

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**December 3, 1986**

The Assembly met at 2 p.m.

**Clerk:** — I beg to inform the Assembly that I have received a communication from the Private Secretary to His Honour the Lieutenant Governor stating that His Honour will open the First Session of the Twenty-first Legislature at 2 o'clock p.m. today, the third day of December, 1986.

2:02

His Honour the Lieutenant Governor entered the Chamber and took his seat on the throne.

**Hon. Mr. Berntson:** I am commanded by His Honour the Lieutenant Governor stating that he does not see fit to declare the causes of the summoning of the present Legislature until later today, when the Legislative Assembly shall have elected a Speaker according to law.

2:04

His Honour then retired from the Chamber.

### **MOTIONS**

#### **Election of Speaker**

**Hon. Mr. Devine:** — I move, seconded by the member for Souris-Cannington:

That Arnold B. Tusa, Esquire, member for the constituency of Last Mountain-Touchwood, do take the Chair of this Assembly as Speaker.

Motion agreed to.

**Clerk:** — By direction of the Assembly, I declare that A. B. Tusa, Esquire, is duly elected as Speaker of this Assembly *nemine contradicente*.

**Mr. Speaker:** — Members of the Legislative Assembly, I beg to express my grateful thanks and humble acknowledge of the high honour the Assembly has been pleased to confer upon me, and while I leave the floor of this Assembly to take the Speaker's Chair, I feel that I also leave all political partisan feelings in order that I may discharge with impartiality to all and to the best of my ability the various and important duties pertaining to the high office of the Speaker of the Legislative Assembly of the Province of Saskatchewan.

2:09 p.m.

His Honour the Lieutenant Governor entered the Chamber and took his seat on the throne.

**Mr. Speaker:** — May it please your Honour:

The Legislative Assembly have elected me as their Speaker, although I am but little able to fulfil the important duties thus assigned to me. If in the performance of those duties I should at any time fall into error, I pray that the fault may be imputed to me and not to the Assembly, whose servant I am, and who, through me,

the better to enable them to discharge their duty to their Queen and country, humbly claim all their undoubted rights and privileges, especially that they may have freedom of speech in their debates, access to your person at all seasonable times, and that their proceedings may receive from you the most favourable consideration.

**Hon. Mr. Berntson:** — Mr. Speaker, I am commanded by His Honour the Lieutenant Governor to declare to you that he freely confides in the duty and attachment of the Assembly to Her Majesty's person and Government, and not doubting that their proceedings will be conducted with wisdom, temper and prudence, he grants, and upon all occasions will recognize and allow, their constitutional privileges.

I am commanded also to assure you that the Assembly shall have ready access to His Honour upon all seasonable occasions and their proceedings, as well as your words and actions, will constantly receive from him the most favourable construction.

His Honour the Lieutenant Government was then pleased to open the session with the following speech:

Mr. Speaker,

Members of the Legislature:

It is my privilege to welcome you to the First Session of the Twenty-first Legislature.

This Legislature opens at an important turning point in Saskatchewan's history.

The world economy is in transition. Traditional relationships between the prices of primary products and manufactured goods and the volume of production and employment are breaking down. International developments, both political and economic, are making themselves increasingly and more pervasively felt — despite national efforts to cushion their impact.

The province of Saskatchewan continues to face difficult economic conditions. World commodity prices remain in decline and continue to exercise a dampening effect on incomes and employment with the province. Protectionist measures recently adopted by foreign governments further endanger the jobs and incomes both of Saskatchewan producers and those who provide them with services.

My Government is not intimidated by the conditions it faces because it knows that the people of the province are not only accustomed to change, but have also consistently been able to find new opportunities as their circumstances altered. My Government remembers that Saskatchewan was founded and built in a period of global adjustment. It is confident that the traditions of openness, ingenuity and perseverance established by its pioneers will enable the province to exploit changes in the world economy.

