

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
June 4, 1985

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

HON. MR. SANDBERG: — Thank you, Mr. Speaker. I'd like to introduce to you today and to the members of the Assembly, nine students from the Saskatoon Region Community College. That's on 1st Avenue in Saskatoon and part of the classes are held in the former City Park Collegiate, which is on 9th Avenue in the heart of Saskatoon centre. They're accompanied by their teachers, Marla Kowalchuk and Robin Stonehouse.

I'd like all members to welcome them here today. I'll meet with them for pictures after.

HON. MEMBERS: Hear, Hear!

MR. GERICH: — Mr. Speaker, through you and to you, and on behalf of my colleague, the member for Kinistino, I'd like to introduce to you from One Arrow School, the One Arrow Reserve at Batoche, Saskatchewan, grades 8, 9, and 10 — 10 students. They're accompanied by their teachers, Mr. Bernard Poniatowski and Brian Chipperfield. The bus driver is Murphy Sutherland.

I hope that their trip here is very interesting and educational, and I ask the members to please welcome the students and the teachers.

HON. MEMBERS: Hear, Hear!

HON. MR. DEVINE: — Mr. Speaker, I want to take this opportunity to introduce to you and through you, students from Tramping Lake Elementary School in Tramping Lake in the riding of Wilkie, grades 4, 5, and 6. They're in the Speaker's gallery, and they are accompanied by their teachers, Marj Seman and Mrs. Levasseur. They're also accompanied by chaperons, Wilfred Lindeman, Mrs. Jahner, and Jack Heiland. I'll be meeting with them afterwards for refreshments, and I'd like everybody here to extend a welcome to them.

HON. MEMBERS: Hear, Hear!

ORAL QUESTIONS

Departure of Former Chairman of Saskatchewan Workers' Compensation Board

HON. MR. BLAKENEY: — Mr. Speaker, in the absence of the Minister of Labour, I direct this question to the Premier, and it deals with the admission last evening in this Assembly that the former deputy minister of Labour and the former chairman of the Saskatchewan Workers' Compensation Board, a Mr. Peter Grady, is under investigation by the RCMP.

In July of last year, Mr. Grady was appointed to serve as the workers' compensation board chairman for a five-year term as provided in the Act, at a salary of approximately \$70,000 a year. A few months later he's gone, without explanation. And now we're advised that he's under police investigation.

My question to the Premier is this: can you advise the Assembly whether Mr. Grady was fired as chairman of the workers' compensation board, or did he resign voluntarily, and on what date or approximately what date did his departure take effect?

HON. MR. DEVINE: — Mr. Speaker, I'll take notice and consult with the minister as to the exact dates and the relationship in which the minister and the particular member of the public service, or the employee, resolved their relationship.

HON. MR. BLAKENEY: — Mr. Speaker, a new question to the Premier, and this deals with the departure of Mr. Peter Grady: can you advise me whether the RCMP investigation deals with Mr. Grady's activities during the period when he was chairman of the workers' compensation board only, or does it deal also with his activities when he was a deputy minister of Labour?

HON. MR. DEVINE: — I don't have that information, Mr. Speaker. I'll consult with the minister and bring it back.

HON. MR. BLAKENEY: — Mr. Speaker, I direct a question to the Premier, and this concerns the departure of Mr. Peter Grady. The question I ask is this: can you advise the House whether or not when Mr. Peter Grady departed the employ of your government in a very, very senior position, he was paid a severance allowance — a substantial severance allowance — or did he leave without a severance allowance?

And the question, of course, goes to the question of whether or not the workers' compensation board pool is paying out a severance amount to Mr. Grady.

HON. MR. DEVINE: — I'll take notice of the question, Mr. Speaker.

HON. MR. BLAKENEY: — Mr. Speaker, I direct a question to the Premier, and this concerns the departure of Mr. Peter Grady. When, Mr. Premier, you take notice of the question as to whether or not Mr. Grady got severance pay — and keep in mind that this is a very, very senior post in your government — you leave people with the impression that Mr. Grady in fact received severance pay. And I don't think anyone can deny that inference.

What I ask is: how can you justify either not being able to tell us whether Mr. Grady got severance pay or, in the alternative, paying severance pay to Mr. Grady when he left under this cloud?

HON. MR. DEVINE: — Mr. Speaker, I will consult with the minister and get the details on this particular employee. I've said . . . and I'm sure the Leader of the Opposition, when he sat in this chair, had to deal with many public employees and didn't have all the information on each of them all the time so that he could just peel it off. I'll get the information and I'll be more than glad to provide what I can when I get it from the hon. member, and provide it to the Leader of the Opposition.

MR. KOSKIE: — Yes, a further question to the Premier: will the Premier confirm or deny that among the things the RCMP have been asked to investigate are false expense claims from Mr. Grady, where he travelled to a number of equestrian shows and the like, at the taxpayers' expense? Can you in fact indicate whether expenditures of that nature are a part of the investigation by the RCMP?

HON. MR. DEVINE: — Mr. Speaker, I'll take notice and provide the information when I can discuss it with the minister.

MR. KOSKIE: — Mr. Premier, can you further indicate: how much did it cost the Saskatchewan taxpayers for the extensive renovations of Mr. Grady's office at workers' compensation board? These renovations took place shortly after his arrival at the board last summer. And I want to know who approved those renovations, how much they cost, and I think that the taxpayers have a right to know how much this decision cost them.

HON. MR. DEVINE: — Mr. Speaker, I don't have that information and I will consult with the minister.

Impact of Federal Budget

MR. LINGENFELTER: — Mr. Speaker, a question to the Premier, and it has to do with your endorsement of the 9 per cent a gallon tax increase for farm fuel and the 5 per cent surtax on middle-class families and the extension of the 10 per cent federal sales tax, and another issue dealing with the federal budget.

Can you tell the Assembly, and the people of Saskatchewan, whether you agree with the de-indexing of the old age security which has been announced by the Mulroney government in the Wilson budget of a few weeks ago? Are you in favour of that de-indexing of the pensions of the seniors of the province and of Canada?

HON. MR. DEVINE: — Mr. Speaker, in the preamble to the question, the hon. member mentioned something like a 9 per cent increase in fuel tax, or a 9 per cent a gallon. I believe it's accurate to point out, because he raised it, that 0.7 cents is no longer charged because the tax associated with the . . . (inaudible interjection) . . . You raised the question with respect to the gasoline tax, so I'm just addressing it to set the record straight. If you want to raise it, fine, I'll address both of them: 0.7 cents isn't there because there's no longer a charge for Petrofina and now the price has dropped another 0.6 cents a litre, which means it ends up to be a 0.7 cents a litre tax.

With respect to the indexing and the income tax changes, the federal government is going through a process of examining ways to provide a fairer tax system. And they're examining this one and they're consulting with seniors and people right across the province and across the country.

And whether, in fact, it will work will depend on what the federal government assesses it of — from one person to another or from one province to another — and the representation they get.

MR. LINGENFELTER: — Mr. Speaker, the question to the Premier was very simple. Does he agree or disagree with not the proposal to de-index or discussions, but the actual fact that senior citizens in this province will see a 3 per cent cut in their old age security this year, and over five years, that will mean a 15 per cent cut in their old age security? Do you agree or disagree that this is a fair move, as you put it?

Members in the opposition obviously feel it is unfair and we would like your opinion on whether or not you see this cut to senior citizens as a fair taxation in your tax reform policy and your colleagues in Ottawa.

HON. MR. DEVINE: — Mr. Speaker, in my opinion, tax reform is overdue and if it can be fair so that we don't end up rebating the rich so lower income people can have some help, then I'm in favour of that.

So with respect to indexing, it depends on the rate of inflation, and that's what's important. If you've got a 1 per cent rate of inflation, it's a lot different than you have a 4 per cent rate of inflation. And I believe the federal program is tied to the rate of inflation. So if the rate of inflation is below 3 per cent, there's a significant difference in the impact.

So it'll depend on how well the economy does, and most people understand that and appreciate it. I am for tax reform if it can make sure that lower income people get a break and we quit rebating the rich.

MR. LINGENFELTER: — One final supplement. In his answer, the Premier is saying, I'm assuming,

that all seniors in Saskatchewan are rich, and I appreciate your point of view. I don't agree with you.

But the simple question is this: do you agree that the seniors in this province should see a 3 per cent cut in their income when you have a political staff in your ministers' offices getting 15, 20, and as high as 61 per cent increases? Do you think that's fair that the seniors are being asked to take a 3 per cent cut across the board, all of the, because it's on the old age security? Do you agree that that cut is in order at this time?

HON. MR. DEVINE: — Mr. Speaker, the member knows that it depends on the rate of inflation and what the rate of inflation will be. As I said, if it's a 1 per cent rate of inflation, or if inflation is very low, then there's no impact whatsoever. What I'm in favour of is reform so that indeed lower income people can get a benefit, which we've designed in our reform package, and we stop rebating the very, very wealthy.

Now the members opposite don't agree with that. You say that you want to continue to rebate the rich, and you did it for years; rebate people who have a lot of money — you want more and more money to go to them. I disagree with that we should provide more and more income to low income people. So, Mr. Speaker, I'm all for reform. If it's fair, I'm glad to see it take place.

Travel by Government Aides

HON. MR. DEVINE: — Mr. Speaker, while I'm on my feet, I took notice of a question or two, and perhaps I could respond to them.

This is a question that was asked, I believe, by the member from Quill and also the member from Shaunavon . . .

AN HON. MEMBER: — Quill Lakes.

HON. MR. DEVINE: — Quill Lakes — there you go — with respect to a trip made by Mr. Tkachuk, and the answer is as following.

Yes, Mr. Tkachuk made a trip. He travelled from Regina. He left Regina on December 4th at 10:05. He stopped in Toronto, caught a connecting flight to Ottawa, and he arrived in Ottawa at 4:05. That evening, Mr. Tkachuk met with Bill McKnight, the federal Minister of Labour, and the sitting member from Kindersley-Lloydminster. There were also a number of senior staff members from the ministries of Labour, Transportation, Energy, and others in attendance.

The following morning Mr. Tkachuk met with Mr. Fred Doucette, special adviser to the Prime Minister of Canada, and in the Prime Minister's office to discuss arrangements for the first ministers' conference and other important pieces of information relating to trade and lobbying with respect to the budget.

Mr. Tkachuk then met with Mr. Len Gustafson, Member of Parliament for Assiniboia, and parliamentary secretary to the Prime Minister. They discussed the elimination of capital gains tax to farmers. Mr. Gustafson agreed to take the Government of Saskatchewan's position directly to the Prime Minister.

The next day, Mr. Speaker, Mr. Tkachuk left Ottawa for Washington, that evening. Mr. Tkachuk, met with Mr. John Zagame, former New York Assembly man, presently employed by Deputy White House Liaison. Mr. Tkachuk and Mr. Zagame met and discussed the possibility of future meetings between the Government of Saskatchewan and officials on the matters of importance with respect to the Government of Saskatchewan and the United States, particularly with respect to trade.

Mr. Tkachuk was travelling as a representative of the Government of Saskatchewan at government expense. Mr. Tkachuk was accompanied to Ottawa and Washington by Mr. Sean Quinlan, a member of the staff of Executive Council. The total cost of the airfare, accommodation, and meals for the trip from Regina to Ottawa, to Washington, Toronto, and return, was \$4,328, Canadian funds.

By combining the trip to Ottawa and Washington, they saved the taxpayer a cost of a separate trip to Washington. For a separate trip, airfare alone would have cost somewhere in the area of \$700 apiece.

Mr. Ron Larson does not, in fact, work for Executive Council, Mr. Speaker. He's employed by the Public Service Commission of Saskatchewan. Mr. Larson attended various meetings in both Ottawa and Washington.

Mr. Quinlan accompanied Mr. Tkachuk, attended meetings both with and separate from Mr. Tkachuk, in both Ottawa and Washington. Mr. Quinlan met with officials of the Prime Minister's office to discuss the first ministers' conference which was held in February of this year.

The second question with respect to Mr. Tkachuk was, in fact, did he go to London, and who did he see?

