

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

ORAL QUESTIONS

Deficiency Payments to Farmers

Mr. Upshall: — Thank you, Mr. Speaker. In the absence of the Minister of Agriculture and the Acting Minister of Agriculture, I will direct my question to the Acting Premier.

My question is related to the deficiency payments that farmers are expecting and hoping for as soon as possible. John Wise has suggested that he won't even be making a proposal to cabinet till October, and won't be making an announcement till possibly December, and that suggests that we, as farmers, won't be getting a deficiency payment until possibly 1988.

And we all know the desperate situation farmers are facing, and we all know that we need a deficiency payment, at least, in October or shortly thereafter.

Some Hon. Members: Hear, hear!

Mr. Upshall: — Do you, sir, support the Mulroney government's timetable, or will you instead push for an early payment of this deficiency payment to farmers to help get many rural farm families off the ground and held over for another year?

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Mr. Speaker, I really don't know quite how to deal with this question because it's not something that is new in this House. The question has been raised many times and answered in one form or another, raised many times and answered by the Premier and the Minister of Agriculture many times. And he asked me if we support the timetable of the Mulroney government. I really don't think, whether we support it or not, that there'd be much we could do about it because we don't control the federal government cabinet agenda. We have some control on ours, Mr. Speaker, and we deal with those matters.

Having said that, our Premier, the Minister of Agriculture for Saskatchewan, has done more as it relates to lobbying the federal government and other ministers, other ministers of Agriculture in Canada, and first ministers — unanimous agreement at the last first ministers' conference — seeking a deficiency payment of some considerable — more than the last one, I think the words were, and with unanimous agreement of all 10 provinces and the federal government. And that's been well publicized, and of course our Premier will be down there and lobbying, and has been and will continue to be, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Upshall: — Mr. Speaker, I feel the frustration that

many other Saskatchewan farmers feel . . .

Mr. Speaker: — Order, please. Order, please. Would the member please indicate if it's a supplementary or a new question.

Mr. Upshall: — Supplementary question. Sorry, Mr. Speaker. I feel the frustration of not having a Minister of Agriculture sitting across from me more than maybe one or two days a week, and not being able to answer the questions, and getting no specific answers.

Some Hon. Members: Hear, hear!

Mr. Upshall: — Last deficiency payment was well planned around the Saskatchewan provincial election. It appears that the next deficiency payment will be well planned around the federal election — again playing politics, Mr. Speaker, with the lives of family farms in Saskatchewan.

I ask you: do you recognize the need for a payment this fall, and will you push the Mulroney government to have a deficiency payment in the hands of the farmers by October or early November?

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Mr. Speaker, I know something of the frustration of the people from the agricultural community as well, having been one of them for several years.

Mr. Speaker, another source of their frustration is the representation that they get from the opposition. We've had — what are we at — 60-some-odd or 70 days in this Legislative Assembly. That member, the agricultural critic, didn't speak in the budget debate. That member did not once raise the issue of our honey problem in northern Saskatchewan. That member has not once spoken out, except perhaps for one or two questions during estimates, and he's talking about the frustration of farmers in Saskatchewan. The farmers of Saskatchewan have every right to be frustrated with that kind of representation in opposition.

Some Hon. Members: Hear, hear!

Mr. Upshall: — Supplementary, Mr. Speaker. Mr. Minister, again we see your non-commitment to anything specific when it comes to Saskatchewan farmers. I asked the question; I asked the question. Your government took claim by winning an election on a deficiency payment. You know the farmers need money this fall. Will you pledge your support by showing the Mulroney government verbally, in writing, whatever method you choose, but let farmers know that you are pushing for a deficiency payment in October or November? Yes or no?

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Mr. Speaker, the only thing we haven't done is put it in blood. There has been no one in Saskatchewan or Canada that has worked harder for the

farmers and Canada than Premier Grant Devine, Premier Grant Devine.

Some Hon. Members: Hear, hear!

Mr. Speaker: — Order. Order, please. The member realizes that we shouldn't be using other members' names.

Hon. Mr. Berntson: — The Premier, whose name happens to be Grant Devine, Mr. Speaker, there . . . he is second to none when it comes to representing agriculture not only in Saskatchewan but Canada and internationally.

Some Hon. Members: Hear, hear!

Financial Support for Western Farmers

Mr. Koskie: — Mr. Speaker, I have a question to the Deputy Premier, whose name happens to be Eric Berntson.

Some Hon. Members: Hear, hear!

Mr. Koskie: — I ask the question, Mr. Deputy Premier, and I say to you that the farm groups have met with John Wise in Winnipeg, and out of that almost unanimously they indicated that they wanted at least \$3 billion for western farmers — western farmers — is what they're asking. What I'm asking you here: are you in support of pressuring the federal government for at least a \$3 billion payment to western farmers, and will you, in fact, if you are, table any communication supporting the western farm groups that met with the minister?

Hon. Mr. Berntson: — Mr. Speaker, I will leave it to the Premier to decide what he wants to table or not table as Minister of Agriculture, and correspondence with the federal government.

I think that it goes without saying that the Premier of Saskatchewan . . . I think his calculation way back in 1982 was that in order for us to come out even, as it were, even with the level of subsidization that is experienced in United States under their U.S. Ag Bill, we would need about \$7 billion in Canada to offset that to make it even.

The Premier argued for that at that time. I think the Premier will argue for everything that he can get for the Saskatchewan farmer at this particular time, and he will settle for whatever is reasonable. And as it relates to the member for Quill Lakes getting my name right, I want to give him credit for that.

Mr. Koskie: — I have a supplement, Mr. Speaker, to the hon. member from Souris-Cannington, who hasn't answered a question today. I want to ask you, Mr. Deputy Premier, this is serious subject that we're on, and it's no laughing matter for the farmers out there. The farmers are concerned not only with getting a sizeable deficiency payment, as he indicated, somewhere in the neighbourhood of \$3 billion for western Canada, but they're also interested in the timing of the payment, as has been raised, and also in respect to the method of payment. There were many deficiencies in the last

deficiency payment in respect to the method.

I want to ask you: in respect to the specific changes that have been raised by the agricultural groups that met with the federal Minister of Agriculture, John Wise, are you in agreement, and will you be supporting the farm groups in rectifying the method of payment as suggested by the farm groups?