It is in this spirit that my Government will continue and intensify its efforts to assist individuals, communities and

businesses to develop and diversify the provincial economy. At the same time it will continue to protect people from events beyond their control. In doing so, it will remember that the Saskatchewan economy is part of a larger international economy and it will order its activities to maintain and strengthen the province's international competitive position. My Government will also remember that it is only the custodian of the public's affairs and is therefore duty-bound to provide protection and create opportunity in as efficient and economic a manner as possible.

An impressive start has already been made on this forward- and outward-looking programme. During the last Legislature, my Government announced new value added projects in meat processing, paper manufacturing, electrical turbine manufacturing, oil and irrigation development. My Ministers introduced mortgage interest rate protection, government-sponsored contributory pensions for home-makers and small business employees, venture capital and other tax incentives to encourage people to invest in Saskatchewan's development, measures to ensure that all citizens contribute their fair share to financing the province's services, and proposals for a national agriculture strategy. My Government is gratified that others are now following its lead. It intends to build on the experience and knowledge it gained over the past four years to add to this records of achievement.

My Government intends to implement its programme in a spirit of co-operation and participation. Recent months have afforded my Ministers the opportunity to renew their special relationship with the public and to make themselves aware of the public's ideas and aspirations. My Ministers will continue this consultation process as new options are proposed and evaluated.

### **Saskatchewan and The World Economy**

Saskatchewan is a primary product economy, rich in forest products, grains, livestock, oil, uranium, gold and potash. As a primary product economy, it is strongly influenced by international political and economic developments and heavily dependent on international trade. That dependency is accentuated by the province's relatively small population and by the fact that to date it has not developed major secondary industry.

During the 1970's the terms of trade of primary products favoured Saskatchewan along with other resource-rich areas. Commodity prices reached record highs, and economists predicted continuing shortages for all raw materials and a decline in the world food production. Farmers, workers, businesses, and governments raised their expectations to meet their new found revenues. Land prices rose as farmers bought land. Real wages rose strongly, supporting greater spending and a higher standard of living. Industries invested in new products. And government bought into resource industries and embarked on major and expensive policy initiatives.

In 1981 international commodity prices began to decline and by 1986 they were at a low point. This was because, contrary to all expectations, supplies of minerals, metals, forest products and agricultural commodities rose as

nations made major investments in production.

The results of declining commodity prices have been significant. A 30 per cent decline in world grain prices has cut billions of dollars from farm revenues. Low potash and oil prices have led to declines in employment and delays in new exploration and development. Declines in revenues have not and could not, however, be accompanied by equally dramatic declines in expenditures, with the result that farmers and governments across the prairies have found themselves in a deficit position.

Declines in commodity prices have been accompanied by a growing tendency on the part of foreign nations to restrict access to their markets and to subsidize their exports. This protectionist tendency has already contributed to a decline in Saskatchewan farm incomes as nations compete for declining markets for imported food and is threatening other provincial exports such as potash and uranium.

Fully aware of the dangers of growing protectionism for Saskatchewan, my Government some years ago began to encourage the Government of Canada to seek to remove barriers to trade through international multilateral negotiation and bilateral discussions with the United States. My Ministers continue to play an important role in making access to international markets a national priority and are deeply involved with their federal counterparts in developing positions both in the bilateral talks with the United States and in preparatory meetings for the next round of GATT negotiations. Their leadership on this important issue has been recognized by the invitation of the nation's ten premiers to Saskatchewan's First Minister to co-chair the Canada/United States Trade forum and also by the invitation of the federal government to its Minister of Economic Development and Trade to participate in international trade meetings in Australia and the Philippines.

My Government will continue to promote the sale of Saskatchewan goods and services abroad. Particular attention will be given to markets in the United States and in the nations of Asia and the Pacific rim as the province seeks to capitalize on the relationships which it has recently established in New York, Hong Kong, the People's Republic of China, India and Indonesia.