Mr. Speaker, the meetings in London included the following people that Mr. Tkachuk met: Mr. Adam Ridley, Special Advisor, Chancellor of the Exchequer; Mr. Michael Portillo, M.P.; Mr. Tony Carlisle of the Dewe Rogerson firm; Cary Martin of the Dewe Rogerson firm, an advertising firm; Mr. James Hudson, Dorland Advertising; and Malcolm Argent, British Telecom.

And they were discussing the possibilities, Mr. Speaker, with respect to future possibilities of power bond issues and public participation, and I'm happy to say, Mr. Speaker, in the weeks ahead there will be a new power bond issue in the province of Saskatchewan.

SOME HON. MEMBERS: Hear, Hear!

Impact of Federal Budget

MR. THOMPSON: — Thank you, Mr. Speaker. A supplementary to the Premier, and continuing on with the questioning of my colleague from Shaunavon. The Premier should know that the senior citizens organizations, like Senior Citizens' "Action Now," here in Saskatchewan, are demanding an immediate return to full inflation protection for old age security payments. I ask the Premier: will he be joining with senior citizens in demanding that the Mulroney budget be changed to provide full inflation protection for old age security payments?

HON. MR. DEVINE: — Mr. Speaker, we will be examining the impact of the federal budget on all aspects of the province of Saskatchewan, and I'll be taking a good look at the impact of the indexing. I will be setting it myself so that I'll have a good idea of what it means, and what it may mean under different conditions, particularly as a result of the impact of inflation, and as it impacts on the rate of the protection for seniors.

MR. THOMPSON: — New question, Mr. Speaker, to the Premier. A number of senior citizens' groups have been studying the impact of the Mulroney budget on the seniors. They have found the following: as a result of de-indexing the old age security payments, a single person over 65 who receives a guaranteed income supplement will lose \$100 in 1986; \$205 in 1987; \$312 in 1988; and \$423 in 1989; \$537 in 1990 — even if inflation remains at today's levels . . . (inaudible interjection) . . . Well just figure it out.

Mr. Speaker, that's a total loss of \$1,577 for Saskatchewan seniors over the next five years as a

result of de-indexing. Do you say that's fair, Mr. Premier, and do you support that kind of a loss in income for seniors?

HON. MR. DEVINE: — Mr. Speaker, as I said, it depends on the rate of inflation when you're trying to calculate any negative impact. If it's a low rate of inflation, there's no negative impact, or marginal negative impact. So, I mean, if there's a very, very large rate of inflation, I believe if the indexing system kicks into gear, anything in excess of 3 per cent. If it's below 3 per cent, there's no impact, or little impact at all. So it depends on the rate of inflation.

Departure of Former Chairman of Saskatchewan Workers' Compensation Board

HON. MR. BLAKENEY: — Mr. Speaker, I direct some questions to the Minister of Labour, and they are questions similar to the ones to the ones to which the Premier took notice a moment ago. But I think we can save some time in the House and perhaps some detailed answers by the Premier if I direct then to the minister.

Mr. Minister, the question deals with the admission last evening that the former chairman of the Saskatchewan Workers' Compensation board, one Peter Grady, is under investigation by the RCMP. And you will recall that last July you appointed Mr. Grady as the chairman of the workers' compensation board for a five-year term at a salary of, I believe, \$68,000 a year. Now he's gone without explanation and you tell us he's under RCMP investigation.

Can you advise us, Mr. Minister, whether Mr. Grady was fired, or did he resign voluntarily, and on what date did his departure take place?

HON. MR. MCLAREN: — Well, Mr. Speaker, as I mentioned last night, that Mr. Grady's resignation was asked for by myself and received, basically on the fact that at that point in time we were not pleased with the way he was carrying out his duties as chairman of the compensation board.

Subsequent to that, the board decided that there were some items that should be looked into, and the matter was turned over through various legal channels to the RCMP, and that investigation is going on at the present time. And that's about all I can advise the member opposite.

HON. MR. BLAKENEY: — Supplementary, Mr. Speaker. Can the minister advise us whether the matters which are under investigation deal with activities only while Mr. Grady was chairman of the workers' compensation board, or also cover the period when he was your deputy, sir?

HON. MR. MCLAREN: — Mr. Speaker, I'm not going to comment any more on the situation. The member well knows, being a lawyer, that this is now in the justice and the legal system and it is being looked at through the investigation by the RCMP. Eventually some decision will come forward, whether the matters that we were concerned about were actually true or not, and we'll wait for that.

HON. MR. BLAKENEY: — Mr. Speaker, I direct a new question to the Minister of Labour and this deals with the departure of Mr. Peter Grady and whether or not he received severance pay when he departed. You have assured us that he is under investigation, and on that grounds, you decline to answer certain questions about his activities.

Will you advise us whether or not he was paid severance pay when he left his position as chairman of the workers' compensation board?

HON. MR. MCLAREN: — Mr. Chairman, I'm going to respond to that pending the final report of that investigation. I'm not going to be . . . (inaudible interjection) . . . How do you know it isn't all part of the exercise? We will let you know that in time, when the time comes. But at the present

time, there's an investigation going on and maybe Mr. Grady is innocent. We don't know. That's the reason that it was given to the RCMP here in the first place by the workers' compensation board. And I'll await that report.

HON. MR. BLAKENEY: — Supplementary, Mr. Minister. I am not now inquiring into whether or not Mr. Grady is guilty of any dereliction of duty at all. I am asking you whether when he left the employ of the workers' compensation board, he was paid severance pay? And this has nothing to do, surely, with whether or not he is guilty of any dereliction of duty. I ask you again, sir, did you pay Mr. Grady any severance pay when he left the board?

HON. MR. MCLAREN: — Well, Mr. Chairman, I'll say again that I'll let you know in due course on that whole situation. I'm not going to comment any more on it until I have that report.

HON. MR. BLAKENEY: — Mr. Speaker, supplementary. Could you advise us then what possible relationship any severance pay that Mr. Grady may have received, any relationship that may have to any investigation which may be going on concerning Mr. Grady's activities? Just tell us how they're connected in any way.

HON. MR. MCLAREN: — Mr. Speaker, at this point in time I don't know if it would or wouldn't. We'll wait and see. All I'm saying is that I took the responsible action necessary. We heard of problems that I did not feel were proper in his duties as far as the board is concerned. I did the same as any manager would do and asked for his resignation. I got the resignation. It's been turned over the legal system to work out severance and whatever's necessary, plus the RCMP investigation, and that is going on. And I shall not comment any more on severance or whatever. You will know in due course.

HON. MR. BLAKENEY: — Supplementary, Mr. Speaker. I obviously misunderstood your first answer. I understood you to say that you had asked Mr. Grady for his resignation because of certain inadequacies in his performance as chairman, and that later you found out about activities which you wished to have investigated. Surely you made the decision with respect to any severance pay at the time you asked him for his resignation, and not later. And what I ask you is: at the time that you asked him for his resignation, did you offer him any severance pay?

HON. MR. MCLAREN: — Mr. Chairman, that part of the exercise was turned over to the lawyers to look at, and that's where it stands.

Lay-offs at PCS Lanigan

MR. KOSKIE: — Thank you, Mr. Speaker. I'd like to direct a question to the minister in charge and responsible for the potash corporation. It deals with what I conceive to be misleading information which you have been providing to the Assembly about the permanent dismissal of 70 workers at PCS at Lanigan.

First you claimed, when I asked you, you claimed that all 70 were temporary construction workers who had been working at the Lanigan expansion, and the records will show. And then when the news media interviewed some of the miners, yesterday you claimed that these were 70 extra positions which had existed at Lanigan during the work on the expansion, and that some of the miners were losing their jobs because they were getting bumped on the seniority list of construction workers.

I ask the minister: is the minister not aware that the workers, the miners and the construction workers, are in totally different unions completely, and all these permanent dismissals really involve miners within the miners' union?

HON. MR. SCHOENHALS: — Mr. Speaker, the designation that the union applies to the people who have worked on the shaft construction, in fact some of the people in the mill, is

underground development. Anyone involved in underground development is in that element of the union. They all received their temporary lay-off notices. The union was informed that there would be some permanent lay-offs. The union will then draw up the list based on their seniority criteria on who, in fact, in that underground development group will be in the permanent lay-off. Those will be discussed with PCS management. It's my understanding that as of yesterday that had not taken place, and consequently I think the information I provided was not misleading in any way.

MR. KOSKIE: — Mr. Speaker, Mr. Minister, I have a statement here which, I think, sets out the real reason for the permanent dismissal of 70 potash miners and maintenance workers. It's an official notice from the general manager of the potash corporation at Lanigan to the workers, dated May 29th, and it reads in part, Mr. Speaker:

Under existing and projected market conditions, the continuous, four-shift operation of this division can no longer be justified, and we are planning to revert to a full, three-shift operation as soon as practical. We are currently identifying manpower requirements for a three-shift operation, and these will be communicated once they are more accurately determined. At this time we are looking at a permanent reduction of approximately 70 hourly personnel.

Mr. Minister, this is the reason why the lay-off. Will you now admit that these people are not construction workers, that their jobs are not temporary positions by nature, but they are the victims of the government's massive cutback in the work force?

HON. MR. SCHOENHALS: — No, Mr. Speaker, that is not true. The decision to go to a three-shift is still in process. There has been no details on when that will be implemented.

As the member is fully aware, the old phase 1 at Lanigan produced approximately a million tonnes annually. The new one will produce two. Consequently it's not necessary to run the four shifts. We have a larger mine, producing more product, and they'll use a three-shift operation. Most of the people who are currently employed in that will continue to be employed.

The reason for the reduction is primarily because the construction, primarily the shaft construction, is ahead of schedule. The union has been informed. They are in the process, I would assume, of determining which people will be the ones that are involved in that permanent lay-off situation, and that will be communicated to management people at the proper time.

INTRODUCTION OF BILLS

Bill No. 96 — An Act to amend The Agrologists Act

HON. MR. MCLEOD: — Mr. Speaker, on behalf of the hon. Minister of Agriculture, I move first reading of a Bill to amend The Agrologists Act.

Motion agreed to and, by leave of the Assembly, the Bill referred to the Standing Committee on Non-Controversial Bills.

Bill No. 97 — An Act to amend The Critical Wildlife Habitat Protection Act (No. 2)

HON. MR. MAXWELL: — Mr. Speaker, I would move first reading of a Bill to amend The Critical Wildlife Habitat Protection Act (No. 2).

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

POINT OF ORDER

MR. LINGENFELTER: — Mr. Speaker, on a point of order, and I would ask you to check this matter out and see whether or not the Minister of Labour in answering questions during question period was giving a reasonable argument in not answering questions when we have a situation where the matter is under police investigation — not before the courts, but under police investigation. I make that point clear.

In *Beauchesne's Rules* of order, page 118, section 335, it clearly states that:

Members are expected to refrain from discussing matters that are before the courts or tribunals which are courts of record.

And then on page 119 under section 339, it very clearly states:

However, the Speaker should remain the final arbiter in the matter but should exercise his discretion only in exceptional cases. (It goes on to say:) In doubtful cases he should rule in favour of debate and against the convention.

Now in the question period it was clear to me that the minister was implying that he could not debate the point because there was a police investigation. Clearly *Beauchesne's* says that: if it's before the courts, not if there's a police investigation.

As I understand this matter, it is not before the courts, and the minister is required to give answers to the matter, and I would like you to check that out.

HON. MR. BERNTSON: — There can be no doubt, Mr. Speaker, that the Speaker is, in fact, the final arbiter as it relates to procedure in the House, and the rules that apply to the procedure in the House. There could also be no doubt that the Speaker can't force, not should he force, any minister to answer any question that comes from any source. That's at the discretion of the minister and always has been. It's the tradition of the parliamentary system, and it will never be anything else.

I would go along with the hon. member from Shaunavon and invite the Speaker to bring back a ruling on the point raised. And I'm sure that in his wisdom, in his benign wisdom, the Speaker will agree with this position I've just set forth.

MR. SPEAKER: — I will review the record and bring back a ruling.

