Chairman.

With respect to the needs of northern youth, I want to mention a special facility in Green Lake. The Alex Bishop Child Care Centre for northern youth who are not offenders was officially opened in September. It will provide 24-hour supervision for teen-age girls and boys who can neither remain at home nor adjust to normal foster home placement.

This centre will now be involved to some degree in our administration of the Young Offenders Act. The important thing about the Alex Bishop Child Care Centre is its location, Mr. Chairman. It offers the option of allowing northern youth to avoid being referred to southern Saskatchewan institutions.

Before leaving the young offenders area, Mr. Chairman, I do want to indicate that various deficiencies in the federal Young Offenders Act have come to light during the past month. One of those deficiencies is a very serious matter which relates to the commission of criminal offences by children under 12 who cannot be charged with criminal offences under this Act. Therefore today, Mr. Chairman, I have forwarded a letter to the Solicitor General of Canada which reads as follows:

Dear Mr. MacKay: The purpose of this communication is to request that an immediate review be undertaken with respect to the feasibility of reducing the current minimum age of 12 years for application of the provisions of the Young Offenders Act.

I'm asking that consideration be given to amending the Act so that the protections afforded by its provisions would be applicable under certain circumstances to youth who have not yet reached the age of 12 years.

This request is being made because Saskatchewan is experiencing similar concerns to that of the other provinces, in this matter. Your earliest attention to this matter is requested.

I want now to mention day care, Mr. Chairman. As you know, a review of the day care system of Saskatchewan was conducted by the Saskatoon Riversdale MLA which addressed a number of issues and options relating to the day care delivery program. Over 130 public submissions were received.

The review identified the need for increased day care spaces and as a result, 217 new centre spaces were developed in '84-85, plus new family day homes, and an increase in the average number of spaces per family home across the province helped us to realize a further increase of 185 spaces.

It is our desire, Mr. Chairman, that young single parents complete school, thereby decreasing the risk of reliance upon the safety net. My deputy minister held a consultation session with educators, representatives from churches and school-boards, the Day Care Advisory Board and other community organizations last year to discuss infant day care for teen-age mothers attending school. We have also been discussing, with the special tutorial class at Balfour Collegiate in Regina, the development of an infant day care centre.

We are also interested, Mr. Chairman, in meeting the needs of family day care home operators as far as training is concerned. Consequently, funding was provided to the Saskatoon Family Day Care Home Association for a family day care home provider training program.

Mr. Chairman, I want to mention a special event in day care. I'm referring to the establishment of a Regina day care centre which was developed by the Market Square down-town business community in this city during the past year, and I believe that this was a first in Canada.

I want now to turn to rehabilitation services, Mr. Chairman. Rehabilitation services are provided by my department in partnership with a number of community interests in Saskatchewan. These services are provided to persons who have certain mental or physical disabilities.

The resident population at Valley View in Moose Jaw has been declining in recent years due to fewer admissions, and this is a continuing trend, Mr. Chairman. We have found that services to children can be provided in the home and in the community. Consequently, children are not being admitted to institutions.

And handicapped adults are becoming more involved in their communities as local services are developed. Movement away from institutions, Mr. Chairman, has been taking place in Saskatchewan for many years, and this will continue as community services are developed and other appropriate resources and residential options are in place.

And we must consider the new Canadian Charter of Rights and Freedoms and how these provisions implicate the rehabilitation services sector. We are concerned that the spirit of the charter be reflected in the services that we provide.

We held a seminar last year, Mr. Chairman, involving rehabilitation services staff so that the effects of the charter in our own human rights code could be assessed.

As another example of direct action, we also provided a grant during the year to the Saskatchewan Association of Rehabilitation Centres to assist in a study of the province's sheltered workshops and activity centres.

The focuses of this study were on what will be required to meet the test of equality and accessibility for handicapped persons under the Canadian Charter of Rights and Freedoms, and to review the current wage policies of all sheltered workshops and activity centres.