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — If you're talking about the method of payment of the deficiency payment, if you're talking about the deficiencies in the deficiency payment that you just . . . I think those were your words just a minute ago. It is recognized that there were deficiencies in the deficiency payment, and nobody has recognized that more than the Premier. And he's argued for some adjustment to bring some reasonable and . . . whatever can be reasonable and fair in making those adjustments.

And he's made those arguments in various forums, you know. He's not without some knowledge of the difference in the impact on speciality crops as opposed to feed grain and so on. And he's made those arguments, and he supports the general thrust of the voice of the farm groups, and he's made those presentations to the federal government.

Mr. Koskie: — Final supplemental, Mr. Speaker. You indicated that there were deficiencies in the method of payment in the previous deficiency payment. What I'm asking you specifically . . . And you sit there and say that the Premier, yes, recognizes that, and he's making recommendations. But the farmers want to know where you stand. What are your recommendations, changes for the method of payment, in respect to deficiency payment? Set it out for the people so the farmers of Saskatchewan will know.

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — And we do that. We do that on a regular basis, Mr. Speaker. Our Premier meets with . . . as Minister of Agriculture meets with agricultural groups — meets with agricultural groups on several occasions, many occasions, and there's nothing secretive about it. There is the imbalance between cereal grains and speciality groups that should be rectified.

But the hon. member doesn't know a speciality crop from a post hole. And, Mr. Speaker, I've very, very sure that the Premier, who has direct responsibility for these discussions, would be more than pleased — would be more than pleased — to spend as much time as is necessary, which may take from here to eternity, to bring that member up to speed.

Mr. Upshall: — Thank you, Mr. Speaker. Mr. Minister, you say your government is doing the best you can. That's what scares me. And it scares the farmers of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Upshall: — I would like you to answer this question:

what month does your government, through its conversations with Ottawa, what month does your government expect farmers will have a deficiency payment in their hands? I ask this in all sincerity because they are hurting out there and they need some indications. Right now there are many farmers going bankrupt; they are going through trials; they are distraught and over-stressed. Could you please, sir, give them some indication what month the deficiency payment will be received?

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Mr. Speaker, the hon. member obviously doesn't understand how the country works. We can make representation, we can lobby, we can bring pressure to bear; we cannot write their agenda for them. Obviously there is some considerable concern in the agricultural community, not only in Saskatchewan but right across the country. The position that we have taken from the outset is that a deficiency payment is absolutely necessary and the sooner the better.

Mr. Romanow: — Thank you, Mr. Speaker. I have one question for the Deputy Premier on this line of questioning. Can the Deputy Premier please explain to the legislature and the people of Saskatchewan why it was, or how it was, that the Premier of this province was able to get a deficiency payment in the middle of a provincial election but can't get one when the people and the farmers of Saskatchewan need one now? Why not get it now?

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — If the hon. member is telling me that they didn't need one last October, the hon. member isn't aware of what's going on in rural Saskatchewan. They needed one last October, Mr. Speaker, and the Minister of Agriculture and the Premier of Saskatchewan went to bat for the people, the agricultural community of Saskatchewan, and he got it, Mr. Speaker, \$1 billion — \$1 billion for the agricultural community of Canada, the vast, vast majority of that going to Saskatchewan.

The Premier, the Minister of Agriculture in Saskatchewan, has advanced the argument time and time again that another deficiency payment is needed. He has unanimous concurrence with all first ministers in Canada, including the Minister of Agriculture for Canada, and he has said we need it, and we need it as soon as possible, Mr. Speaker.

Production Loans for Farmers

Mr. Koskie: — Thank you, Mr. Speaker. A further question to the Deputy Premier. The Deputy Premier has indicated that the crisis in the farming community is greater today than it was in '86. I think he'll acknowledge that.

I want to say that during the election campaign when you were trying to get elected, you provided to the farmers of Saskatchewan in the spring of '86 a production loan. I maintain that the condition of agriculture has further deteriorated. Are you prepared, in view of the increasing

stress on the farming community, to also promise another production loan to the farmers of Saskatchewan?

Hon. Mr. Berntson: — Mr. Speaker, those discussions are ongoing in our Ag caucus, and the Minister of Agriculture and the Premier are — is/are, one guy — is a whole lot closer to that than I am, and any announcements relative to a production loan will be, or any other support for the agricultural community in Saskatchewan will be made by the Premier in due course, Mr. Speaker.

Accessibility to Post-Secondary Education

Mr. Kowalsky: — Mr. Speaker, in absence of the Minister of Education, and in the absence of the Premier, I would direct this question to the Acting Premier, and it has to do with accessibility to post-secondary education.

This week, as thousands of Saskatchewan students return to their classes, they find that they've had to cope with the drastic cuts your government has made to our post-secondary education system. Many students and parents have discovered that accessibility to higher education is no longer guaranteed in this province, Mr. Minister.

I want to know, Mr. Minister, if you're aware that more than 400 young people have been denied entry to the College of Arts and Science at the University of Saskatchewan this year? That's thanks to your enrolment quotas or to enrolment quotas forced on the universities by inadequate financial support.

I want to ask the minister: does the minister call that kind of performance true accessibility to education for Saskatchewan's young people?

Some Hon. Members: Hear, hear!

Hon. Mrs. Smith: — As Acting Minister of Education, Mr. Speaker, I will try and respond briefly to the member from P.A.'s question.

I think the member from P.A. should be well aware — and if he isn't I would ask him to go back and review the records — and if he wants to do some comparisons, I suggest the best comparison is to take it on government versus government. And I would suggest that he would find, under the PC government, under the leadership of the hon. member from Estevan, that in fact the access to university post-secondary education, including community colleges, STI (Saskatchewan Technical Institute), Kelsey — the increase in the number of students has increased dramatically, Mr. Speaker. That's one indication.

There is no doubt that the post-secondary education institutions are facing some pressures with the increase in the number of students coming in. But, Mr. Speaker, I think it serves this government and this province well that there in fact are more people getting post-secondary education than what there ever was under the term of the NDP.