MOTIONS

Referral of Disposal of Certain Public Documents to Standing Committee on Communication

HON. MR. MCLEOD: — Mr. Speaker, I would move, seconded by my colleague, the member from Souris-Cannington:

That the recommendation of the public documents committee under The Archives Act respecting the disposal of certain public documents and tabled as sessional paper 155 be referred to the Standing Committee on Communication.

Motion agreed to.

MOTION UNDER RULE 16

Tax Increases in Provincial and Federal Budgets

MR. YEW: — Thank you, Mr. Speaker. Mr. Speaker, at the end of my remarks I will be moving a

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motion which will express regret at the fact that Saskatchewan people have suffered a double whammy as a result of the April 10th provincial budget and also the May 23rd federal budget.

Both of these budgets contain large unfair tax increases for the ordinary people of our province. Both of these budgets have been introduced by Conservative governments who gained power promising tax cuts and new opportunities. Both of these budgets, Mr. Speaker, represent a breach of faith with the voters of Saskatchewan.

Let me begin by reviewing the impact of the April 10th Devine government's budget on the people of Saskatchewan. Of course, this was the biggest tax increase budget in Saskatchewan history, Mr. Speaker.

Mr. Speaker, three years ago the PC Party gained power in Saskatchewan, promising to cut everyone's income taxes by 10 per cent. But the April budget increases income taxes instead, Mr. Speaker.

Starting in July, you'll pay a new 1 per cent flat tax on your net income. This new tax hits low- and middle-income taxpayers — particularly families — hardest, while leaving untouched those who can afford tax shelters like MURBs, frontier drilling funds, and film and video investments.

It makes an already unfair taxation system even more unfair, Mr. Speaker. The new flat tax will take nearly \$8 million a year out of people's pockets. The finance minister calls that tax reform. I call it a tax increase, plain and simple.

Three years ago the PC Party gained power in Saskatchewan, promising to eliminate the provincial sales tax. Instead, the new budget extends the sales tax to include the sale of used vehicles like cars, trucks, and motor cycles. That increase will take \$7 million a year out of peoples' pockets.

Again, Mr. Speaker, three years ago the PC Party gained power because it promised to deliver all its campaign commitments without slashing existing programs and services.

Instead, the budget wipes out property tax rebates for Saskatchewan farmers, small businesses, home owners, renters, and many senior citizens. Home owners now lose \$230 a year; small businesses lose 250 a year; renters lose 150 a year; farmers lose 375 a year, plus an average of \$300 a year more lost with the elimination of the home quarter education tax rebate. All of these losses occur this year, Mr. Speaker. Beginning next year all senior citizens will lose up to \$510 a year in property tax rebates, while only a few will qualify for a new tax credit.

The finance minister calls this budget the most intelligent budget ever introduced in Canada. I can assure the minister that's not what they're calling this budget in northern Saskatchewan. In fact, Mr. Speaker, in fact Saskatchewan voters, and Northerners especially, feel betrayed by the April budget.

This budget contains the biggest tax increase in Saskatchewan history, and the biggest flip-flop in Saskatchewan history, as a government which captured power promising to cut taxes now proposes to pick the pockets of taxpayers for hundreds of millions of dollars more per year. This government has no mandate to raise taxes, and it should call an election now to let the people decide just how intelligent its tax hike really is.

Mr. Speaker, three years ago the PC party gained power in Saskatchewan, promising to stand up for our interests in Ottawa. But when the Mulroney budget came down a few days ago, a budget which will hit Saskatchewan people particularly hard, what did our Premier do? Mr. Speaker, he endorsed it. He said it was great news for Saskatchewan.

Mr. Speaker, do you find it great news that this September, just in the time for harvest, the price

of gasoline and diesel fuel will jump by 9 cents per gallon, or 2 cents per litre? That's in the Mulroney budget, Mr. Speaker.

Do you find it great news that the 10 per cent federal sales tax will soon apply to a number of consumer products which used to be exempt? Everything from soft drinks to concentrated fruit juices, chewing gum to soap, from candy bars to bandages, from shampoos to health foods — that's in the Mulroney budget, Mr. Speaker.

Do you find it great news that families with gross income over \$40,000 a year will be slapped with a 5 per cent surtax beginning this July? That's in the Mulroney budget, Mr. Speaker.

The Mulroney budget also eliminates and cuts full protection against inflation for family allowances, old age pensions, and the personal income tax systems.

It promises \$50 million in cuts for agricultural programs, billions of dollars in cuts for medicare and post-secondary education, and an across-the-board increase in the federal sales tax rate which will drive up the price of almost everything we buy, Mr. Speaker. That's what the Premier called a good news budget for Saskatchewan people. So much for the promise to stand up for Saskatchewan interests in Ottawa.

When you look at the total impact of these two Tory budgets on Saskatchewan people, Mr. Speaker, we find that they will take nearly 1,000 a year out of the pockets of the average urban family and nearly \$1,800 a year from the average farm family. That's cold hard cash out of the people's pockets, Mr. Speaker.

If the Saskatchewan economy is going to make a solid, long-term recovery, we need to restore consumer confidence. How does taking money out of people's pockets restore consumer confidence? While people are upset with the fact that the Devine and Mulroney budgets will take cold hard cash out of their pockets, they are even more upset by the double standard approach in both Tory budgets. While both demand more from families and farmers and young people and senior citizens, both give more to the oil companies and fail to demand a fair share from large corporations and wealthy individuals.

(14:45)

For example, Mr. Speaker, the Devine government will continue its huge tax breaks and other giveaways to the large oil and potash companies which are costing Saskatchewan taxpayers more than \$300 million a year. And the Mulroney budget puts into place the new federal-provincial energy agreement which will see oil companies pay nearly \$2 billion a year less in taxes. It's not fair, Mr. Speaker. Is it fair that Saskatchewan people pay more, and the big oil companies and the wealthy pay less?

My constituents, Mr. Speaker, are saying it's not fair, and they are saying the PC government in Regina has no mandate to proceed with the huge tax increases in the April 10th provincial budget.

Further, they are telling me that the PC government in Regina has betrayed the interest of Saskatchewan people by supporting the Mulroney budget and its unfair tax hikes for families, farmers, small businesses, small-business people, young people, and seniors. My constituents are saying that both these budgets place an unfair burden on Saskatchewan people, and that the Devine government has no mandate to implement or support either one.

Mr. Speaker, because the Devine government has already brought much pain and suffering to the people of northern Saskatchewan, and because the federal and provincial budgets will inflict even more pain and suffering on people throughout the province, I move, second by the member for Shaunavon:

That this Assembly regrets that the taxpayers of Saskatchewan have been hit doubly hard by the large, unfair tax increases in the recent federal and provincial budgets and urges the Government of Saskatchewan to reverse the damaging tax increases in its budget, and to call on the federal government to reverse the unfair federal tax increases being proposed.

I so move, Mr. Speaker.

MR. LINGENFELTER: — Mr. Speaker, I appreciate the opportunity to become involved in the debate on Rule 16, moved by the member for Cumberland, which basically talks about the massive tax increases that we are seeing in Saskatchewan at the present time.

Mr. Speaker, I'm sure that all members of this Assembly are very much aware now that the so-called tax reform that was much touted by the Minister of Finance, as he travelled around the province previous to the budget being introduced, and Mr. Wilson, who took the opportunity to travel across Canada, and the Prime Minister of Canada, who talked about tax reform, means only one thing.

The tax reform, when talked about Progressive Conservative governments, whether federally or provincially, means only one thing, and that's massive tax increases for middle- and low-income people. We look at the areas in the province, Mr. Speaker, where this tax increase is taking place. We find, of course, that it is not the loopholes for the rich that are being plugged. The MURBs are still well in place; if you're investing money in Canadian films, you can still write that off. But if you're a senior citizen, the age exemption, for example, is not a deduction before the flat tax is applied for income tax on senior citizens.

Mr. Speaker, I say again that the words "tax reform" that we hear so often now by Conservative governments, both here and in the United States, basically means only one thing. We have heard it from the chamber of commerce, who have stated at public meetings that they know what tax reform, when governments say those words, means. Senior citizens in Moose Jaw, yesterday when I addressed them, were well aware of what tax reform, by the Conservative government federally and provincially, means.

And I'm sure that across the province when the people hear the Finance Minister of Saskatchewan talks about tax reform in a conference to be held in Saskatoon some time in September on tax reform, they will know that the tax increases which we have had a glimpse of in this budget and in the federal budget mean only one thing, and that is tax increases — tax increases like a new flat tax of 1 per cent on all income over \$10,000; tax increases on used automobiles, with the 5 per cent provincial sales tax this government promised to remove if they were elected in 1982; the extension of that sales tax to used automobiles, which I say will affect mostly middle and low income families in the province; and as well the increase in property taxes by the removal of the property improvement grant.

And the government has already started to rewrite the budget. And we have seen it in the area of property improvement grant for senior citizens, where they have decided to not reintroduce the property improvement grant for a long term, but to put it back on for one year to try to get them through the next election. And basically this is what the seniors are saying at their "Action Now" convention in Moose Jaw, that this is merely a ploy by the Devine government to see them through the next election.

But I want to say to you, Mr. Speaker, and to the members of this Assembly and the people of the province, is that who would believe this government when they talk about tax reform and talk about cutting taxes in the next election? This is the same government and the same political party that in 1982 promised to cut the income tax by 10 per cent, and promised to remove the provincial sales tax across the board, and promised to reduce the price of gasoline so that people

could afford it because the taxes were too high.

And in every one of those areas we have seen, at both the provincial and federal level, Conservative governments who promised to cut taxes, increase the sales tax at the federal level from 10 to 11 per cent on January 1st, at the provincial level the 5 per cent sales tax not reduced or, as promised, eliminated, but extended to used automobiles, farm trucks, cars, trailers. They are now included — the used ones — in the provincial sales tax of 5 per cent. And as well in the property tax, which we know will increase drastically as a result of the property improvement and the home quarter tax being placed back on the home quarter, and the property improvement grant being lost to property and home owners.

Mr. Speaker, I would put the proposal forward that when this government goes to the people of the province and makes promises about tax reform, and how they are going to reduce the taxes of Saskatchewan people, that they will get a very, very poor reception from the people of the province, and I would challenge them to test this theory of tax reform at the earliest possible date, both in Regina North East, as well as with a general election in the province of Saskatchewan.

SOME HON. MEMBERS: Hear, Hear!

MR. LINGENFELTER: — But the one thing is, the one thing is, Mr. Speaker, is we know this government will not call an election now because they are afraid to, because the polls show them trailing, and trailing for the first time since the 1982 election. And that's why they're fearful — one, of a by-election in Regina North-East, and, secondly, afraid and fearful of a general election because they know their great group of very intelligent and able members would be reduced, and reduced significantly. Because the people of the province, very clearly, Mr. Speaker, are simply fed up, fed up with a government that has broken promise after promise after promise, even down to the important promise that they made to senior citizens to give them free telephones.

Now this may not be a big thing to members opposite who run up telephone bills of 10 or \$12,000 in telephone expenses at taxpayers' expense. That may mean nothing to them because they don't pay for their telephone bills. But when they talk about sacred trusts and the promises that they made in the last election campaign and then deliver none of them, I challenge them to go to the people of the province at the earliest opportunity.

For the farming community, Mr. Speaker, the tax increases, the tax increases are a devastation on top of the crop failures and the now frost which we have seen last night . . . farmers who are now being called on to reseed many of their crops, particularly in Mr. Speaker's own riding of Rosetown, I think was one of the most severely hit in the province. This government, as always, has no response. There's no announcement. They will have a ministerial statement some time later if the political pressure grows to the extent that there is a program needed for farmers to reseed their crops.

We saw it on the program for helping farmers, — or not helping farmers but helping the railways, I may put it — helping the railways to spray their right of ways, but nothing for farmers. No program to help the farmers spray for grasshoppers or to reseed the land that has been devastated by the infestation, the likes that we haven't seen since 1931.