I am very pleased, Mr. Chairman, that our government was able to provide almost a 30 per cent increase in funding for community services to the handicapped last year. Almost 900,000 went to new and enriched community projects, including new sheltered workshops, group homes, support for families with disabled children.

In total, more than \$11 million was allocated last year to rehab services at the community level, including support for 56 group homes accommodating 350 adults, 6 homes serving 40 children,

to 20 sheltered workshops, to 18 activity centres, toward 16 supportive living programs, and towards 14 early childhood intervention programs, and also for preventive research.

Mr. Chairman, new funding was provided for handicapped services in the following communities: Outlook, Porcupine Plain, La Ronge, Langenburg, and Nipawin, Saskatoon, Regina, Redvers, Melfort, Rosthern, and Moose Jaw.

I am pleased to say that I have announced further expansion for this year within community services for handicapped persons.

Funding is also provided in supportive services for persons who are physically disabled.

I want to highlight the establishment of Canada's first province-wide telewriter program designed for hearing impaired persons. It was officially opened last year with the help of this Progressive Conservative government. We were able to provide \$353,700 in funding to this program, and will be increasing such funding by 3.2 per cent this year.

(1230)

I also want to mention certain employment initiatives of the department which are associated with disadvantaged persons. The department provided almost \$400,000 to local industries this last year to help them create employment for disabled or disadvantaged persons.

Over \$500,000 was provided to five local organizations last year in support of their transitional employment projects to provide work experience and training to persons who are disadvantaged and may not otherwise obtain the employment necessary to participate in the regular work-force.

All of these initiatives, Mr. Chairman, reflect this Progressive Conservative government's commitment to independence for each disabled or handicapped person in Saskatchewan.

I want to turn now to senior citizens. The Government of Saskatchewan has been making a concerted effort to improve the relevance of programs and services for seniors. During this past year an inquiry line was established within the Seniors' Bureau of my department. I'm pleased to say that this bureau has handled 1,828 inquiries from seniors up to March 31st of this year. This is a remarkable total, Mr. Chairman, and I think provides solid evidence that seniors are in need of information about the programs and services that we provide.

To further clarify those programs and services we developed a comprehensive directory co-ordinated by our Seniors' Bureau. This directory was published by the government and distributed to all seniors' households in the province during January of this year.

Mr. Chairman, as you can see, 1984-85 was a year of significant accomplishment in many areas associated with the social services system. And just as there was more funding committed to the department last year than was the case the year before, there are more funds allocated this year for my department than was the case last year, Mr. Chairman.

1985-86 is a new and exciting year for Social Services programs in Saskatchewan. The 1985-86 estimate of expenditures for my department is \$334.5 million. In person-years associated with jobs within my department, we anticipate there will be an increase this year to better offer service to people on social assistance and to accommodate the Young Offenders Act.

The measures associated with the Saskatchewan Assistance Plan, child and family services, family violence, and other areas will continue this year. In addition, substantial capital expenditures will be made during the year to accommodate our obligations under the Young Offenders Act. And there will be a major expansion this year in grants to the handicapped.

Mr. Chairman, the case-load increase affecting allocations under the Saskatchewan Assistance Plan is anticipated. The estimated expenditure in this area this year is almost \$193 million, presenting a marginal increase over the actual expenditure of \$188 million last year. About 1.67 million has been allocated for development and implementation of a computerized system for the delivery of the Saskatchewan Assistance Plan. Many of these funds are found in the budget of the Department of Supply and Services.

By streamlining administration of the welfare program, this new system will reduce fraud and abuse and overpayments; it will enhance the economy and the efficiency of the program; and Mr. Chairman, more important, it will enhance services to clients.

In addition, funds are allocated to hire five entitlement control unit staff, which together with previously approved pre-audit staff will result in continued reductions in overpayments. I said earlier we must be responsible in addition to being responsive and sensitive.