Mr. Kowalsky: — Mr. Speaker, the minister will know that never before have there been quotas put on arts and

science students at the University of Saskatchewan — never before, and it is therefore less accessible. In addition to that there were 6,000 fewer people, young people, working this summer, and that makes education that much less accessible to them. In addition that thousands of young . . .

Mr. Speaker: — Order, please. Order, please. Order, please. I am assuming that the hon. member's question is a supplementary, and if it is, your preamble is getting a little lengthy.

Mr. Kowalsky: — Thank you, Mr. Speaker. And to my supplementary question I want to add that never before have we had 1,100 student positions cut. And I'm asking the minister, the acting minister: how can you say that you are not denying accessibility to higher education for many Saskatchewan young people?

Some Hon. Members: Hear, hear!

Hon. Mrs. Smith: — Mr. Speaker, the increase in the number of people that are in post-secondary education would indicate that it in fact has not been diluted but made better. It's not true, on this quota system, what the member from Prince Albert says. Qualifications — qualifications, Mr. Speaker, have always been in the various facilities within the education, and what the members says is simply misleading.

Mr. Prebble: — New question, Mr. Speaker. I'll also direct it to the Acting Minister of Education. Madam Minister, your government has implemented a two-year budget freeze on the University of Saskatchewan. You know that in real terms this year that means a \$5 million cut, and as a result of that, Madam Minister, the university has had no choice but to deny access to all students who wish to enter the College of Arts and Science, but have averages of less than 73 per cent.

And I say, Madam Minister, that that's a disgrace, and I ask you, Madam Minister, will your government now lift the budget freeze, the two-year budget freeze on the University of Saskatchewan, and provide that university with the funding that is necessary to lift enrolment quotas and to provide improved quality of education on the campus which is long overdue?

Some Hon. Members: Hear, hear!

Hon. Mrs. Smith: — Mr. Speaker, the universities have received the same amount of moneys this year as they did last year. The member from the University of Saskatoon will also know that the increases over the previous five years were substantial. I would remind him to go back and look at the education development fund as it pertains to the universities. I would also ask him to look at not only the Arts faculty but some of the others.

It's not simply a matter of providing funding at the wish of how many students going into which facility, Mr. Speaker. It's much greater than that. And there's no doubt that the universities are facing pressures in terms of the students.

They are also facing pressures in terms of setting priorities

and counselling needs that are going to indicate to those students, those young adults going into university, that there is going to be a demand for them when they come out of university and, I would suggest, that type of rationalization is taking place within the post-secondary system now.

And, Mr. Speaker, while everyone would like to think that perhaps there is a 10 per cent or 20 per cent increase in funding as it relates to their area, that is simply not realistic.

Payment of Power Bills at Collection Agencies

Ms. Simard: — Thank you, Mr. Speaker. My question is to the minister responsible for the Saskatchewan Power Corporation, and it once again deals with his anti-small business decision to end SPC's long-standing arrangement with Saskatchewan drug stores and small businesses by which customers could pay their power bills at these locations.

I'm going to once again ask the minister a question which he and his government has consistently refused to answer, Mr. Speaker. That is: why did he decide to dump these small businesses without first consulting with the drug store owners and small-business people? And why did he only give them one month's notice when he knew that it meant a loss of revenues for these small businesses?

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Mr. Speaker, across the province there were approximately 800 . . . 814 commissioned and non-commissioned agents by Sask Power. Most of them were banks, credit unions, and so on. About 123 of these commissioned and non-commissioned agents were terminated. Some of them, in fact I think most of them, were drug stores. Most of them were drug stores in the major centres of Saskatchewan.

Now members opposite would have us believe by their persistence in this line of questioning that if they ever got into office, the major thrust of their small business development program would be to allow Sask Power, or to compel Sask Power, to have collection agents in every drug store in the province, Mr. Speaker.

Now if you take this argument to its logical conclusion, we will then have all the service stations in the province as collection agents, then all the beer parlours, Mr. Speaker, then all the grocery stores, and so on. The reason that Sask Power has done what it has done, Mr. Speaker, is to save something in the neighbourhood of a one-quarter of a million dollars . . . (inaudible interjection) . . . Well 200 thousand plus, I don't know precisely . . .

Mr. Speaker: — Order. Order! Order, please. Order. Order, please.

Hon. Mr. Berntson: — Two hundred thousand dollars plus, annually, Mr. Speaker, directly, in addition, in addition to the benefits that accrue through instant cash flow management through banks, credit unions, etc.

And, Mr. Speaker, the arguments that are advanced by members opposite simply aren't consistent with the realities of today. And Sask Power has made this decision and I think rightly so.

Some Hon. Members: Hear, hear!

Mr. Speaker: — Order. Order, please. Order, please.

MOTIONS

Composition of the Estimates Committee

Hon. Mr. Andrew: — Mr. Speaker, before orders of the day I would move a motion, seconded by the member from Maple Creek, that the composition of the Estimates Committee be amended as follows:

- (a) by removing Mr. Martineau from the committee;
- (b) by adding Mr. Muirhead to the committee.

Leave granted.

Motion agreed to.

ORDERS OF THE DAY

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 9 – An Act to amend The Gas Inspection and Licensing Act

Hon. Mr. Swan: — Thank you, Mr. Speaker. In dealing with the second reading of The Gas Inspection and Licensing Amendment Act, I'd just like to make a few comments.

This Act, among other things, provides for the licensing of gas contractors, employers, and supply houses, and the bonding of such licensees.

The Act specifies that a penal bond must be held before a licence can be issued to the applicant. The maximum value of the bond is also specified to be in excess of \$2,000. The purpose of the penal bond is for the correction of defects found in a gas installation when the originator of the installation either refuses to make corrections or is gone out of business.

In practice, such defects are corrected through the hiring of a second contractor by the department and charging the cost of such corrections to the bond. In some cases it has been found that the \$2,000 value is insufficient to cover the cost, leaving the owner to pay for the remainder.

This Bill will remove the maximum limit so that it can be set by regulation. It is planned to set the value of the bond at \$5,000. This increased value does not place any financial burden on the holder of the bond since the premium is the same for a \$2,000 bond as it is for a \$5,000 value.

Moreover, this Bill will provide greater protection for the public through expanded coverage of corrections of defects.

With those comments, Mr. Speaker, I move second reading of Bill No. 9, The Gas Inspection and Licensing Amendment Act, 1987.