What have we seen from this government and the government in Ottawa? Mr. Speaker, tax increase after tax increase, under the veil or the announcement of tax reform. And I want to say that the 10 per cent, the 10 per cent sales tax that has been extended to a number of goods that people have to buy in this province at the federal level, is just one of many that we have seen put in place by the federal government.

And the area of gasoline and farm fuel and the tax on diesel fuel has been increased by 9 cents a

gallon, effective September 1st, which wipes out any benefit which was given to the farmers than any tax decrease that this government brought in in 1982.

So I say to you that while on the one hand they are calling on for middle and low income people to pay more taxes, that is not true of those at the upper end of the income scale because we have seen in the last three years, oil companies, banks, and railways announce, every year, record profits.

And I'm not arguing with those companies taking tax reductions. Obviously if you're a company, your responsibility is to your shareholders, and you would like to have more profits. That's obvious. But I say to this government they have a responsibility to their shareholders, and they are all voting people of this province and all the people of the province of Saskatchewan.

I want to say to this government, in particular to the Premier and to the cabinet, that to those shareholders you have let them down and should be changed when the electorate or the people who supported you in the last election have an opportunity to go to the polls and vote. I think that you will find that your responsibility has been neglect of the people, and at the next board meeting, the next general election, you will be defeated and defeated soundly.

Now, Mr. Speaker, when we talk about tax reform and double standards, I think the provincial government in Saskatchewan leads the way and is world class in talking about ways to increase taxes. When we talk about senior citizens and the effect of this budget on seniors, we have a number of areas of concern. Not only does the flat tax affect many seniors, as the member for Moose Jaw South will know . . .

MR. SPEAKER: — Order. It is my duty to inform the member his time has elapsed.

MR. HOPFNER: — Thank you, Mr. Speaker. I guess if I believed what the members opposite were saying, I believe I wouldn't enter into this debate. But I'd like to say that both members of the opposition have been speaking in regards to the fact that our government does not have a mandate.

I want to remind the members opposite that on some of the points that they've raised on the particular tax situation, such as the 5 per cent and 10 per cent E&H, or 5 per cent E&H and 10 per cent personal income, is that this government has never gone on record to say that, no, we're not going to do it.

Mr. Speaker, I want to indicate that this is still the mandate of the Progressive Conservative government: to lessen the taxes of the province of Saskatchewan and also to eliminate eventually the 5 per cent E&H tax in this province. And we've never said anything to the contrary.

I would like to remind, Mr. Deputy Speaker, I would like to remind the members opposite also that when we did take over as government we were misled. We were absolutely misled in this Assembly prior to the election. And we found that, Mr. Speaker, this big huge Heritage Fund that the NDP had at that particular time, we found was a fairly dry, dry barrel.

I would like to say, Mr. Deputy Speaker, that when I take a look back into 1982 and the optimism that I had as a newly elected member in the province of Saskatchewan, is I was really looking to be able to contribute in a lot quicker method to the fact — the tax reform within the province of Saskatchewan — and also to the reduction of many of these what I call nuisance taxes that have been imposed upon us by the previous administration.

(15:00)

I'd like to also indicate that when we talk of a mandate, we're talking of a mandate, Mr. Deputy

Speaker, a mandate of jobs, health, education. We're talking about covering all elements of the sector within the province of Saskatchewan. I would just like to indicate to you, Mr. Deputy Speaker, that the Premier of Saskatchewan is on record as being a supporter of the families in our tax system.

At the western premiers' conference held in Grande Prairie, Alberta, the Premier of Saskatchewan presented a policy paper called *Towards a Fairer Tax System*. This was a call for a national consensus. The Premier of Saskatchewan also convinced the premier of Alberta — Manitoba, their colleagues in Manitoba — and the British Columbia people to support the fairness in the tax system.

I would also like to say that if anybody's talking of a mandate, I would suggest that the NDP party are still fairly well confused. They lack in leadership, and they lack in a sense of direction. I would suggest that maybe what they should do is call a national party convention and get back on track and not go branching out from all directions from the main trunk of their particular party philosophical beliefs.

Keeping that in mind, I find it ridiculous that the opposition would introduce such a motion criticizing the Progressive Conservative government for being unfair. Mr. Deputy Speaker, I have before me a Canada Press article headline which I'd like to bring to your attention: "21,519 Got Around Federal Income Taxes." The article is from the Saskatoon *Star-Phoenix* of March 7, 1985. It says:

Twenty-one thousand, five hundred and nineteen people with incomes over 30,000 did not pay any tax in 1982.

No wonder the average Canadian does not think the tax system is fair. That is exactly why the Premier of Saskatchewan, Grant Devine, is fighting for tax reform. I note that the respected economist, Diane Cohen, in her syndicated column wrote that Saskatchewan sets a pace for national-wide tax reform. Indeed, Mr. Deputy Speaker, Saskatchewan is recognized as being a leader in tax reform. The Progressive Conservative government of Saskatchewan recognizes that need for such a reform.

All governments everywhere in Canada face a new reality: that the tax system is not fair. It's absolutely discriminatory. People of Saskatchewan, many people that I speak to in my riding, have told me that they do not see it as a fair system. It does not meet the expectations of the average Canadian citizen, so naturally this government has shown that leadership and initiative to bring about tax reform.

Tax reform is an essential ingredient in the economic renewal of Canada. Canada's tax system has been a cause of national disunity, and that, Mr. Deputy Speaker, is something we all, as governments right across this nation, have got to work hard to bring that unity back together so that we can work together as Canadians and support the basic, strong-willed programs that the individuals across this country need. This tax system has to be counter-productive.

Mr. Deputy Speaker, when the 1985 provincial budget was put before this Assembly, I was proud of that leadership shown by our finance minister in his quest for tax reform. In theory, that tax system was supposed to work in a manner that every taxpayer paid his or her fair share. We know that has not been the case. The fact is that many high income individuals pay less taxes than taxpayers with significantly less income. We all know that is not fair. We are all familiar with the statistics of high income earners who pay not one penny in taxes. That is not fair. In fact, after lower levels of income, the percentage of tax filers that escape all income taxes rises with the income. That is hardly fair.

Related to this is the fact that the taxation system is very complex. Few people really claim to understand the tax system. This causes anxiety and frustration with taxpayers. The vast majority

of people here in Saskatchewan and all over Canada want fairness. They are willing to pay their fair share as long as the next person does also. And that is why the Saskatchewan government is promoting the reform concept.

We have taken the first step towards an overall restructuring and eventual implementation of a reform tax system. What kind of tax reform is Saskatchewan aiming for, you may ask? Well, Mr. Deputy Speaker, Saskatchewan and the Progressive Conservative government of this province will support a tax system that is simple to understand; that is fair to the people in all income groups, and maintains the incentive to work, to save, and to invest; that provides a stable revenue source for public programs; and also that ensures that no person escapes paying his or her fair share.

I seriously wonder how in the world any member of the opposition could be opposed to that. How could the opposition be against the fairness in taxation put forth . . .

MR. DEPUTY SPEAKER: — Order. The member's time has elapsed.

HON. MR. BLAKENEY: — Mr. Deputy Speaker, I want to address a few words in this debate, and I want to follow up on what the member for Cut Knife-Lloydminster has said. And I want to say very simply that a fair tax system is not brought about by going on record as being in favour of fairness. It's not brought about by promoting concepts or by setting out high-sounding principles. A fair tax system is brought about by governments which have the courage to bring in budgets which levy fair taxes. And that's what this debate is all about. We're not quarrelling with high-sounding principles. We're quarrelling with the Devine government and its budgets, and the Mulroney government and its budgets. That's where our quarrel is.

Mr. Deputy Speaker, the Devine government's budget brought in the biggest tax increases in the history of Saskatchewan and what is more, Mr. Deputy Speaker, the most unfair tax increases in the history of Saskatchewan.

And then the Mulroney government has brought in its own unfair tax increases. The Devine government has tried to pretend that this is part of some new broad concept, and we had it again from the member from Cut Knife-Lloydminster. It's part of a system of fairness.

Well, I want to talk about some of the principles he talked about. He said that a tax system should make the tax simple . . . make the tax system more simple. He said that the system should be more fair and more equitable, and he said it should raise more revenue. And I want to take those one by one, Mr. Deputy Speaker, one by one.

Let's turn first to the question of making the tax system simpler. And we have the Devine government's budget of April 10, and did it make the tax system simpler? That's a pretty easy question to ask, and a pretty easy question to answer. Before that budget, we had one income tax system; now we've got two income tax systems — all in the interests of simplicity. Is this supposed to make this system simpler? It does not. It makes it more complicated.

It brings in, Mr. Deputy Speaker — let me give you one example — it brings in a tax credit for senior citizens rather than the tax rebate. This very simple procedure — simple procedure — is explained in 25 paragraphs of The Income Tax Act which is before the House now. A nice simple change, set out very simply in 25 paragraphs of legal jargon. So much for simplicity.

Now let's turn to the other question of fairness. Do we believe that this budget of April 10, or the Mulroney government's budget of last month, increases the fairness of the tax system? I think it does not.

We have got a new sales tax on second-hand vehicles. We have got another tax on second-hand vehicles, and it is argued by members opposite that it's fair; it's fair to lower the tax

on new vehicles and raise the tax on second-hand vehicles, because apparently they believe that the poor generally buy new vehicles, and the not so poor generally buy used vehicles.

Well that's not my perception of life. My perception is that, by and large, people with money buy new cars, and people without money buy old cars. And when you lower the tax on new cars, and you raise it on old cars, you are hitting the poor and letting the rich off the hook. And that's what this budget does.

Now let me, Mr. Deputy Speaker, talk a little about property tax rebates. We have here a budget which takes away property tax rebates; takes away \$230 for the caretaker of the apartment block, and \$230 for the man who owns the apartment block. It is a tax change which hits the poorest. Nobody can deny that. Nobody can deny that when you take away a tax rebate of \$230, which goes to a person with an income of \$20,000, and a person with an income of \$120,000, you are taking away far more from the person with an income of \$20,000. That's what this budget did; that budget is unfair.

We had the Mulroney budget which took away the indexing of pensions from senior citizens, some of the people who are at the lowest end of the economic ladder. There is no question, Mr. Deputy Speaker, about those budgets being unfair.

Now let me talk about this flat tax for a moment. Here is a tax which allows as a deduction before it's calculated, as my colleague from Shaunavon has said, every tax dodge you can think of — MURBs, multiple unit residential buildings, frontier tax drilling arrangements. It allows you, if you can get a shelter for films and videos, you can take that off. But you certainly can't take off any deductions for your church. You can't take off any special allowances you may have because you're in a wheelchair.

The member for Kindersley doesn't think that would be unfair — to allow deductions for people who are making contributions to their church or who have special health problems. But he thinks it's perfectly fair to allow people to deduct who have MURBs or frontier drilling credits. That's what the flat tax does. It is an unfair tax, and no one can argue otherwise. And I venture to think no one will argue otherwise.

(15:15)

Now, Mr. Speaker, I want to turn to the next question. Will the proposals bring in more money? Will the proposals of Mulroney and Devine bring in more money — the Prime Minister and this government? And the answer, Mr. Deputy Speaker, is a resounding yes. There will be a great deal more money brought in — not, Mr. Deputy Speaker, from oil companies. Not, Mr. Deputy Speaker, from oil companies.

Their arguments are refuted by their very publications. The annual report of the Saskatchewan Department of Energy and Mines at pages 4, 25, and 8, show that the oil companies in this year, ending in March of 1984, got 35 per cent more and paid taxes of less than 2 per cent more. And these are their figures, not mine.

And that is represented as fair taxation. I don't think it's fair taxation. I don't think it's fair to allow oil companies to pay a pittance in their increased taxes — pittance in increased taxes — on their very much increased revenues, and have senior citizens lose their benefits, have home owners, farmers, and small-business people lose their property tax rebates.

But, Mr. Deputy Speaker, I will allow the Devine budget to speak for itself. It says we will get an extra \$350 million, over five years, to be raised from ordinary people. It says we're going to get \$100 million a year that ordinary people are going to lose in property tax rebates. That's what it says, and it's right. It says they're going to take \$35 million a year over five years — \$35 million over five years more in taxes on second-hand vehicles.