We are adding 15 temporary financial assistance worker positions throughout the province. These additional positions will allow field staff to spend more time identifying client needs and any training or employment options under the government's employment and skills development programs.

I am pleased, Mr. Chairman, with my government's decision to transfer responsibility for funding the legal aid commission to the Department of Social Services. The legal aid commission will continue to practise as an independent body. The target groups served by the commission and the Department of Social Services are similar and therefore increased opportunities for dialogue will develop our government's ability to deal with critical social problems.

The transfer will also facilitate negotiating funding of civil legal aid under the Canada assistance plan. Since the primary responsibility for the delivery of young offenders' programs is with the Department of Social Services, this transfer will facilitate better co-ordination of related services.

With respect to the Young Offenders Act, Mr. Chairman, with the addition of 16- and 17-year-olds, \$3.4 million is allocated to cover staffing and other administrative costs associated with the Act, including programs such as secure custody, diversion, attendance centres, community programs, and facility preparation. This includes \$200,000 transferred from the Department of Justice for probation services and a work camp at Kenosee.

With respect to capital projects, Mr. Chairman, \$13 million is allocated in the Department of Supply and Services budget for major capital projects towards the Paul Dojack Youth Centre in Regina, the Saskatchewan Hospital in North Battleford, and renovations to the Kilburn Hall in Saskatoon.

Mr. Chairman, I'm pleased to say that an additional \$750,000 has been allocated for expansion of community-based programs for the handicapped throughout the province. Indeed this initiative represents a funding commitment of about \$1.5 million per year when partial-year funding is annualized.

This new funding will mean the following, and I'm sure that the public in Saskatchewan and members of the Assembly will be interested in know the following: 85 new early childhood intervention program spaces in the following centres: Saskatoon, Prince Albert, Lloydminster, Tisdale, North Battleford, Kerrobert, Meadow Lake, Qu'Appelle-Wolseley, Ile-a-la-Crosse, Buffalo Narrows, and Swift Current. These will offer additional home-based educational programs to preschool children in these areas of the province.

There will be 34 new group home spaces. There will be 28 new supportive living spaces in Regina, Lloydminster, Yorkton, Moose Jaw, and Rosetown. And these will allow more mentally

handicapped adults to move from group homes or parental homes into their own accommodations.

There will be 48 new activity centre spaces in Saskatoon, Moose Jaw, Redvers, Waldheim, Lloydminster, and Melville. And a total of 84 new sheltered workshop spaces in the existing centre in Moose Jaw, and in new workshops that will be developed in Cudworth, in Preeceville, and Kronau. This new funding will also mean outreach services for 50 families and establishment of a deaf-blind intervener program for the province. Overall, the planned expansion will provide space for an additional 320 disabled persons to participate in a variety of programs.

Mr. Chairman, we plan to develop at least 111 new day care centre spaces this year with funds allocated to cover both start-up and equipment grants for new centres, and to cover subsidies for low income families.

I previously mentioned a development of a second safe shelter project in La Ronge. This will be accomplished at a cost of \$57,500. The La Ronge Native Women's Organization has identified the need for services for battered women in that area of the province, and will be provided with this funding to complement its family support program with these services this year.

With respect to employment, Mr. Chairman, I'm pleased to say that my department will participate in the Saskatchewan Employment Development Fund, and will thereby continue to create employment opportunities for employable recipients of welfare and for otherwise disadvantaged persons who may be more dependent upon receiving assistance than is necessary.

In 1985-86, Mr. Chairman, \$9 million has been allocated within the government's Employment Development Fund for the department's employment program. The purpose of this funding will be to create and continue 2,147 job opportunities for welfare clients within the business, non-governmental, and local government sectors of the economy. This represents the continuation of an important existing program which I mentioned earlier that has been highly successful.

Two point four million dollars has been allocated for the creation of jobs for handicapped under my department's employment support program. We will place 100 clients this year in the \$2.6 million New Careers Corporation of the Parks and Renewable Resources department. And we will continue to refer clients to the \$6 million Saskatchewan Skills Development Program of Advanced Education and Manpower this year to help them upgrade their education, Mr. Chairman, or develop new skills and thereby become more competitive in the workplace, and at the same time increase their potential for self-reliance.