Mr. Koskie: — Thank you, Mr. Speaker. I just want to make a couple of comments. As the minister has indicated, what it does is to increase the bond, the maximum of the bond, which was set at \$2,000 previously, and removed that limit from the Bill altogether.

The interesting part is that the Bill itself provided the maximum of the bond previously. And it is the intention of the government to delete that altogether and to increase the limit, but I presume to increase it by regulation and not by putting it in within the statute.

All I can say in respect to that: administratively the bond may well have to be increased, but I think that it's very much of a convenience to the public since the amount of the bond, the actual amount of \$2,000, was within the statute, I would urge the minister to reconsider a possibility of putting in. He has indicated that they're thinking of going up to a \$5,000 limit. I would recommend that that be put into the statute rather than left wide open in the hands of cabinet.

And I'm not suggesting that it would be abused, but I'm just saying, Mr. Minister, that within the statute it's a lot easier for the business community than having to go to a statute where it was before and not finding it there, and then start going through all regulations. It makes it a little bit more difficult for the business community. And I would urge that if you want to increase the maximum, I would suggest, at least from this side, that it be put into the Bill rather than into regulations. We will be supporting the Bill with those comments.

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

Bill No. 10 – An Act to amend The Boiler and Pressure Vessel Act

Hon. Mr. Swan: — Mr. Speaker, in speaking to the second reading of The Boiler and Pressure Vessel Act, among several other things provides for the qualifying of power engineers or boiler operators through the issuance of certificates after successfully completing of prescribed examinations.

The Act further specifies that such certifications for first-, second-, third-, fourth-, fifth-class engineers, refrigeration engineers, and refrigeration plant operators' licences be registered with the department annually. In consideration of the unnecessary need for annual registration by some 8,000 power engineers and firemen, and the resultant paper work generated in the department for this number of applicants for registration, I'm introducing this Bill to reduce such unnecessary activity.

This Bill will not only relax the registration period from

one-year intervals for all those engineers but will allow the department to handle the reduced paperwork with less clerical support. Moreover this change will not reduce the level of safety accredited to the public.

Since this amendment will provide for a periodic renewal of the certificate, I am proposing regulations to specify that the renewal period will be for a five-year period. Since the work load for the department will be considerably reduced, I intend to pass on some of these savings to power engineers in the form of a reduced fee for renewal.

Thus the success of this Bill will reduce paperwork for the department and for the power engineers, and save both the engineers and the department money. With those comments, I move second reading of this Bill.

Mr. Koskie: — Thank you, Mr. Speaker.

I want, again, to make a few comments in respect to this Bill. As the minister indicates, it permits the engineers and firemen's certificates to be renewed periodically rather than annually. And I have some sympathy in respect to the provision of the amount of administration for the numbers to be renewed annually, and I agree with him that it may not be necessary. However, what he has indicated here is that he put in a word "periodically", which is such an undefined period of renewal. And again, what he has done is to take it upon cabinet to pass regulations defining the time. He indicates that he is proposing that the renewal be on a basis of "five-year" rather than annually.

And I simply ask him again: why wouldn't he be prepared if this is the goal that he is wanting to do with regulations, not put it into the Bill itself, rather than taking upon himself and the cabinet, through regulatory provisions, the setting of any length of time whatsoever. In other words, if he were amending it and taking out annually and putting in a five-year period, then there would be no doubt; it would be within the Bill; all of those affected would know.

However, what we're left with here is the minister saying that he's going to go with a five-year renewal but is not prepared to put it into the Act. The question I ask is: why wouldn't the minister be prepared to do that so that, again, the general public will know specifically by just reading the Act rather than having to go through all the regulations. It's fine if you're running a law firm to go through the regulations, but it's somewhat more difficult for non-legal types to start tripping through all of the regulations, whereas it was in the Bill before, which they are accustomed to.

And so I just raise that for consideration and will address that in Committee of the Whole. But we will generally be supporting the provision, Mr. Speaker.

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

Bill No. 37 – An Act to amend The Urban Municipality Act, 1984

Hon Mr. Klein: — Mr. Speaker, I'm pleased to move second reading on this Bill. It's a Bill intended to preserve Sunday as a secular day of rest for families and communities in Saskatchewan. It's also intended to ensure religious freedom for merchants and observe an alternate day of rest, or those that do observe an alternate day of rest.

Members of this Assembly will recall that in 1986 the government amended this Act to strength the principle of a common pause day. I'm pleased to say that both sides of this House supported our 1986 amendments which effectively doubled the fine levels for breach of the store hours provision of the Act.

The amendments of last year also responded to municipal requests to tighten up the definition of "store" and other terms to strength the municipality's position in enforcing this Act and their local by-laws. Since that time, Mr. Speaker, the Saskatchewan government has intervened in a landmark case before the Supreme Court of Canada to protect the province's right to legislate for a common day of rest.

As all members know, the Supreme Court of Canada ruled last December that the rights of provinces to pass Sunday closing legislation was indeed constitutional. This government also intervened in key court cases involving Sunday closing in the province. Until recently, Saskatchewan legislation has been upheld. However, Mr. Speaker, very recently, on August 20 to be precise, the Court of Queen's Bench of this province struck down our Sunday closing legislation for a reason that I will mention in a minute. The court decision of course also made invalid all municipal by-laws providing for a common day of rest. Well, Mr. Speaker, there are two questions here. Why did the court reject our existing day of rest legislation? And what does this Bill do to restore a common pause day?

On the first point, the court ruled that while it was acceptable to provide in the Act for a secular day of rest, the Act should have gone further to ensure that this law infringed on minority religions as little as possible. In other words, the judge felt that a store owner or operator who closes their store to observe a day of worship on a day other than a Sunday would have to close on Sunday as well. The owner would thereby have to close their store two days each week while his competitors would only close one. While the court had no evidence before it that anyone in Saskatchewan, in fact, was suffering due to this absence of provision for an alternate pause day, the judge ruled that the entire Sunday closing legislation was invalid.

So there are two major reasons for this Bill. One purpose is this, to restore Sunday closing rules that were in place prior to the court decision. This means that stores must close on Sunday unless they are convenience stores, so therefore convenience stores are not affected by this amendment. Mr. Speaker, a second important purpose of this amendment is to provide for a religious exemption clause to satisfy the religious freedom guarantee of the charter of rights.