And what is it doing with all this money? What's it doing with all this money? And after all, it's increased spending 37 per cent since it came to office. Well, it has a huge cabinet. It has the biggest advertising budget so far; indeed, double anything we've ever seen. We've got foreign trips; we've got political advisers getting 61 per cent increases in salary in less than two years. There's no question where the money is going, and there's no question where it's coming from. It's coming from ordinary people — coming from ordinary taxpayers, not from the resource companies. The member opposite says, what other kind of people are they? Well I think that Imperial Oil and Gulf and Shell are very extraordinary, very extraordinary, since they get incomes in the millions and are not asked to pay anything into the coffers, whereas ordinary people are being asked to pay very large amounts into the coffers.

So I say, Mr. Deputy Speaker, in the test of fairness this government's budget of April 10th fails. It fails, Mr. Deputy Speaker, in the test of fairness. It fails in the test of simplicity. It succeeds in the test of raising more money and almost all of that from ordinary people.

MR. DEPUTY SPEAKER: — Order! The member's time has elapsed.

MR. GLAUSER: — Thank you, Mr. Deputy Speaker. Well, it's very interesting that the Leader of the Opposition should talk about the tax on vehicles. Here we have in this province the Leader of the Opposition for the first time has a government car, doesn't pay tax on his vehicle, and he's talking about . . . (inaudible interjection) . . . Well, who do these people think they are fooling when they say that our government and the federal government are taking the dollars out of the taxpayers' pocket?

Now the NDP are naturally upset with the capital gains exemptions in the recent federal Progressive Conservative budget. This exemption is completely at odds with their philosophy.

When people opposite were in power, their goal was to have all the farm land in the province owned by the government. The resolutions brought up at their conventions reflect that. In 1980 the NDP resolved that the Saskatchewan government place all land, 75 per cent on all land, 75 per cent capital gains prorated to the 1980 market value. Now just think of the 1980 market value. How did that get there? That got there as a result of the inflated prices through the land bank operations.

Also in 1980 they resolved that the land bank activity pursue the acquisitions of large land holdings. So away we go again. In 1983 the NDP convention resolved that, as NDP policy, that an inheritance tax be introduced that would discourage the acceleration towards larger and corporate farms from one generation to the next.

From 1984 the task force had a resolution as follows: a provincial land agency based on land tenure should be established to open up agriculture to a greater number. Limits on farm size should be introduced by the creative use of the tax system. That's how you get your tax under the NDP.

The 1984 socialist or NDP convention:

Be it resolved that: taking into consideration of farm land, Saskatchewan shall determine an optimum size of farm, and land shall be taxed on the system which increases as the amount of land increases with the amount of optimum size.

And that is a back door way of getting at the people's pocket of Saskatchewan.

The NDP opposition to the tax measures goes to the very heart of their philosophy, particularly the capital gains exemption. The people opposite believe the state should own all property, which would mean that there would not be any need for capital gains. From the resolutions just

mentioned, they would tax the landowner out of existence and destroy Saskatchewan's heritage and the family farm.

The NDP opposition to capital gains tax exemption does not stop at the farmers. Instead of the capital gains exemptions brought down by the Progressive Conservative government, Brian Mulroney, the NDP would take a different approach for small-business men.

In 1981 the NDP party convention resolved that the Government of Saskatchewan act to control land speculation in Regina and Saskatoon by nationalizing the land in down town and guaranteeing long-term leases to all present occupants of that land. And I must remind the people of Saskatoon that the south end of the 2nd Avenue area would be owned from 19th Street down to, and including, the river bank if those people were in power today.

Finally, the NDP do not want the average citizen to be in a position to take advantage of capital gains exemptions . . . (inaudible interjection) . . . I'm getting to that ordinary Canadians yet, too.

In their 1983 convention the NDP reaffirmed its position to the Charter of Rights and Freedoms and the entrenchment of property rights in the charter. And the NDP now vow to fight any attempt to amend the Charter of Rights and Freedoms to include property rights in the charter.

Simply, the NDP does not want the average person in Saskatchewan to own property in the province, and to oppose any tax measures such as the capital gains tax exemption which would encourage the ownership of land and other property. I don't know how you're going to own property if you don't have a capital gains exemption. The goal of the NDP, and socialists like them the world over, is to have state control of all property. No wonder the comrades opposite are upset with the new tax structure.

Why we have that tax exemption — immediate assistance to the Saskatchewan farmer and business men to enable them to enjoy comfortable retirement and at the same time pass on the farm or business to others; to maintain the family farm from generation to generation; to further protect our Saskatchewan heritage; to encourage such others as wage-earners to invest in capital property, knowing that the gain they hoped for will be exempt from capital gains taxes up to 500,000 in their lifetime; to help get the economy rolling faster through investment and jobs that investment creates.

The people who benefit most from the capital gains exemption are not the wealthy — rather the ordinary Canadians; the union worker, the farmer, and the small-business man. Just remember, everyone in this House, what the NDP stands for when it comes to capital assets.

The member from Shaunavon talked about people, about governments taking money from people's pockets — talked about us not living up to our promises. Let me remind you, the member from Shaunavon, the 13.25 per cent interest that saved a lot of homes in the province of Saskatchewan; the 8 per cent interest to farmers, and since you were being one of the more wealthier ones, you didn't require that, of course; the sales tax removed on gasoline, power bills, children's clothes, and other items — we never promised that we would take the 5 per cent off immediately, we said we would reduce it — the nine and five-eighths interest for small business; and the setting up of PURC, and the freezing of interest rates.

So they continually ask us: what are we doing; how are we lobbying Ottawa to change things? Well you heard in question period here today the capital gains tax removed; the freight-rate reduction; the lower Farm Credit Corporation interest rates — lower Farm Credit Corporation interest rates, and you don't like that, don't you, Freddy, the member from Athabasca; new energy agreement to rebuild the West; and farm fuel rebate at a price reduction.

I just want to cover briefly what the federal budget amounted to in so far as the capital gains tax is . . . And this is real tax reform, and that is what this provincial government did, too, in its flat tax.

This is a tax reform. You people don't understand it. It's going to take you a while to get used to it. Anyway, the federal budget made provision for a lifetime exemption of 500,000 for capital gains. And I'd just like to run through that so that people will understand just exactly what it amounts to.

Since 50 per cent of capital gains are normally taxed, the exemption will effectively remove tax on 250,000 of capital gains. This capital gains exemption will be phased in over the next several years except for farmers, and that is immediate. And the phase-in is as follows: in 1985, \$10,000; in 1986, 25,000; in 1987, 50,000; and 1988, 100,000. And so on it goes, up to 250,000 by 1990. And as I said, the farmers will realize on this immediately. And this capital gains exemption applies to all property except stock dividends and employee stock options.

Well, rather than criticizing the federal and provincial governments, I think their resolution . . .

MR. DEPUTY SPEAKER: — Order. The member's time has elapsed.

MR. KOSKIE: — Thank you, Mr. Deputy Speaker. Mr. Deputy Speaker, I think at a time when this province is faced with the largest tax increase in the history of this province, and on top of that we have the federal Tory budget duplicating what has been done here in Saskatchewan — a massive attack on ordinary Saskatchewan and Canadians across the width and breadth of this province. Saskatchewan, as I said, was treated with the most massive tax increase that we have ever witnessed. If you take a look — and before I get into detailing with the nature of the size of that increase in the millions of dollars that is put onto the backs of the taxpayers of this province, I want to clarify and indicate to you, Mr. Deputy Speaker, that this is a massive breach of faith by this Devine government.

(15:30)

They go around hedging now saying, we didn't in fact promise to remove the 5 per cent sales tax. Well, it's kind of funny because you can pick up all of their advertising material. You can look it up and read it. I have one here which says, "Re-elect Bob Andrew of Kindersley." And it says, "A new PC government commitment to complete elimination of the sales tax in its first term of office." That's the promise. That is the commitment.

I want to give you just another example — another member from Regina, Mr. Tim Embury. It's entitled, Progressive Conservative Blueprint for Economic Common Sense." He said, "Reduce the E&H tax by 1 per cent per year until it's eliminated." Slightly different, but 1 per cent per year until it's eliminated.

And not only that, they told the people of this province, when they went to get elected, "We will remove the sales tax." You know what the amount of money they promised to remove removing the sales tax? Three hundred to \$50 million a year they promised to remove.

But more than that, they promised, to get elected, they promised the people of this province, reduce the provincial income tax across the board by 10 per cent. So let's take a look at the record. Let's take a look at the honesty of the government opposite to determine whether or not the people of this province can again trust such a breach of faith by any group of people that this province has ever witnessed.

Let's take a look at the actions of this government on the ordinary farmers and small-business men and people and seniors that built this province. We had a property improvement grant that was introduced in the late 60s. And I want to say, Mr. Deputy Speaker, the property improvement grant gave to the people throughout this province \$80 million annually — \$80 million into the pockets of the taxpayers, a rebate.

And I say to you, the farmer . . . the farmer has been most seriously hit, and most seriously hit

during a time of economic problems, because what the Devine government tax increase has done to the farmer has taken away \$375 on the property improvement grant. They have taken away another \$300 in respect to the education rebate on the home quarter that they only put in last year. And it imposes new flat tax on the average, about \$200 every farmer will pay, and if he buys any second-hand vehicle he'll pay any amount from 300 up.

We estimate that just affecting the farmers alone, that every farmer through this tax massive increase will lose \$1,000 — \$1,000 affected — affecting every farmer in this province. And do you know what? You know what they say; that these Tories go around and they say, oh, we are helping the little fellow. We are bringing in a new tax, a tax reform they call it to help the little guy.

Well I just happened to take a look at a husband and wife with two children earning \$15,000. Do you know what they paid in income tax under the New Democratic Party in government? One hundred and seven dollars provincially. Do you know what they paid under this new intelligent budget? Two hundred and fifty seven dollars to a family earning \$15,000. So the property improvement tax removal has extracted \$80 million from every town and farmer, farming community throughout Saskatchewan.

And do you know what they did then? They came along and they said, well, we'll have a new tax; innovative; a flat tax; and they imposed here on people of Saskatchewan from 75 to \$80 million annually in a flat tax — massive. But they didn't stop there. They put on a sales tax on used vehicles, and they're going to pick up \$7 million annually. And then what they said, well, let's not stop yet because we need more taxes. We've got to tax those poor guys out there to keep our ship going, our extravagance, our waste in advertising. So they threw on a tobacco tax, and they got \$9 million. Then they threw on some more liquor tax, and got some more dollars.

Well I want to say, Mr. Speaker, that the people of Saskatchewan are not only disappointed, they are disgusted with this government. They have, in fact, brought in a total massive increase of about \$200 million annually in taxation. And do you know what? They have shoved tax increases at every individual throughout the province, and do you suppose they might have been cutting down on the amount of the massiveness of the deficit?

In 11 years under the New Democratic Party we had 11 balanced budgets. In three years, in three years, the deficit of the Tory government, accumulated deficit, is \$1.245 billion. In three years every man, woman, and child owes \$1,245 because of the rotten administration of this government.

And I want to say they had a promise to the small-business men of, oh, they were going to give them during the election nine and five-eighths interest loans. Well they waited until the interest rate dropped to almost 9 per cent — ten per cent it is now — and they said, well, we'll give you your promise of nine and five-eighths. So it cost then three-eighths of a per cent.

But you can take a look. Not only here in Saskatchewan are we having massive increases on the people who have built this province; the same is happening across the nation. And I want to emphasize that here in Saskatchewan ordinary people that built this province are paying more. But nothing from the oil companies. Oh, no. The oil companies, I want to tell you, are reaping the resources of this province and are being paid to do it.

In the last year of our office \$1.2 billion was the value of oil produced, and the revenue to the people of the province was \$700 million. Today the value of the oil in dollars produced is \$2.4 billion. And do you know how much we get to build schools and roads and give us a good medicare system that we built? Do you how much they get when the amount of the value of production of oil has doubled from 1.2 billion to 2.4? We now get 655 million — less than what we got with half the amount of the value of production.