Mr. Chairman, let me expand just briefly on this program by providing an example of its success. For example, some 38 social assistance recipients graduated from the skills development program courses in Saskatoon during April. Some of them have already started working. Of the eight graduates who received attendance certificates, St. John's Ambulance certificates, and Sanitation for Food Services certificates, all but one have been offered employment by local restaurants and hotels.

And so we have a total, Mr. Chairman, of \$20 million for development of employment and training opportunities for clients of my department this year. Employers, communities, non-governmental organizations, and the people of Saskatchewan will continue to benefit from our employment initiatives this year. Most importantly, Mr. Chairman, so will the people receiving assistance, the vast majority of whom want to be independent and self-reliant.

As I mentioned a moment ago, we will be continuing the subsidized industries and conditional employment programs. These projects, Mr. Chairman, provide work experience and training to people who are disadvantaged and may not otherwise obtain the employment history necessary

to participate in a regular work-force.

Employment support also extends to several organizations throughout the province which operate work preparation centres. These provide assessment, counselling, and placement services for the clients of the department.

Further, with respect to services to families and individuals, Social Services provides grant funding to about 64 non-governmental organizations which provide a range of services to supplement these programs provided directly by the department. These agencies include the various family service bureaus, Big Brothers and Big Sisters organizations, providers of crisis intervention services and trusteeship services, native friendship centres, and other counselling and co-ordinating agencies.

I want to add, Mr. Chairman, that the department has made no reductions to any non-governmental organization which is receiving funding for ongoing programming. In fact, a number of non-governmental organizations will receive increases to meet higher costs. We want, Mr. Chairman, we want the level of service provided by community social service agencies to be maintained. And a total of over 1.5 million has been approved for community services for senior citizens this year.

Over all, Mr. Chairman, I have mentioned improvements to the Saskatchewan welfare system to make it more responsive and relevant in terms of employment, the clients of the department. I've mentioned a significant thrust for families, and I have mentioned significant increases in support for community-based services for persons who are mentally and physically disabled.

I've brought you up to date on some key developments in social services, and, as I've discussed each area, I've tried to show the very real efforts that this Progressive Conservative government is making to meet the challenges of today.

We are working to improve our administrative efficiency, and I want to include in that process my department has made in its efforts to streamline the social services system and eliminate duplication.

We've been working with organizations in the non-governmental sector and are grateful for their commitment and efficient service provision.

I believe that we are all making better use of our resources. Ultimately there can be only one goal behind our efforts, and that is to achieve a greater benefit for those we serve.

Mr. Chairman, I assure you that my department, non-governmental organizations, and volunteers in Saskatchewan, work very hard to meet these goals that I have just articulated. And I am very confident that their dedication will continue.

Mr. Chairman, as we proceed through the upcoming estimates, I will be very pleased to elaborate on any of the programs of my department. I would urge all members of the Assembly to support the estimates that are before them.

Thank you, Mr. Chairman.

SOME HON. MEMBERS: Hear, hear!

(1245)

MR. LINGENFELTER: — Mr. Chairman, and Mr. Minister, I would like to join with you, first of all, in the introduction of your staff, I suppose, in saying that we too over the next few days will look forward to working through the estimates of the Social Services department. It's, I believe, the

third largest department — maybe the fourth largest, I'm not sure — but a good number of millions of dollars that we allocate, in total \$334 million, and in many ways, I suppose, these are the people that members in our caucus are most concerned about in our society.

They are in many cases the people who are least able to protect themselves in our society and from time to time they need assistance, as the minister says, to get back on their feet. And in helping them, we agree with the minister to that point, that you do not want to just give without expecting something back. But I would wonder about some of the policies of the government, particularly the so-called welfare reform that has been so soundly renounced by the Catholic church, the Lutheran church, and many of the church groups across the province, when they talk about the cut-back of 40 per cent for some welfare recipients being anything but welfare reform.