My Ministers know that the success in international trade is more than a matter of market access. They are aware that Saskatchewan industry must develop and diversify so as to be able to compete effectively. They are determined to spare no effort in preparing this province to meet these challenges.

### **Diversification and Development**

My Government is convinced that the diversification and development of the province's economy must begin in the area of its traditionally greatest strength — the agriculture and food processing industry which produces over 40 per cent of the province's exports. This industry accounts for an annual 2.5 billions dollar megaproject which, as the farmers seed and harvest their crops, for ever binds urban and rural Saskatchewan in a single

community of interest.

In keeping with the belief that Saskatchewan is agriculture, my Government continues to take initiatives that will guarantee the full potential of this important world industry to both urban and rural Saskatchewan. The Agricultural Development Fund established in 1985 is working with farmers, the universities and the federal government to conduct research and demonstration projects designed to enhance the competitive position of Saskatchewan agriculture. Projects are now under way in applications of compressed natural gas, biotechnology, new grains and computer and information technology. The University of Saskatchewan College of Agriculture is being rebuilt to provide the proper environment for research that will support Saskatchewan agriculture in the future. Following the difficult drought years, my Government, in co-operation with the federal government, has undertaken to irrigate an additional 250,000 acres over the next 15 years. Irrigation incentives, the announcement of the construction of the Rafferty and Alameda Dams, and a recently signed 100 million dollar federal provincial irrigation agreement have made a start on this commitment. Livestock production and processing for export have been encouraged by the introduction of livestock investment tax credits and by provincial participation in national stabilization programmes. Gainers and Intercontinental Packers have separately announced major expansions involving investments of more than 50 million dollars with the potential to create 2,000 jobs.

My Minister of Agriculture has recently piloted his idea for a national agriculture strategy to a successful conclusion at the First Ministers Conference in Vancouver. This strategy will address both the short-term problems and longer-term opportunity for Canadian agriculture.

During the next four years, my Government intends to make a concerted effort to reduce input costs for Saskatchewan farmers by encouraging the local manufacture of agricultural chemicals and fertilizers. In so doing it will create yet another link between the urban and rural sectors of the province and will support a further diversification of the province's non-agricultural economy through the upgrading of natural gas. My Government will also introduce legislation to facilitate the organization of rural development corporations to mobilize local initiatives and capital.

Small business is expected to play an important role in my Government's diversification strategy. Aware that the health and growth of this sector depends on the application of the most effective, efficient technology available, my Ministers have already announced a commitment to provide 50 million dollars over the next five years to assist Saskatchewan small business to equip itself. My Ministers have also implemented a programme which encourages all public sector departments, Crowns and agencies to purchase from Saskatchewan sources. During the course of the current session, they will be extending that programme to ensure that the private sector is aware of the capabilities of Saskatchewan suppliers when making purchases.

The potential of tourism to contribute to the development and diversification of this province has already been demonstrated. Expo '86 proved to the world, to Canada, and most importantly to ourselves that Saskatchewan has the ability to compete with the best. My Government intends to build on the reputation and confidence established in Vancouver to create a Tourism and Hospitality Institute in the province. This institute, which will be built with the participation of industry and community groups, is intended to ensure that Saskatchewan has skilled entrepreneurs and employees who know how to make the best of the opportunity offered by this expanding industry.

Aware of the importance of information and management skills in today's information-based economy, my Government intends to harness the competitive excellence and international reputation that are the hallmark of the Saskatchewan grains, biotechnology, potash and uranium industries to pursue the establishment of research institutes associated with these industries in Saskatchewan. This action will strengthen Saskatchewan's position in these significant world industries, where policy, management and information decisions too frequently lie offshore.

My Government is aware that programmes to diversity the province's economy will require the support and co-operation of all sectors. It is therefore its intention to consult widely on the establishment of specific defined targets for economic development and to encourage all citizens to take part and benefit.