While we feel that this court decision may be overturned

on appeal, we recognized that Saskatchewan is a pluralistic society. And I will add a personal note here, Mr. Speaker. I've been a business man in this province for many years, and many of the members present know that I feel strongly and support small business strongly. But I want to say, however, that I have always supported the principle of a weekly day of rest, even though in some cases it may not be in the narrow interests of a particular business. At the same time, Mr. Speaker, we want to take immediate steps to prevent wide open Sunday shopping.

So I will turn to what this Bill will in fact do. First, Mr. Speaker, for legal reasons it was necessary to re-enact all of section 121 of The Urban Municipality Act, 1984. Therefore, members of this House have a long Bill before them, even though there are actually very few new subsections.

These few provisions are these: clause (1)(b) and (1)(e) in subsection (6) and (8) and section 3 of the Bill. Nothing else is changed.

(1445)

I'll try to explain these few key features. The Bill states that small stores under 500 square metres in size may open on Sunday if they satisfy two conditions. The first, these stores must close one other day of the week; and secondly, the owner or operator of the store closed on another day of the week due to the dictates of his religion.

So let me emphasize, Mr. Speaker, this will not lead to widespread store opening. First, the store must be small so that very few employees will be affected. We can't extend this exemption to large stores because to do that would defeat the purpose of a common day of pause because opening of large stores on Sunday would, for example, require large numbers of workers to leave their families on that common day of rest. Secondly, the store has to close on an alternate day. And thirdly, the store can only open on Sunday if the owner or operator closes for religious reasons on an alternate day. So in other words no one can play games with this Bill and close on Wednesday, or some other slow business day, solely for commercial reasons.

Another safeguard in the Bill is this: no one will be able to rope off or temporarily partition a store to get around the 500 square metre limit. I should add that my officials consulted closely with a number of city solicitors on the specifics of this legislation.

I'd like to comment on the strong support for this Bill from across the province. The councils of our two largest cities have in the last few days passed formal resolutions calling for this legislation. My department has had calls from retailers asking for this legislation, and I have personally had calls from many families asking for this provision. Also retail employees, small business, labour and church groups have consistently supported the common pause day concept, and the members of the opposition have always favoured Sunday closing legislation, and at least, to the media, have indicated their support for our course of action.

This Bill also restores authority for regulating store hours

to the municipalities. Both the Saskatchewan Urban Municipalities Association and the Saskatchewan chamber of commerce have in the past asked the government to give municipal councils the authority they need to indeed regulate the store hours.

Mr. Speaker, let me point out the urgency of this Bill. If we do not agree to give it immediate approval, I will be very disappointed. Any delay that members of this House cause to this Bill will mean that many employees, families, and small businesses in this province will not be able to enjoy the few remaining weekends of our summer, coupled with the significant disruption any delay would cause in the market-place.

This legislation, in my view, deserves unanimous support of the House. It is sensitive to the alternate pause day observed by retail merchants of minority religious beliefs. It restores to Saskatchewan families and communities a common day of rest, and this is a valued Saskatchewan tradition. It will help small Saskatchewan businesses which don't have the work-force or the financial muscle to compete with large retail stores. It helps small communities. Small-town residents don't really want to see their stores closed due to competition on Sundays from very large retailers in large urban centres. And yet it helps consumers throughout the province who will continue to be able to buy convenience and essential items in their neighbourhood convenience stores.

Mr. Speaker, I ask all members to restore a strong Saskatchewan tradition, a tradition where families and communities can come together on a common day of rest. Therefore I move second reading of Bill 37, An Act to amend The Urban Municipality Act, 1984.

Some Hon. Members: Hear, hear!

Mr. Van Mulligen: — Thank you, Mr. Speaker. I would want to indicate that this side of the House will support the legislation that's before us. We support the Bill both in principle and as to content.

I think that this support from both sides of the House is reflective of public opinion in Saskatchewan, public opinion which would hold that, although there may be some additional convenience for people to be able to shop seven days a week, public opinion would also hold a sense that it's necessary to have a common day of rest to the extent that this is possible, given our society. And I think, therefore, that the Bill can be widely supported by the public and should be supported by both sides of the House.

We're reasonably confident that the Bill in its present form will provide the government with the necessary enabling or legislative authority to ensure that major stores will now close on Sundays for at least one day of the week. We're reasonably satisfied that the great majority of retail workers can now look forward to Sunday as a common day of rest to spend it with their families. We're reasonably satisfied that this Bill, too, will lay to rest some anxieties that small-business operators in this province have endured as a result of the uncertainties of the last year or so, given Sunday shopping.

We can only wonder, however, why it is that the minister and his government are so inclined to wait for a crisis to develop before . . . and to hit them between the eyes before acting resolutely, and in this case appropriately, Mr. Speaker.

Extensive questioning in estimates of last year in April 1986, more than a year ago, about the soundness of the legislation that we are now amending, revealed a government that was inordinate in its defensiveness and, I would say, stubborn in the extreme. No amount of asking, prodding could convince the government to examine their legislation. Stubbornly they clung to the belief that the best recourse for Saskatchewan, in the face of challenges at that time, was to pursue expensive and time-consuming legal action.

It has been suggested, Mr. Speaker, that the government, in the months leading up to the 1986 general election, was trying to have the best of both worlds; trying to play both sides of the political fence; allowing Sunday shopping *de facto* while claiming to oppose it *de jure*.

Whatever the reasons, Mr. Speaker, the government's intransigence has meant hundreds of retail workers have been denied Sunday as a day of rest in the last year or so. It has also meant expensive legal bills for some Saskatchewan cities as they fought to uphold by-laws passed pursuant to questionable legislation.

And I hope the minister will have the good grace, in any further remarks that he may make, to apologize to the many Saskatchewan retail workers that have been inconvenienced by his government's inaction and intransigence and make an offer to pay the legal costs incurred by Saskatchewan municipalities involved in what can now be characterized as a futile defence in support of futile legislation.

In closing, Mr. Speaker, again I would indicate that it is our intention to support the legislation, and to support it strongly. We may have a few minor concerns and a few concerns in committee, but we're prepared to move to that stage now. Thank you, Mr. Speaker.