And I look at other areas, Mr. Minister, and in particular, in subvote 1, where under administration I see a 35 per cent increase in administration on the other expenses. And I look through other areas of your estimates and I see that in the area of grants to day care there's no increase. And I look at the family income plan and that is where the working poor used to be able to get some money out, and I see a \$779,000 cut in that area.

What I was wondering about is that 35 per cent increase in the other expenses in the administration — now you will know that would include your office and your staff and your travel, and that sort of thing — and I wonder if you could elaborate for me how you would find it possible to find a 35 per cent increase in your budget for your administration, and I say here again, I know it's not going for staff salary because that's not the item I'm referring to. I would like you to explain where the 35 per cent comes from where you are able to get an increase from 2.8 million to 3.8 million for other expenses than administration, or 35 per cent increase.

That seems exorbitant to me, and maybe there's a logical reason for that. But I would like to say that that funding, that kind of an increase seems to come very easy in administration, but yet, as I mention in other areas, when it comes to day care, there is no increase. When it comes to family income plan, there is a decrease. When I look at the other numbers, rehabilitation services, there is a decrease. And I just wonder if you can elaborate on what is included in that massive increase of \$1 million in "other" in the administration sector of your department.

HON. MR. DIRKS: — Thank you for the question. I'd be pleased to elaborate. The major reason for the increase in the administration subvote for '85-86 is the approval for continued development of the Saskatchewan Assistance Plan automated system which is \$920,000. And that will become operational during '85-86. Also, approval was granted for three resource staff and something in the order of \$291,000 to operate the young offenders staff training and recruitment programs. So the automated system, completion of that, plus the implications for training and recruitment under the Young Offenders Act total over \$1 million in the administration part of the subvote.

MR. LINGENFELTER: — Well I would point out to the minister very clearly that we're not talking about a staff increase here because that is not included in that portion of the vote. So get the one point straight. When you're talking about additional staff in that area, we are not talking about increase in staff because the staff contingent has actually stayed the same in the total area of administration, except for half a person.

But I'm not even talking about the staff. I'm not talking about the 35 per cent increase in other expenses, and you're saying that's to automate the Saskatchewan Assistance Plan. And I would like to ask you the reason for putting the computer in.

You haven't reduced the staff in administration, and this is the logical reason for computerizing that most companies or departments will say is that there is a cost saving somewhere. The computer operation is costing you \$1 million more. Is there any cost saving, or is this merely to handle the 20 or 30 per cent increase in the number of people on welfare since your government

took office? What is the rationale, and where is the cost saving to the taxpayers in spending an extra million dollars in this area?

HON. MR. DIRKS: — In response to that very legitimate question, there are a number of benefits which will accrue from the automation of the system. One of them, clearly, will be more effective control of information, which will result in better efficiency, less overpayment and fraud and abuse, and so on.

Secondly, the workers themselves will be able to be more efficient in the conduct of their duties, as there is less paper that is going to have to be shuffled around. There will be better service to clients in terms of immediate information being able to be provided to them. Other jurisdictions in North America are moving, some have moved to already automate their welfare systems, and I think it's an appropriate thing to do here in the province of Saskatchewan as well.

MR. LINGENFELTER: — Well Mr. Minister, maybe you could outline over the last couple of years the kind of cost savings that you have been able to achieve in the Saskatchewan Assistance Plan. Can you go over, let me say, from 1981, '82, '83, and '84, the amount paid out in the Saskatchewan Assistance Plan? And we'll just do a little check or a report card on how well you're doing at saving the taxpayers' money. I would like the numbers for 1981, '82, '83, and '84, as you were implementing this computer program to save the taxpayers' money. Can we just get a little report card on how well you're doing?