And they say they're equitable. They have given these boys — the multinational corporations — a holiday; a taxation holiday. And the rest of the people . . .

MR. SPEAKER: — Order, please. The member for Rosthern.

MR. KATZMAN: — I'm glad to join in this debate, Mr. Speaker. Traditionally, it is the duty of the official opposition in any legislature assembly to put forward new ideas to the government. I believe, from what we've heard today on this motion, that great parliamentarians like Tommy Douglas and John Diefenbaker would be very disappointed with this opposition.

But before I go into it, I'm wondering why they didn't comment about some of the recommendations that they want. Let's look at their policy conventions in the past. Let's talk about what resolutions they should talk about. Let's talk about new creative tax systems and changes in the system.

What do the NDP want if you check the resolutions of their party? They want to encourage more militant labour, more strikes, government land bank, 40 cent increase in gasoline taxes. And Mr. Speaker, on that note let me remind you that on the eve of the Conservative government becoming the Government of Saskatchewan, we removed \$135 million worth of taxes off the citizens of Saskatchewan on the gas tax.

They want to close all the uranium mines in northern Saskatchewan, which they spent over \$600 million of money from Saskatchewan people, plus debts that they have accrued. They want to spoil Saskatchewan's reputation, for what purpose but to nationalize industries, as they did in 1975 with Bill 1 and 2, when they never told anybody in their election promise that they were going to nationalize the potash industry.

And there's one other thing that they passed in their resolutions at their meetings. They want Morgentaler clinics in every neighbourhood. That's the way they think, Mr. Speaker, and that's some of the resolutions passed at their meetings.

Mr. Speaker, tax reform is what they are opposed to. The only kind of tax they want is when they can be in control of you totally. Look at the socialist doctrine that's come around for years and years where they wanted to nationalize the land and control you totally.

They are against the input of additional money to health. They are against the additional input of money into education. They are against the input of additional money into labour forces and jobs, and that was amplified in Saskatoon the other day when their people suggested, at the meeting of the Saskatoon Arena, not to get forth with the job but to take years and years of studying rather than talking about jobs which we need in Saskatchewan.

They are against agriculture, Mr. Speaker, because they believe the only way to run agriculture is if they own all the land. An opposition, Mr. Speaker, is supposed to put forward new ideas, constructive ideas, not negativism as they always like to do.

Mr. Speaker, Saskatchewan's record . . . Let's look at Saskatchewan's record and what has happened in Saskatchewan since the government has changed. We've got record . . . the best job creation in 1982, '83, and '84, and again this year. Record population. For the first time Saskatchewan, instead of exporting our young people, they are coming home to work here and make jobs here. Record health care expenditures; record potash marketing; record oil production — and I think some of the members on the other side know about oil production or salt holes, I'm not sure; record numbers of farms, towns receiving natural gas. I suppose they're opposed to that.

Now let's talk about nursing homes: over 1,000 new beds to be constructed in Saskatchewan. What government put a freeze on nursing home beds? It was the NDP government in 1977 that

put a freeze on; a moratorium. Record new technical schools; record increases in financial benefits to seniors — as much as a 50 per cent increase. That's right, Mr. Speaker, a 50 per cent increase to seniors, when they had frozen it and would do nothing for many years.

Let's talk about records. Let's talk about new ideas. The opposition is bankrupt of new ideas, and therefore all they can do is criticize.

Reduction in government regulations — over 1,000 regulations gone since we've taken office; record number of young farmers using the 8 per cent money to buy land — over 5,000 new farmers.

Now let's talk about the thirteen and a quarter per cent mortgage — a new idea promised by our government, a new idea that kept people in their homes, protected them against ravishing inflation. When they were government, what did they do? They passed a little hocus-pocus Bill, but they didn't put any money where their mouth is. We did it, Mr. Speaker, and that's why we're a progressive new government, and that's why we're looking for changes in the tax system.

The biggest tax revenue of railroads, banks, and big businesses, we've collected; tax credits for Saskatchewan while provinces like Manitoba are doing the reverse; record number of people in Saskatchewan working in Saskatchewan. And the Conference Board of Canada says that Saskatchewan will be the place to be in the years to come with everything the way it's going.

(15:45)

You know, Mr. Speaker, we've heard the opposition talk about all the different things. You know, it's interesting in opposition, Mr. Speaker, you should be credible. When you ask for something, or demand something, you should be prepared to do it; not as they have been, both when they were in opposition prior to '71 and while they were government from '71 to '82. Take a look at the record; it speaks for themselves.

Let's take a look at one record only. Let's take a look at the gas tax for farmers on fuel. Every time there came an election, on came that 7 cents to at maximum of \$300 rebate, and a year or two later they took it off. And then came another election and they put it back on again. That's the way they talk about things, Mr. Speaker. They talk about . . . You know, the people in Canada and Saskatchewan want a new tax system. They want it to be simple to understand and fair to all people in all income groups, maintain an incentive to work and to save and to invest, provide a standard revenue source for financial necessity to the public programs, and to ensure that no one escapes paying his fair share.

Mr. Speaker, that is an important line — ensure that no one escapes paying his fair share. And the Leader of the Opposition talked earlier about some of the ways some people don't pay their fair share. We won't argue that one item and suggest that if we could have put it where it belonged, the 1 per cent, they would have been caught too.

Mr. Speaker, families with modest incomes will receive changes as indicated by the Wilson budget. Especially, the child tax credit planned for the low-middle income families will be increased in three steps. In the 1986 taxation year the child tax credit will increase by \$70 per child from 387 to 454. The credit will be increased a further \$35 per year in 1987 and 1988. Family allowances will remain universal. That's what we said, and that's what is happening.

As a government, Mr. Speaker, we've removed the tax, if they want to talk about it, on child's clothing. We've removed the tax on utility bills. We've removed the tax on some of the inputs that farmers have.

Mr. Speaker, it's interesting to note that the members of the opposition, as I said when I started my speech, want to talk about negativisms rather than positives. They have become an

opposition bankrupt of ideas, not prepared to put motions forward in this House with new creative ideas as was done by the Minister of Finance, trying to change the system so that everybody pays their fair share, including a five-year program for more education, health care, job creation, and agricultural benefits. The four pillars of Saskatchewan — health, education, employment, and agriculture.

More nursing homes are planned, and now communities can work towards a nursing home that they know will be coming in 1985, '86, '87, and '88. There's been a plan put forward so they know what's happening . . . and 1989. They can start planning for the future, not as it was always done by the opposition when they were government. They kept everything behind and made all kinds of . . .

MR. SPEAKER: — Order please. It is my duty to inform the member his time has elapsed.

MR. BIRKBECK: — Yes, thank you, Mr. Speaker. I hadn't intended originally to get into the debate, but it became so interesting that I just thought I must move into it.

I'm always, Mr. Speaker, fascinated by the opposition, by the NDP in opposition, in how they can get up and talk on the one hand about how terrible it is to see any kinds of taxes at all. And the members use words like "massive tax increases," — those kinds of things; "perpetrated on those poor people." They'll refer to seniors. And they bandy the words like "ordinary Canadian" around. And they try to set out all these kinds of scare tactics on the people. And that's been a practice, Mr. Speaker, of the NDP in opposition for years.

We can all recall the medicare scare that they tried to perpetrate on the people of this province. And that argument's gone now, it's gone for ever. And they need to be reminded of that.

The Minister of Health has worked an agreement with the Saskatchewan Medical Association, and there has been a ban now placed on extra billing. Now it's pretty interesting that in 11 years of NDP administration they were not able to come about with a proposal that would bring about a ban to extra billing. They couldn't do that. An NDP government was incapable of extra billing. But we were able to do that, Mr. Speaker.

So, Mr. Speaker, I am rather amused by their arguments. And you know they get a little upset when I throw out a few of these arguments. But be that as it may, if you want to talk about taxation, I'll come right quickly to taxation. Ga ahead and take Manitoba. NDP Manitoba has put seven tax increases on the backs of their residents — seven tax increases. And the NDP in Manitoba have twice the deficit that we have here in Saskatchewan — twice the deficit.

Now if you just consider that the NDP took office in a Manitoba, they replaced a Conservative government. Here in Saskatchewan it's quite the reverse. The Conservatives came in and replaced an NDP government, Mr. Speaker.

Now what was the difference? Well our credit rating here in Saskatchewan went up a point. And over in NDP Manitoba . . . Yes, the credit rating since we became government has gone up a point in this province — and it's gone down 2 points. And Mr. Speaker, do you deny . . . (inaudible interjection) . . . No, I'll just ask you to check this out. Will you deny, then, that NDP Manitoba has lost 2 percentage points? All right. Well, that's what we're talking about is their credit rating.

So what it tells you is that the NDP in Manitoba obviously aren't as good at managing their financial affairs as we are here in Saskatchewan. So you can talk all you like. I thought the member for Rosthern raised a good point when he was speaking when he talked about the \$600 million that the NDP spent in uranium development, and turn around and their own NDP convention at the resolution decides that that wasn't a very good investment, you know; just \$600 million down the tube and you changed your mind on that, you know; shut all the mines down.

AN HON. MEMBER: — Erase 600 million.

MR. BIRKBECK: — That's right. Erase that 600 million right out. Just set that away on the back burner. Don't worry about that.

AN HON. MEMBER: — Throw it away.

MR. BIRKBECK: — Exactly. So then carry on with continual scares against the senior citizens. You know, I think that, Mr. Speaker, doesn't bode very well for any political party — trying to scare the senior citizens.

You know, I was over at a meeting last night in Moose Jaw, and I was speaking to a meeting of seniors there. And they had had the leader of the Liberal party there, scaring the dickens out of the seniors, and then they had the member for Shaunavon there, as if they weren't already scared enough. By the time he left, why, they didn't know just how much longer they had to go. I mean, he really had them scared, Mr. Speaker, and I really don't think that's fair.

So I spent until 11 o'clock there with them last night, and I know that . . . I'm just confident that today they're all very happy because I spent three hours with them, and I told them the truth, and I undid all of the wrong that had been perpetrated on those poor people by the Liberals and the NDP.

So, Mr. Speaker, all I'm trying to say here is that the NDP in . . .

MR. SPEAKER: — Order please. It is my duty to inform the members that the allotted time has elapsed.

PUBLIC BILLS AND ORDERS

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion of Mrs. Caswell that Bill No. 53 — **An Act respecting Freedom of Informed Choice concerning Abortions in Saskatchewan** be now read a second time.

MR. YOUNG: — Yes, Mr. Speaker, thank you.

Mr. Speaker, we're at the second reading stage of Bill No. 53, which is consideration of the broad principles of Bill 53, The Freedom of Informed Choice (Abortions) Act.

I'd like to state now, to the House that I am in support of the broad principle of this Bill and will be voting in favour of it when we get to that point in the House. I do not understand, Mr. Speaker, how anyone could be against information or against informed choice.

Informed choice is difficult, I guess, to reach totally. I suppose if everyone had a four-year degree in medicine, that would be ideal. However, it's not practical. And accordingly this legislation deems that a certain level of minimum information is informed choice. And certainly that's all that can practically be done to inform the people of this province prior to the surgical procedure of an abortion.

And certainly I think we are all better off making any decisions with the most amount of information available to us. And accordingly, I cannot see how someone could be . . . (inaudible interjection) . . . an informed choice on anything, let alone something as important as the death of an unborn child.

I would think, Mr. Speaker, that if a mother would have had informed choice in the past, that there would have been a lot fewer abortions in Canada and in Saskatchewan, and possibly we would have more crying in the galleries than what we have if this had been passed in the many years of the NDP, when they had the opportunity and were in control of the legislature of this province.

But certainly that was not to be. The NDP, for the most part, party-wise, are in favour of abortions. They're in favour of Morgentaler clinics as per the resolutions. I had the occasion to walk up the steps of the legislature a week ago tomorrow, on Wednesday morning, with the member from Regina Centre, and he certainly made it abundantly clear that he was not in favour of the Pro-Choice position, that he was not in favour of Bill 53, and that he was pro-choice. And I think after I'm finished speaking, Mr. Speaker, we may have the pleasure of hearing from the Leader of the Opposition to see if he agrees with his party on the Morgentaler clinics, and on Bill 53, or whether or not he is going to attempt to . . .