(1454)

Motion agreed to the following recorded division.

Yeas — 43

Duncan	Andrew
Berntson	Lane
Taylor	Smith
Swan	Schmidt
Hodgins	Gerich
Hardy	Klein
Meiklejohn	Pickering
Martin	Toth
Sauder	Johnson
McLaren	Baker
Gleim	Neudorf
Kopelchuk	Saxinger
Britton	Blakeney
Prebble	Brockelbank
Koskie	Thompson

Mr. Rolfes: — I couldn't hear, Mr. Speaker. There was noise coming from opposite . . .

Mr. Speaker: — Order. Order, please. Order. I'd ask for the co-operation of the Minister of Finance, please.

Rolfes	Upshall
Simard	Solomon
Kowalsky	Anguish
Goulet	Calvert
Lautermilch	Trew

Mr. Speaker: — Order, please. The Clerk, I'm sure, is having difficulty hearing the response of the members because we're having interruptions. So I would once more ask for your co-operation.

Smart	Van Mulligen
Koenker	

Nays — 0

The Bill read a second time and, by leave of the Assembly, referred to a Committee of the Whole later this day.

COMMITTEE OF THE WHOLE

Bill No. 37 – An Act to amend The Urban Municipality Act, 1984

Clause 1

Hon Mr. Klein: — Thank you, Mr. Chairman. To my right, Dave Innis, my deputy minister. Because we have no lefts on this side, to his right is Jim Anderson, our policy analyst. And behind me is Doug Moen – he's a co-ordinator on legislative services – and Gail Welsh, a lawyer from our constitutional branch.

Mr. Van Mulligen: — I just, on behalf of this side of the House, welcome the minister's officials, Mr. Chairman. I think we're ready to proceed to clause 2. I have some questions on that, but none at this point.

Hon. Mr. Blakeney: — Just a couple of questions of a more general nature. Would the minister give a brief outline of the scheme of the Act in the sense that, as I understand it, it will prohibit all large stores from being open on Sunday, and will give small stores the option of choosing a day, and that the cut-off is 500 square metres.

This, it seems to me, Mr. Minister, is along the lines of some previous city by-laws which were attacked on the basis of the cut-off. Would you care to indicate whether you think that the cut-off figure of 500 square metres is a reasonable one having to do with the size of the stores involved – question number one.

Question number two is: do you think that it can be defended against legal attack on grounds of discrimination? And I'll have a third question about big stores cutting themselves into little ones.

Hon Mr. Klein: — Mr. Chairman, regarding the discrimination. An overlooked fact, kind of, in the judge's decision of August last was the fact that he upheld indeed Saskatoon's by-law on the discrimination size. It's very difficult to determine . . . You know, we're at an age, I suppose, that in any legislation anything can be challenged. But in view of that decision, we're satisfied that the discrimination will be upheld.

As far as the size of 500 square metres, roughly 5,000 square feet, Ontario legislation has that in their provision, and quite frankly we're using that as a model and it seems to be a good average size. Once you start getting over that size of a small store, you start getting into a larger number of employees that may be affected, more corporate structure rather than individual owners to determine, you know, their Sabbatarian exemption and the like. So we believe that all things being equal, it's a reasonable one and can be defended.

Hon. Mr. Blakeney: — Mr. Chairman, and Mr. Minister, I know some of my colleagues have other questions, so I'll just direct one more. Do you feel you have solved the problem of the large store reconstituting itself into small stores whereby the fresh fruit section is one store and the canned goods section is another store, and so on, in the manner which was at least attempted under the Saskatoon by-law? And I don't know with what measure of success because I haven't examined the judgements with that degree of care. But it was clearly a method of circumventing the by-law.

I ask you whether you feel you have found a way of effectively stopping any circumventing of the statute by the same method.

Hon Mr. Klein: — Mr. Chairman, as I mentioned earlier, you know, we can't predetermine or prejudge any challenge that might be made, but the size limit here pertains to actual physical size, period. And so that obviously there wouldn't be any provision for a roped-off area, because if the actual space or unit was greater than the 500 square metres, then it simply would not qualify, and they would not be able to apply for the exemption by virtue of their size factor.

Mr. Van Mulligen: — Mr. Chairman, I certainly would agree with the minister, although I wouldn't put it in quite the same context, that one of the overlooked aspects of Justice Wimmer's decision was the fact that discrimination on the basis of size, or I suppose an economic discrimination, was upheld in his decision. In many ways Justice Wimmer's decision was a very good one for the province and for Saskatchewan municipalities on that score because it did allow, or at least gave a sense that that type of discrimination would be allowed, even if other sections of the Act were struck down on the question of a day of rest.

My question to the minister: earlier the minister indicated the figure of 500 square metres was something that had been picked out of the air, or I guess more particularly had been taken from the Ontario legislation, as is the major thrust of the amendments that are now before us. I wonder if the minister could elucidate for the public by way of example, and provide perhaps an indication of the

type of store, say for example in the city of Regina, that might be larger than 500 square metres, and those that might be less than 500 square metres. For example, SuperValu, is that greater than 500 square metres? The normal grocery stores that we think of, Safeway's and so on, is that larger than 500 square metres, as opposed to say a Bi-Rite Drugs, is that less than 500 square metres?

(1515)

Hon Mr. Klein: — Mr. Chairman, I agree with the member's original observation of the court decision. And certainly when I used the word "overlooked", it was not to cast aspersions on anybody or members opposite, but rather, I think, it was overlooked by the public at large as having reached that decision.

As far as relating to size, it's a difficult thing. I'd hate to start planting thoughts in peoples' heads that they couldn't really relate to. But you know, 500 square metres, 5,000 square feet — I suppose if you wanted to consider an average bungalow at being in the area of 1,200 square feet, you know, it would be four times larger than an average bungalow. A free-standing building that comes to mind that would certainly be larger than that would be at the Canadian Tire stores here in Regina that people might see as a landmark. But I'd hate to get into naming other things that might tend to get people off the wrong track on that, but I would say that about four times as large as an average bungalow.