Labour unions will be encouraged to participate in the creation of new jobs through the Labour Venture Capital Programme. Women, who in recent years have played a major role in the development of new small businesses, will be assured equal access to credit. The province's aboriginal peoples will be encouraged to become involved in main line economic developments in business, manufacturing and processing, through an enhanced Indian Economic Development Programme. Young people will be given the opportunity to obtain expertise and business experience through the establishment of a Saskatchewan Entrepreneurial Institute and the expansion of the youth Entrepreneurial Programme. Investors will receive credits through the Venture Capital Programme and the Saskatchewan Stock Savings Programme to encourage them to place their money in Saskatchewan. Finally, a major new department of government, The Department of Human Resources, Labour and Employment, will be created to ensure that, as the plans for the province's economic development and diversification are discussed, the interests and needs of people are foremost.

Equally important in the development of people will be the work of the Departments of Education and Advanced Education and Manpower. The education system has always had a role in the economic development of the province, providing skilled personnel, research to solve particular Saskatchewan problems, and extension services to ensure the application of new knowledge in the field. Today, more than ever, the provision of these services is vital to the province's development. In an era in which our major export industries face stiff

international competition, our educational system must be capable of performing research directed towards efficiently exploiting our resources, and development new uses for them. It must also be able to provide the ideas and the technologies which will ensure the province a place in the emerging information-based economy. Finally, it must provide the environment which helps to make Saskatchewan a desirable place for people to locate.

In order to perform these roles effectively, my Government believes the province's education system must be more than good. Incomplete adaptation of the province's industries to changing international markets could spell their demise. Good hi-tech products could lose out to better hi-tech products.

Accordingly, my Government will commit resources to ensure that excellence is the hallmark of its educational system. The curriculum will be revised to ensure that Saskatchewan students are obtaining the skills they need to compete both nationally and internationally. The kindergarten to grade 12 curriculum will concentrate on the acquisition of basic reading, communication and mathematical skills. The high school curriculum will add an emphasis on computer technology. Post secondary institutions will be asked to add yet a third emphasis on the foreign languages we use to trade, and on the encouragement of basic and applied research.

My Government is committed to enabling each of the province's educational institutions to play its role in development excellence. Because resources are scarce, this will involve determining areas of specialization and avoiding unnecessary duplication. The costs of administration will also need to be examined in certain circumstances.

The tasks to which our educational system must respond cannot be achieved by the efforts of government alone. Continued consultations with students, parents, teachers, business leaders and administrators will be required.

### **Protection**

Much of my Government's preoccupation with economic diversification and the province's ability to compete, results from its desire to ensure an adequate revenue base for the maintenance of the high level of protection which Saskatchewan citizens currently receive from their government. My Government is firmly committed to the protection of its citizens from forces beyond their control and intends to continue to back them in difficult economic circumstances.

No group of Saskatchewan citizens have been more harshly affected by low commodity prices and unfair international competition than the province's farmers. Accordingly, my Government will introduce legislation early in this session to extend  $\frac{1}{4}$  The Farm Land Security Act  $\frac{1}{8}$  and  $\frac{1}{4}$  The Farmer's Counselling and Assistance Act  $\frac{1}{8}$  to ensure that they are not unreasonably foreclosed upon and that they receive appropriate counselling and loan guarantees. Payments on the principal of loans made under the production Loan Programme will also be delayed for one year in recognition of the poor cash flow position of many Saskatchewan farmers.

My Ministers will continue to work with the federal government and other provincial governments to design a permanent mechanism to help farmers compete with unfairly subsidized exports out of the European Economic Community and the United States. They will also continue to press for early payment of the one billion dollar deficiency payment requested by the province and agreed to by the federal government.

Another part of the Saskatchewan economy suffering from commodity price deflation is the energy and mining sector. My Ministers are currently reviewing the tax and fiscal regimes for the oil and gas, potash, and uranium industries with a view to establishing a system that will protect as many jobs as possible during periods of low prices while at the same time ensuring good returns to the taxpayers as prices rise.