(16:00)

MR. SPEAKER: — Order please. Order.

MR. YOUNG: — Mr. Speaker, this Bill provides that the woman cannot have an abortion placed upon her. Only with her consent can an abortion be conducted. Now certainly some may argue, Mr. Speaker, that that was the law in this province prior to Bill 53, but certainly, if nothing else, the Bill certainly clarifies that point.

Certainly, Mr. Speaker, as one would imagine in a Bill such as this, it provides that the identity of the woman would remain confidential, and certainly that is another good point in this Bill. I would suggest, Mr. Speaker, that the Criminal Code attempted years ago to make abortion illegal, and, as in the case of a lot of criminal legislation, it had to provide for exceptions where necessary.

In the case of the life or health of the mother, the Parliament of Canada saw fit to make abortion under those circumstances not illegal. Certainly this is a not unlike other laws in the Criminal Code — if one is allowed to kill another human being, if they are acting in self-defence, and thus there's no murder involved.

But I would suggest, Mr. Speaker, that what has happened throughout the years is that the courts, particularly, have allowed the Criminal Code to become something that it possibly was not intended to be. And certainly the World Health definition of life or health of the mother has resulted in the unfortunate situation where abortions can be, in a lot of circumstances, conducted where the life or health of the mother is, in the opinion of many people, not really in danger; but the wider sense of the word "health" — she would be upset or something to that effect — has been allowed to be used as a definition of health and has created something that I feel was not intended by the Parliament of Canada when they passed the section of the Criminal Code dealing with abortions.

Certainly, Mr. Speaker, the most unknown portion of Canadian law ever, I think, is upon us now, which is the constitutional question. No one really knows what is, or is not, constitutional. Just recently the Lord's Day Act was deemed to be unconstitutional by our Supreme Court of Canada.

Certainly, I would suggest to yourself and all members of this House, that it is not upon a legislature to decide in any fashion what is or is not constitutional. In our country we have always had government in the wide sense of the term, to be composed of the Crown, which is the cabinet and the Premier and the people who run the government; the legislature, which is all members of the legislature who pass law; and the third head of government is the judiciary, and

they, of course, are there to enforce and interpret the law. And far be it for them to involve themselves in law making, and far be it for us as legislators to involve ourselves in the determination as to whether or not something is unconstitutional. Certainly that has to be left to the courts.

And accordingly, any suggestion by some folks, as there may have been, that this may or may not be unconstitutional, could certainly be said about our farm ownership Act. Maybe we don't have the right to suggest that people from Alberta are not entitled to own property in Saskatchewan. Possibly our Homesteads Act is unconstitutional. Possibly a lot of our law is unconstitutional. But again, it's up to the courts to tell us that the portion of our Liquor Act that says we can't drink alcohol on Sundays is unconstitutional. It's not our decision to make, and we shouldn't be delving into it.

Certainly I am going to be very interested, Mr. Speaker, in hearing from the Leader of the Opposition. I have certainly heard from the member for Regina Centre. I think, Mr. Speaker, that the position of our Premier and the position of most members of our government is very clear.

My position has always been very clear. The member from Westmount's position has been very clear. Lots of people have been very clear, including our Premier. But who hasn't been clear, Mr. Speaker, is that fellow over there, the Leader of the Opposition.

I don't know where he's coming from on Morgentaler clinics. I don't know where he's coming from on Bill 53. He has did a wonderful act since he came to this province from Nova Scotia of sitting on the fence on the question of abortion. And maybe, just maybe, today when I sit down we'll have an opportunity to hear from him and hear what the leader of their party . . . Does he differ with his party? Does he differ with his party resolutions? Does he differ with the member from Regina Centre, who certainly would not support this Bill, and certainly is not exactly what you would call a pro-lifer?

I'm going to sit down, Mr. Speaker, and I ask the Leader of the Opposition stand up and have a few words on this Bill. He's certainly not obligated to. But he's here and I would very much like to see him say a few words. Thank you.

SOME HON. MEMBERS: Hear, Hear!

MR. SCHMIDT: — Mr. Speaker, in my opinion no reasoned decision can be made without information. For that reason I will be voting in favour of this private members' Bill on second reading.

It's also my opinion that the proposed Bill contains constitutional and drafting defects so serious that without amendment I cannot support the Bill in its present form. If these amendments are not proposed by other members, I will make these amendments myself. In particular, the provisions requiring the consent of the husband are contrary to the . . .

MR. SPEAKER: — Order, please. The member is dealing with the overall context of the Bill and is not allowed to get into clause by clause decisions at this time. If he wants to discuss those in committee of the whole, that would be handled at that time.

MR. SCHMIDT: —Thank you, Mr. Speaker. To continue, the nature of the Bill as it now stands lacks objectivity in so far as it pertains to the provision of abortion information.

As I've indicated earlier, I believe that a pregnant woman should receive accurate abortion information. And if this Bill does do that, if it gives objective and comprehensive information, then I can support it. Some people say this Bill is an anti-abortion Bill. It is not. It is an information Bill. In my view, it will guarantee that women will receive facts upon which they can decide whether or not they should have abortions.

The general issue as to whether this country should or should not allow abortions is not the topic of today's debate. It is an issue which goes to the very roots of moral values, religion, freedom, and democracy. Neither the pro- or anti-abortion groups fully understand the conflict between religious freedom and democratic rule which this question poses. I will leave that debate for another day. It may be possible that a referendum will be needed to settle this issue at some time.

In any event, this Bill presently before the Assembly, in my opinion, deals only with information, and I will be voting for it on second reading.

SOME HON. MEMBERS: Hear, Hear!

MR. GERICH: — Mr. Speaker, I'm proud to speak in support of Bill 53, An Act respecting Freedom of Information Choice concerning Abortions in Saskatchewan.

It takes courage to introduce any such Bill in the legislature, and I want to point out that the member from Saskatoon Westmount has that kind of moral courage.

His Holiness, Pope John Paul 11 and President Ronald Reagan also have the moral courage to defend the sanctity of life. In the spring of 1981 both the Pope and the President were shot at and seriously wounded by assassins' bullets and they both came close to death. In each case, both of these leaders strengthened their convictions for the fight for the sanctity of life.

Mr. Speaker, we live in a very troubled and turbulent world. We all know too well that this is not a perfect world, and we also realize, or at least we should realize, that those in public life had a sacred trust to defend the family and to defend those traditional values that have made us a great nation. To do anything less would be an abdication of our moral responsibility that includes defending the unborn.

Mr. Speaker, we know all abortion falls under the Criminal Code of Canada, and that doesn't mean that provincial legislatures cannot do anything to stem the holocaust of abortions. And this is what Bill 53 is about.

Mr. Speaker, perhaps too often politicians get too wrapped up in constitution, economic, and energy matters, and fail to address the many moral questions that face society today, and this issue is abortion.

Mr. Speaker, the statistics of the slaughter of the unborn in Canada is becoming alarming, and both levels of government, in the manner that has become too all commonplace in our country, each blame the other for the increase when, in fact, they're probably equally to blame.

As you know, the Trudeau government some years ago opened the door to abortion, and now it's become, for all intents and purposes, abortion on demand. Mr. Speaker, Bill 53 would put an end to these type of practices. And that is why today I urge every member of this Legislative Assembly to support Bill 53.

Statistics demonstrate beyond question that increases in abortion are from the group of people who use abortion as a birth control mechanism. I'm told it is not uncommon for some young people to have as many as three abortions in the space of one year. The same source advised that in most cases there is little or no counselling of the patient as to the harmful effects, or the risks involved in this procedure. As well, it is stated government policy not to inform patients about the fact that their child had to have an abortion, or even some of these children that are under the age of 16.

Mr. Speaker, I believe every woman contemplating an abortion should be told of the consequences. Allow me to quote Nancy Jo Mann, the president of the American organization

called *Women Exploited by Abortions*. This lady has had an abortion, and this is what she had to say in the newspaper, the *Washington Times*:

She had an abortion on October the 30th of 1974, and said, of that experience, she suffered from guilt, suicidal impulses, mourning regrets, loss of self-confidence, and a lowering of her self-esteem.

In short, this woman suffered after the abortion.

Mr. Speaker, it seems that morality must take a back seat in this country to convenience, and that the irresponsible use of the defence of an individual's right has reached the extreme.

It seems to me that the time has come to defend not so much human rights as human obligations. Well I'm sure that this position will leave me open for attack. I believe that it is high time for more people to inform themselves and speak out on the issue.

The alarming drift of our society to moral mediocrity must be addressed. Otherwise our society and civilization has one way to go, and that's down. Each and every member of this Assembly must vote on Bill 53 with their conscience, and each and every member of this Assembly must remember that when we became members of this Assembly we have taken a sacred oath. And today I believe, keeping this sacred oath, we must support Bill 53. It will send a message to all people all over Saskatchewan, indeed all over Canada and the United States, that we in the province of Saskatchewan believe in life and that we consider life to be precious.

Bill 53 will not put an end to abortions. It will, however, show that we in Saskatchewan put a priority on life. To do anything would be shirking our responsibility. And, Mr. Speaker, as a member of the Redberry constituency, I'm proud to support Bill 53, and I urge every member of the legislature to do the same.

SOME HON. MEMBERS: Hear, Hear!

HON. MR. MUIRHEAD: — Mr. Speaker, it is with pleasure for me to say a few words on Bill 53. I think people in this Assembly and throughout the province of Saskatchewan know where I stand when it comes to anything pertaining to abortion. They know that I believe in the sanctity of life, that I believe that once a person becomes pregnant, that this a very sincere thing with the person and they have to protect that life. I believe that if a person has an abortion, that it's very serious, that it's just as serious as doing harm to the child after it is born.

(16:15)

I believe this very sincerely, and I'm glad to see this here Bill come before this House, Bill 53. It is a real good start, Mr. Speaker, in doing something to save children's lives.

In 1982 there was approximately 1,900-and-some abortions in this province, and through education, Mr. Speaker, we have lowered this to approximately 1,600-and-some — through education, of teaching people, Mr. Speaker, of what the seriousness of abortion is, to teach young people how serious it is. And this is very, very important. And I think, Mr. Speaker, that we're on the right track here of having information for people so they understand what they're doing.

And I'd just like to at this time, Mr. Speaker, I understand that the opposition has wanted a cabinet minister to speak and endorse this Bill. And I would like, Mr. Speaker, to see the Leader of the Opposition rise and give his views on this situation because I understand at their own . . . Mr. Speaker, at the NDP convention in 1983 or 1984, they voted to endorse abortion, and the member, the Leader of the Opposition, very strongly spoke against it. Now I'd like him to — I challenge him to stand to his feet and see what he has to say on this most serious situation.

And it is with great pleasure, Mr. Speaker, that I will support Bill 53. I will support it, and I will vote for it, and I will be asking the member opposite if he will stand up and do the same thing as me.

MR. SPEAKER: — Order please. If any members wish to speak there will be plenty of opportune time for that speech. But when the member from Morse is recognized, give him the opportunity to speak.

MR. MARTENS: — Thank you, Mr. Chairman. I have through the years of my life in Saskatchewan, been accustomed to a lot of things that deal with life and life-giving functions. In my occupation . . . I'm a rancher, and I have dealt with a lot of the birth control factors that deal with the animal world, and I understand that to a large extent.

I would also say that I have, through the work that I've done, appreciated life. I've appreciated life as it relates to the plant material, animal material. I've appreciated life for the very fact that the existence of life is a very important function. I know that . . . I heard some chuckles from upstairs, and I would suggest to them and some to the members opposite that: how many times have you given artificial respiration to a new-born calf? And it has to do with life. It has to do with the promotion of the existence of life in this country. And I believe in that sort of thing.