Mr. Van Mulligen: — Mr. Chairman, one other question for the minister in this vein. In determining the figure of 500 square metres, was there consultation, say with the city of Regina or the city of Saskatoon or other municipalities, to see whether or not the 500 square metres might need their needs in attempting to draw some distinction between the types of stores that they would like to see remain open, or enable to remain open, as opposed to the ones that they would like to see closed.

Hon Mr. Klein: — Mr. Chairman, we consulted fully with both cities, and they were in agreement with what we had envisioned for a small store. SUMA (Saskatchewan Urban Municipalities Association) was consulted with. And in my previous exposure as minister of small business, generally speaking, it was a store in that area that had smaller numbers of employees, certainly, and was a typical one-man type of owner-operator, or one-woman owner-operator business, rather than a conglomerate of public corporation which tends to be in larger unites.

Mr. Van Mulligen: — On that, Mr. Chairman, on that particular point then, the municipalities were in agreement with that cut-off point of 500 square metres? Am I correct in assuming that?

Hon Mr. Klein: — Yes, Mr. Chairman.

Mr. Van Mulligen: — One further question. And just to follow up again on a question by my colleague, the Hon. Leader of the Opposition, are you reasonably satisfied at this point, Mr. Minister . . . SuperValu has indicated that it, as I understand it, would be looking to challenge the existing or the new legislation because it felt that the legislation discriminated, notwithstanding Justice

Wimmer's ruling. Are you reasonably satisfied that the legislation now before us and the clauses in it will, in fact, prevent SuperValu from carrying forward with a successful appeal in the courts.

Hon Mr. Klein: — Well, Mr. Chairman, I wish that I could sometimes be clairvoyant so that I could get into that, but I, you know . . . anybody can challenge anybody. All we can do at this point in time is do our best. It seems, however . . . And I will refer to an article in the *Star-Phoenix*, and it refers to the Bill, Mr. Chairman:

The Bill introduced in the legislature Friday also has support from noted Saskatoon constitutional lawyer, Howard McConnell. "That law would likely be upheld by the Supreme Court of Canada if it were challenged," McConnell predicted, adding, "It seems to conform to previous rulings by the Supreme Court of Canada."

So there is an outside position from a recognized constitutional lawyer. We have had discussions with our Departments of Justice, and, you know, it was quite a challenging work-load for them to try to get this thing worded as best as possible that things would be fine, and hopefully they will be that way. I know that, again speaking about Ontario, theirs was upheld by the Supreme Court, and now they seem to be having difficulties again.

So that you can never predict with any great degree of accuracy. And of course, being that this is a free country and our laws work the way they do, and the lawyers and the judges are sitting there, they take advantage of the opportunities that exist in our free society and do what they feel is open to them to do, I suppose. It keeps the lawyers busy, Murray.

Mr. Anguish: — Just a very brief intervention, Mr. Chairman. I was wondering if the minister could tell us if there is any interpretation of this particular Bill that would have application to bingo halls.

Hon Mr. Klein: — Mr. Chairman, the Act defines "store", and I could read it to you, but basically store is designed as a place that exposes goods for sale, and I don't know that bingos would qualify under that. I really don't see the connection between bingos and the definition of a store.

Mr. Anguish: — Any bingo hall that I've ever seen, Mr. Minister, whether it's working there as a charity bingo or in a commercial bingo hall, they certainly have retail goods advertised for sale. And it would seem to me that in the definition that you've just given, then this Bill would have some application to bingo halls, so I'd like you to be a little clearer on the definition of the display of retail goods for sale.

Hon Mr. Klein: — Mr. Chairman, I'll read the Act:

"store" (in article g) means any building or portion of a building, booth, stall or other place where goods are exposed or offered for sale or auction.

Now that's the definition of a store. I suppose if a bingo operator, again, wants to challenge the validity of the Act,

he's free to do so, but certainly a layman's thinking like mine, I know a bingo hall wouldn't be a store. That's for sure.

Mr. Anguish: — Well laymen's opinions usually have very little to do when there are court challenges or legal challenges over a Bill or a piece of legislation that a government such as this would pass.

And certainly in bingo halls they do display goods for sale, and I'm not talking just about the bingo cards that are sold. There are various items that are sold for retail in bingo halls throughout the province. And it seems to me that this Bill would have direct application to bingo halls, and I'm wondering: is it the intention of the department to have included bingo halls, or is it something that's been an oversight by the departmental officials?

Hon Mr. Klein: — Mr. Chairman, in our opinion a bingo outlet is not a retail outlet. A bingo outlet is an entertainment form, I would suspect would be the way to put it. The charities are licensed to operate their bingos through our Department of Commerce and Commercial Affairs. And I think that our legislation of store is solid enough, and I don't believe that we will encounter that kind of a difficulty because you'd have to start excluding all sorts of things — a movie hall because they sell popcorn or whatever. I mean, you don't consider that as being a store.

Mr. Anguish: — Well I can appreciate your interpretation, but I suppose from what you're saying some fellow with a . . . or some person with a very inventive mind could change their retail outlet into something that would have an entertainment value attraction to it and use that to disguise the sale of retail goods. And I'm not talking about things like concession stands, about popcorn and hot dogs and pop that are sold. There are actual retail items that are sold in bingo halls.

And I think unless you define in some way the amount of retail sales that are coming out — and I don't levy this as a criticism, it may have been an oversight — but unless you define the amount of retail sales that are taken out of a building in excess of 500 square metres as you've described to us, there's a chance that anyone who is a bit "ingenuitive", some entrepreneur could devise a way so that they could, under your legislation, be described as an entertainment centre, and at the same time be conducting vast amounts of retail sales out of that same building. But because of what you have told me, they would not be covered by this legislation.

Hon Mr. Klein: — Mr. Chairman, I think that the member is getting carried away with the whole situation here, and I won't profess to argue legally with him. I think that if somebody wanted to play games with this legislation, or any other legislation, they could do that. The provision is still there for the municipality to charge them, and it would be up then to the courts of law to determine that.

To start putting numbers, retail numbers, in on a 500 square metre store — for instance, if somebody is selling diamonds and somebody else is selling marbles, how can you even begin to put any kind of a dollar limit on it because one has no relationship to the other?

It's the same thing in a whole host of various businesses. You can't measure it by a dollar volume. You can measure it by the line of product sold, perhaps. To get into that you might have to have a list of 10,413 articles, or more or less – I really don't know.