My Government played an important leadership role when in 1982 it responded to the serious concerns of Saskatchewan home-owners that high interest rates would cost them their homes. My Government continues to believe that protection against unforeseen increases in mortgage rates is important, not only in providing security to home-owners, but also in creating jobs in the housing industry. Legislation will therefore be introduced at this session to guarantee to the people of this province that the effective rate for eligible mortgages on principal residences will not exceed  $9\frac{3}{4}$  per cent for ten years.

During the life of this Legislature, my Government will continue to review its social assistance and income support programmes to determine how they can most effectively combat poverty. Special attention will be given to methods of delivery and ways of encouraging transition to the work force.

My Government remains committed to the provision of quality health care to all the people of Saskatchewan. As part of this commitment, it intends to review changing requirements for health services and the utilization of new technology to ensure that plans are put in place now to ensure first-class health care in the twenty-first century. It also intends to put a renewed emphasis on preventative medicine as a means not only to ensure lower health costs in the future, but also to ensure Saskatchewan citizens live longer and more productive lives. As the number of senior citizens rises over time, my government will devote appropriate resources to improve their quality of life and support their desire for independence. The costs of the administration of the province's health care system will also be reviewed.

The Saskatchewan Pension Plan established during the last session of the past Legislature will commence operation on 8 December, 1986, offering, for the first time in Canadian history, retirement income security to part-time workers, home-makers and employees of small businesses who would otherwise have no access to a pension plan with a matched contribution.

My Ministers have viewed with growing concern the increasing abuse, particularly by young people, of alcohol and drugs. They have recently established the first drug and rehabilitation centre for young people and

their families in Western Canada at Yorkton, and they will be consulting with young people, parents, police, teachers, health care personnel and other interested groups concerning additional measures to stem the growing tide of abuse.

### **Government Efficiency, Effectiveness and Reorganization**

My Government will address the problems of internal administrative efficiency and effectiveness. Government resource revenues have fallen. At the same time, demand for government support and services has risen.

My Ministers will improve delivery of programs and services while constraining the cost to taxpayers. New legislation will be introduced to reorganize and consolidate provincial government departments and agencies to ensure maximum efficiency and effectiveness.

At the same time, government programs and services will be reviewed to ensure Saskatchewan realizes the optimal economic benefit from the use of scarce provincial resources. Where savings are apparent, individuals and firms will be invited to compete for the delivery of specific government services. Impediments which preclude the effective delivery of services to the public will be identified and addressed.

My Government believes that changes can be made to enable the Legislature to better meet the needs of the members and the people. Accordingly, it proposes to refer the matter of a revision of the Rules of this Legislative Assembly to a Special Committee of the Assembly.

Consistent with its continuing commitment to high ethical standards for holders of public office, this Government will proceed with implementation of specific measures to deal with conflict of interest situations of the part of elected members. These measures will take into account recommendations flowing from public hearings on the White Paper on a proposed Code of Ethical Conduct for Public Office Holders which were conducted this past summer.

When my government first took office, it stated its firm commitment to regulatory reform. My government intends to take further steps in this area to relieve small business and the public from unnecessary regulatory pressures. Steps will also be taken to ensure that those who are affected by regulations are made aware of them.

It is recognized that there have been shifts in the population distribution within the province. A new Electoral Boundaries Act will be introduced to reflect these changes and to ensure effective representation of all parts of the province.

### **Conclusions**

In conclusion, my Ministers pledge to work with Saskatchewan people to build a stronger and more secure future. Over the coming year, my Government will continue to improve the protection available to individuals and to increase the efficiency and

effectiveness of government administration.

Various other legislative measures will be placed before you for your consideration.

I leave you now to the business of the Session, with full confidence that you will favourably discharge your duties and responsibilities.

May Divine Providence continue to bless our province and guide this Legislature in all its deliberations.