I'd also like to say some other things about it that relate to the morality. I had a time when I looked at this and I said: is it right or wrong? And I watched a television program on CBC, and David Suzuki was on there. He mentioned that there were four functions as it relates to abortion: one is the psychological impact; one is the medical impact; one is the moral impact; and one is the spiritual, moral fibre of it, but also the legal impact of it.

I think, Mr. Speaker, because of these four areas, I believe that there has to be a certain sense of responsibility, not only by the people who provide morals in this province, and that would generally come from the clergy part of our society, but also from the legislative part of our society. I would also like to say that because of this, and because I have some other things that I would like to say later on, I move to adjourn debate.

Debate adjourned.

MR. SPEAKER: — Order. Order.

MOTIONS FOR RETURNS (Debatable)

HON. MR. ANDREW: — Mr. Speaker, I move that we stand all motions for returns (debatable) items 1 through 682.

MR. SPEAKER: — Motions 1 through 682, stand.

HON. MR. BLAKENEY: — Mr. Speaker, I want to question the procedure. I know it's informally done, but I think if members who are here — and I should think of the member for Pelly on 679 and 680 and 681 and 682 — if they wish to move their motions . . . I think we cannot have a motion from the House Leader asking that they stand, except by agreement, and we would like to move them.

HON. MR. BERNTSON: — Mr. Speaker, the Leader of the Opposition, of course, is absolutely right. And it was understood . . . I understand earlier that we wanted to proceed and get into estimates and things, but if you want to move these we have no objection at all, and please do.

Return No. 683

Mr. Lusney moved, seconded by Mr. Koskie, that an order of the Assembly do issue for return

no. 683 showing:

The number of kilometres of the Yellowhead Highway within Saskatchewan that were four-laned during the 1982-83 fiscal year.

Motion agreed to.

Return No. 684

Mr. Lusney moved, seconded by Mr. Koskie, that an order of the Assembly do issue for return no. 684 showing:

The number of kilometres of the Yellowhead Highway within Saskatchewan that were four-laned during the 1983-84 fiscal year.

Motion agreed to.

Return No. 685

Mr. Lusney moved, seconded by Mr. Thompson, that an order of the Assembly do issue for return no. 685 showing:

The number of kilometres of the Yellowhead Highway within Saskatchewan that were four-laned during the 1984-85 fiscal year.

Motion agreed to.

Return No. 686

Mr. Lusney moved, seconded by Mr. Lingenfelter, that an order of the Assembly do issue for return no. 686 showing:

The number of kilometres of the Yellowhead Highway within Saskatchewan that the government is committed for four-laning during the 1985-86 fiscal year.

Motion agree to.

PRIVATE BILLS

COMMITTEE OF THE WHOLE

Bill No. 01 — An Act to Incorporate The United Community Funds of Saskatoon Foundation

Clauses 1 to 23 inclusive agreed to.

The committee agreed to report the Bill.

(16:30)

Bill No. 03 — An Act to amend An Act to Incorporate The House of Jacob (Beth Yakov) of the City of Regina

Clauses 1 to 4 inclusive agreed to.

The committee agreed to report the Bill.

THIRD READINGS

Bill No. 01 — An Act to Incorporate The United Community Funds of Saskatoon Foundation

MR. GLAUSER: — Mr. Speaker, I move that Bill No. 01, An Act to Incorporate The United Community Funds of Saskatoon Foundation, be now read a third time and passed under its title.

Motion agreed to and Bill read a third time.

Bill No. 03 — An Act to amend An Act to Incorporate The House of Jacob (Beth Yakov) of the City of Regina

MR. RYBCHUK: — Mr. Speaker, with leave of the Assembly, I move that Bill No. 03, An Act to amend An Act to Incorporate The House of Jacob (Beth Yakov) of the City of Regina, be now read a third time and passed under its title.

Motion agreed to and Bill read a third time.

GOVERNMENT ORDERS

COMMITTEE OF THE WHOLE

Bill No. 82 — An Act respecting Credit Unions

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

HON. MR. SANDBERG: — Thank you, Mr. Chairman. To my right, Mr. Bill Reader, deputy minister; immediately behind him, Mr. Al Mulholland, the director of examination services branch; and to his left, Mr. Lloyd Warkentin, who is a consultant for the department, specializing in legislative matters.

Clause 1

MR. KOSKIE: — Thank you, Mr. Chairman. I just want to outline our position briefly in respect to the Bill, Mr. Minister. It's a very massive Bill. It covers all aspects affecting the credit unions.

I just want to indicate that we have . . . I know that a lot of meetings have taken place, a lot of consultation in respect to the development and the writing of the new Act. We have likewise had a close communication with the Credit Union central in respect to their satisfaction with the Act, and they have assured us that they have gone over it, that the member credit unions have had an opportunity to have input in respect to it.

And having that assurance from the Credit Union Central as late as today, reconfirmation that they are in agreement and satisfied in respect to the Act, it is our position that we can deal with this Bill in . . . well I think we can deal with it page by page, rather than going by section by section. And if there's any particular member in our caucus that has any questions, they will raise it.

This really comes under the purview of the member from Regina Centre. He is unfortunately not here. But in our discussion, as I say, we have the assurance that Credit Union Central is perfectly satisfied with the consultation that has taken place with the content on the Bill. And accordingly

we are prepared to deal with it on a page by page basis.

HON. MR. SANDBERG: — Yes. I appreciate the comments of the member for Quill Lakes. We do indeed have the full approval of the credit union system of the province of Saskatchewan for the way that this Bill has been brought about — with the co-operation of the government members, and also through the hard work and allegiance of the staff members of the Department of Co-operation and Co-operative Development.

As the member has alluded to, we had eight public hearings: in June of 1983, and a further five hearings were held in February of 1984, plus all of the other additional meetings and consultations that were held between myself and my department officials and members of the legislative review committee, of the credit union system, and the legislative review committee of the Government of Saskatchewan. So it has gone through all the hoops and it has won the full approval of the credit union system of the province of Saskatchewan.

I just want to read into the record a letter from the president of the credit union system of Saskatchewan. And he says in a letter dated May 24th:

Dear Mr. Sandberg: We have reviewed Bill 82, an Act respecting Credit Unions, and wish to indicate how pleased we are with the proposed legislation. This Act will provide Saskatchewan with the most progressive credit union legislation in Canada.

So as the letter indicates, the credit union system is fully satisfied with this Bill and it has their complete approval.

So with that I would hope that we can go through this Bill, which is 115 pages long, Mr. Chairman, page by page, or possibly section by section, whatever the members agree to.

HON. MR. BLAKENEY: — Mr. Chairman, and Mr. Minister, during second reading I raised just a minor point — perhaps not a minor point — but I asked that you might advise us in committee whether or not you had received advice on whether the Bill carried with it any constitutional dangers, that is whether or not it was believed that the Bill could be giving credit unions sufficiently broad powers to bring them under the money and banking provisions of the federal government's powers under section 91.

I don't know whether you've had an opportunity to deal with that. I suspect that if the Credit Union Central have given you a letter in the terms which you have read into the record of this House, they are satisfied. And I know that this is something which they have, at least in the past, been well aware of, and I would be prepared to accept that. If you had anything further to add, I'd be happy to hear it.

(16:45)

HON. MR. SANDBERG: — I am advised that we have had advice from our legal counsel and with consultation of the Credit Union Central people, the credit union system people, that they have no problems down the road with this Act as to being unconstitutional. They are perfectly happy with it as has been outlined in the letter.

MR. CHAIRMAN: — I would ask leave of the committee to deal with the Bill, part by part, as listed on the first four pages.

Leave granted.

Parts I to XXIII inclusive agreed to.

The committee agreed to report the Bill.

THIRD READINGS

Bill No. 82 — An Act Respecting Credit Unions

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

Motion agreed to and Bill read a third time.

COMMITTEE OF FINANCE

CONSOLIDATED FUND BUDGETARY EXPENDITURE

ENVIRONMENT

Ordinary Expenditure — Vote 9

Item 1

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

HON. MR. HARDY: — Thank you, Mr. Chairman. On my left here I have Peter van Es, deputy minister of environment. Behind me on my left I have Dave Clark, director of land protection. Directly behind me I have Bill Howard, assistant deputy minister. On my right over here, Rick Knoll, director of administration.

I have a few words I'm going to say which will take me about five minutes and keep it very short. The Department of Environment, as you know, is running very efficiently and so I won't have to say too much.

Saskatchewan is very fortunate to have many . . . not to have many environmental problems encountered by many other areas of this country, though we do have some problems unique to Saskatchewan. Because many problems don't exist here yet does not mean we can sit back and wait. We must start now to take preventive steps to avoid the problems developing.

I am pleased to say that Saskatchewan Environment has begun many initiatives in the past year which will continue into 1985 and '86 and has planned for new programs for this year. All these new initiatives will be undertaken with no increase in expenditures to the department.

The past year has been a positive one for Saskatchewan's environment. Last year I announced some initiatives to be undertaken by the department to take preventive measures to prevent problems before it happens, to certainly manage and protect our environment. I'm pleased to report today on the progress of some of these initiatives.

A clear mandate for the department was achieved through the proclamation of The Environmental Management and Protection Act, and the new Department of the Environment Act. This should have a very positive influence on the productivity of the department.

I announced last spring that seven regional offices would be established to provide advice and consultation to the Saskatchewan communities in the areas of drinking water quality and sewage treatment. Four of these offices have been operational since January of this year, and provisions are available in the '85-86 budget for the establishment of the remaining three.

Work has begun on the appointment and terms of reference on a site selection committee for hazardous waste treatment and disposal facilities in the province. I will be announcing more

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details of this in the near future. Department staff are also working extensively with industry in an effort to reduce the amount of hazardous waste generated in the province and to encourage further recycling.

Regulations governing water quality, controlling water pollution, have been drafted, and will be sent in the near future to representative client groups for their input. Regulations governing land fills have already received input from such groups as SUMA and SARM, and my officials have accommodated some of these comments in the regulations. These regulations should be enacted in the next few months.

The department prepared and circulated for public comment a draft, a set of regulations to control the uranium industry. At present time, control over the uranium industry takes place using regulations under The Environmental Management and Protection Act. It has been decided to include a re-drafting of the mineral and industry pollution prevention regulations in the uranium regulations so that all mining will come under one set of regulations. I feel that through this process, a public consultation, which my department is undertaking, we can more effectively manage our environment for the benefit of our future generations.

There was a number of new programs that were begun last year, and will continue into this year. Two months ago I announced a new analysis program which assists the provinces municipal water and sewage works in meeting the regulatory requirements involved in their operations. My department now provides many of the required chemical tests on drinking water and receiving waters.

A new program is being developed this year to address public concerns over the use, transportation, storage, treatment, and disposal of toxic chemicals and environmental contaminants. The program will also cover a wide range of environmental issues related to the uses and misuses of chemicals in Saskatchewan's environment, and the impacts of accidental releases or spills.

Events of recent weeks were focused on a good deal of attention on this issue and my department's spill response team. I'm pleased to relate to you that in order to increase the department's response capabilities, additional sampling and monitoring equipment was purchased. As well, three additional members for the team were trained to provide back-up to the program.

The pesticide container disposal program has enjoyed tremendous success in Saskatchewan. The program only began two years ago and now has 80 per cent of the rural municipalities participating. In 1984 approximately 500,000 containers were collected, doubling the number collected in '83. As well as last year, 96 barrels of residue was collected.

Funding has again been provided for Saskatchewan acid rain program. Although our province does not have an acid rain problem, we will continue to develop programs geared toward preventive measures.

As well, I am pleased to be a party to an agreement among the four western provinces of the basic principle of co-operative action towards the development of an acid rain strategy.

The department services to Saskatchewan communities regarding water . . . waste water facilities have been improved. I've already mentioned the regional offices and the free analysis program. In addition to these, better approval procedures, upgraded and expanded operator training programs, and up-to-date operating permits have been added to the positive consultative relationship between the department and its clients' group.

Mr. Chairman, we are in the foremost in many areas of environmental concerns and have put in place many necessary controls to protect our environment, and we will continue to do so.

The committee recessed until 7 p.m.