HON. MR. DIRKS: — The automation project was started last year, continues this year, and is not complete, so one is not going to realize the savings of automation until, in fact, it is a system that is up and running, has been tested, the bugs have been worked out of it, and it's moving. Then the benefits will accrue. So in terms of savings as a result of automation, yet, those haven't been realized. And that's, of course, natural when you automate any system.

MR. LINGENFELTER: — Well Mr. Minister, I took an opportunity to bring to the Assembly the expenditures of 1983, the estimates that we were working on. And I look under when we left office, under administration, and I notice that under the same item the total spending for other expenses in administration was \$1.3 million. And you are asking the Assembly today for 3.8. If you can just wrap your mind around this — 1.3 million to 3.8, or 250 per cent increase. And you're saying you're not able to tell us any cost saving as a result of a 250 per cent increase in administration when you will well know that the department is now smaller, considerably, than it was when you took over.

The whole area of senior citizen nursing homes and home care has been taken out. The corrections have gone out of your department to the Department of Justice. And your administration has gone up by 250 per cent. And this is a government that talks about efficiency, leanness, and how you're going to cut corners in administration.

Now I'm not talking about the staff changing. I'm talking now about other expenses in administration. There has been a 250 per cent increase. And you are telling us that you can't explain any benefits that have come after three years . . . (inaudible interjection) . . . Well, if there is, it's some saving somewhere else as a result of a 250 per cent increase in other expenses in administration. I would like you to give them to me.

I think there are other things going on here under this subvote than what you are referring to. And I would like a complete list of all the expenses that are incurred in that area. And we will not get to that today if you don't have it, but I'll tell you that before we get done this estimate, I want to know why there is a 250 per cent increase in spending in the administration in your department. Because I say at a time when the family income plan is being cut, and at a time when the day cares don't have enough money to keep their doors open and aren't getting any more money for lighting and food and for heating in the day cares, that in your operation in your office you have a 250 per cent increase. Now that isn't rational. And I would like you to give me a

list of how that increase has occurred.

HON. MR. DIRKS: — Just for the information of the member opposite, the average monthly expenditures in my office, my own personal office have — in fact, are lower now than they were two years ago, I believe. But I'm not sure exactly what year the member opposite is referring to for comparison purposes. Could you indicate that please?

MR. LINGENFELTER: — The estimates that I — the book that I'm dealing with — would deal with the 1982 estimates. This increase has obviously occurred between 1982 and 1985. I think that close to 100 per cent increase each year in administration is too much unless you bring us something that says, "Look, here, here's what we're spending it on, and here's where we're saving in another area." Because the public impression — and I say to the minister — a lay person picking up the estimates from three or four years ago and checking today, without any explanation, would make the suggestions that the Minister of Social Services is spending a great deal of money on his own administration, while telling day cares and Valley View and other places that their administration should be cut.

I think while the minister has money to put into his own administration (and I say again it's gone from 1.3 million to 3.8 — or 250 per cent increase) that there must be something else there. Because I think that if a day care came to you and said, "Look, we need 100 per cent increase to computerize or buy a bit of a computer to take care of our stock and file things in," you would say, "Well, we just don't have money for 100 per cent increase." And how is it that in your own operation you can find that kind of money while in other areas you can't?

HON. MR. DIRKS: — Mr. Chairman, there are very legitimate explanations in terms of things that are now in this subvote that previously weren't in this particular subvote — Seniors' Bureau, systems development — there's a variety of things. We will provide that information to you when we meet next.

The committee reported progress.

MOTIONS

House Adjournment

HON. MR. McLEOD: — Mr. Speaker, since we are fast approaching the Victoria Day weekend, I wonder if I might have leave of the Assembly to move the following motion which would have us back into the House on Tuesday. I would ask for leave, seconded by the Hon. Minister of Education, the member from Swift Current:

That when this Assembly adjourns on Friday, May the 17th, 1985 it do stand adjourned until Tuesday, May 21st, 1985.

So moved.

Motion agreed to.

The Assembly adjourned at 1:01 p.m.