2:41 p.m.

Prayers

## **ANNOUNCEMENTS**

### **Notice from the Chief Electoral Officer**

**Mr. Speaker:** — I beg to inform the Assembly that the Clerk of the Legislative Assembly has received from the Chief Electoral Officer lists of the names of such Members as have been returned to serve in the Legislature.

### **Introduction of Pages**

**Mr. Speaker:** — I also wish to inform this Assembly that the pages for this session will be Gail Bitternose, Norma Miller, Gilles Pelletier, Marc Quinnett and Janita Thomson.

**Hon. Members:** Hear, hear!

## **INTRODUCTION OF BILLS**

### **Pro Forma Bill**

**Hon. Mr. Devine:** — Mr. Speaker, I move that a Bill respecting the Administration of Oaths of Office be now introduced and read the first time.

Motion agreed to and the Bill read a first time.

## **TABLING THE SPEECH FROM THE THRONE**

**Mr. Speaker:** — I beg to inform the Assembly that in order to prevent mistakes I have obtained a copy of the Speech of His Honour the Lieutenant Governor which I now lay on the Table.

## **MOTIONS**

### **Speech from the Throne**

**Hon. Mr. Devine:** — Mr. Speaker, I move, seconded by the member from Souris-Cannington:

That the speech of His Honour the Lieutenant Governor be taken into consideration on Thursday, December 4, 1986.

Motion agreed to.

## **Printing of Votes and Proceedings in the Assembly**

**Hon. Mr. Devine:** — Mr. Speaker, I move, seconded by the member from Souris-Cannington:

That the Votes and Proceedings of this Assembly be printed after first having been perused by Mr. Speaker, that he do appoint the printing thereof, and that no person but such as he shall appoint do presume to print the same.

Motion agreed to.

#### **Members to Compose Lists for Standing Committees**

**Hon. Mr. Devine:** — Mr. Speaker, I move, seconded by the member from Souris-Cannington:

That Members McLaren, Gerich, Koskie, McLeod and Shillington be constituted a Special Committee to prepare and report, with all convenient speed, lists of Members to compose the Standing Committees of this Assembly, provided under Rule 86:

That the said Standing Committees be severally empowered to examine and inquire into all such matters and things as may be referred to them by this Assembly, and to report from time to time their observations thereon, with power to send for persons, papers and records, and to examine witnesses under oath.

That the said Special Committee consider the size of the Standing Committees and to report thereon with all convenient speed.

Motion agreed to.

#### **Election of Deputy Speaker**

**Hon. Mr. Devine:** — Mr. Speaker, I move, seconded by the member from Souris-Cannington:

That Lloyd J. Muller, Esquire, member for the constituency of Shellbrook-Torch River, be Deputy speaker of this Assembly.

Motion agreed to.

#### **Election of Deputy Chairman of Committees**

**Hon. Mr. Devine:** — Mr. Speaker, I move, seconded by the member from Souris-Cannington:

That William Neudorf, Esquire, member for the constituency of Rosthern, be Deputy Chairman of Committees of this Assembly.

Motion agreed to.

**Hon. Mr. Devine:** — Mr. Speaker, I move this House do now adjourn.

**Mr. Speaker:** — Before putting the adjournment motion to the House, I would like to take this opportunity to thank the musical group you had the pleasure of listening to prior to the opening of the Legislature this afternoon. They

are called the Regina Bell Ringers and were playing under the direction of Sandra Cosbey. They provided very enjoyable music, and we are delighted that they have been with us this afternoon.

Also I would like to draw the attention of all hon. members and all guests to the wall immediately before me. There you will see replicas of the Saskatchewan Coat of Arms which has been recently adopted.

I would also like to invite all our guests to attend a tea in Room 218 which will be held immediately following the adjournment. Room 218 is to the left as you leave the main door of the Chamber.

Motion agreed to.

The Assembly adjourned at 2:50 p.m.