All I can say, Mr. Chairman, is that I have a lot of faith in this legislation. I have a lot of faith in the officials that have designed it and put it together. And I suppose, too, that I have faith in the municipalities and the business people that operate therein that they're not going to play games to that extent.

Mr. Anguish: — Well our job in opposition, Mr. Chairman, through you to the minister, is to provide some kind of constructive criticism. That's the purpose of the process we go through for passing Bills, and not playing games.

I point out an example to you that the department should give some consideration to, and I used bingo halls because it's something that comes to mind as an immediate example where there are retail sales. And I don't appreciate the games that you play. I'm not comparing diamonds to marbles. I don't wish to do that.

I point out what I think may be a bit of a fault in your legislation that will come sometimes down the road. Instead of your offhand flippant remarks that you make about what we're doing on this side of the House, I just wish you'd sit down and take the criticism for what it's worth. I think the department has likely done a good job, and the officials have done a good job in trying to put together the legislation. I, for one member, try and point out a fault in that. If you don't think it's a fault, that's fine. But keep it in mind for the future if you do get into trouble with the Bill that you're putting through here today.

Hon Mr. Klein: — Mr. Chairman, it was the member opposite that stated a relationship between square footage and sales, and I simply pointed out the inaccuracy of that kind of a statement. You can't justify that. And it's not a flippant remark. It's as seriously made as what perhaps you honestly brought up about a bingo hall. And I've answered once or twice that I believe that a bingo hall is not in the same connotation as our definition of a store.

But if somebody wants to challenge this legislation, or that definition, or any legislation, they have the right to do that. And whether it may be a bingo hall or something else, what I'm saying is, we can't possibly cover in legislation an alternate for everything that may conceivably occur. My reaction to the judge's decision on this matter was one of total surprise, because of all of the various articles in the legislation, to rule the way he did caught me by surprise, and that was my initial reaction.

And I suppose that it's fair to say in all the articles, they can challenge and overturn on any one of them. And you can't possibly build in alternate provisions to cover all of the ramifications that could come about as a result of a legal challenge.

(1530)

Mr. Anguish: — I just want one final brief comment, Mr. Chairman, and that is that if that's what you want, I think there are some situations that can be covered. Why wouldn't you put into this Bill something to state that it does not apply to entertainment facilities and retail sales from those entertainment facilities whereby they are using as accessories to that entertainment?

Hon Mr. Klein: — Mr. Chairman, it's safe to say that we're dealing with retailing and with stores. I think that the general public understands precisely what the term retailing and stores are. This is not an entertainment Bill or some other form. And we could find ourselves very well, by putting in exclusions that would indeed open up this Act, to some kind of a legal question by virtue of an exclusion, so that rather by limiting it to the definitions, as closely defined as we can determine to be legal and acceptable, we believe that we're staying in a safe area.

Mr. Van Mulligen: — Thank you, Mr. Chairman. Just one small section of the Act that concerns me, and it may not be any major problem, Mr. Chairman, and that is the provision which indicates that goods offered for sale at a public auction or by a transient trader, if they're of the class of goods that are sold by stores that are normally obliged to be closed on a specific day such as a Sunday, that that kind of sale will not be allowed. But the exception which is made . . . And I refer you to no. 13, Mr. Minister. That section does not apply to used or second-hand goods.

As I read that section, I would interpret that to mean that this is an escape for, say, community organizations and others who are involved in flea markets, or individuals who undertake to have a garage sale, and I don't think that anyone would want to close the door on that, to enable individuals to hold a garage sale on a Sunday, or a Saturday for that matter – and I might say that I have one coming up soon – I don't think that anyone would intend to close the door on that opportunity.

By the same token, though, as I read that section, it does provide an opportunity for a transient trader to set up in town, say, at a local hotel, to bring in, say, antique furniture, and to hold a sale of that furniture and call it used or second-hand goods. Am I right in that? Does that possibility exist as well?

Hon Mr. Klein: — Mr. Chairman, the member brings up a valid point in this. That section of the Act has been there for a long time and has not been changed. So far it has not created a problem. I know the type of transient trader to which you're referring. First of all, you know, with regarding the garage sale and all the rest of it, no, clearly there is no problem nor intention to that.

With regard to the transient trader that may come through, I suppose all I can offer as an explanation at this point in time is that they must be licensed in order to do business as the transient trader, and certainly they wouldn't qualify for that if they intended on doing it more than just the odd time or the once a year that they come through or whatever, and the municipality would then offer them their licence. So I suppose that the only

method of control would be in that licence area. So far it hasn't been a problem, and I would suspect that if it became one that we would have to find some way to sort it out and deal with it.

I think that what I would propose is that that would be one section that we will earmark. And perhaps at another time when this Act would be reopened that we could deal with it at that time, having had the time to do some proper research and discussion and consultation, and deal with it then rather than delay the passage of what the Act is really here for today, if that would be in agreement with you.

Mr. Van Mulligen: — I want to thank the minister, Mr. Chairman, for that undertaking and for those assurances. I think that's much appreciated.

I have no further questions at this time. Again I would indicate that we're relatively pleased with the legislation. We hope and join with the minister and the municipalities and retail workers and small businesses throughout this province that the legislation will finally close the door to widespread openings on Sunday, or on a secular day of rest in Saskatchewan, and restore a secular day of rest for Saskatchewan families.

Again I wish that the province had acted sooner in this respect. The opportunity was there some time ago to look at the Ontario legislation and to see what it might hold for Saskatchewan. I note that as recently as last December, in commenting on the ruling by the Supreme Court on the Ontario legislation, the Minister of Justice said at first blush it would appear the Supreme Court has upheld the right of the province to deal with it, and it certainly upheld the right of the province, even if the legislation in this province left something to be desired. I would hope that the Minister of Justice is still blushing on that one, Mr. Chairman.

I have no further comments at this time.

Hon Mr. Klein: — I think in response to that, in fairness, we did believe that our Act would be upheld by the courts. And, in fact, the one important area was, as far as we're concerned right now — but there again time will tell — this area was a surprise. It is very difficult to determine in advance just what area of legislation might be weak, if indeed any. I think that we did act with an awful lot of speed on this issue, when it did surface, to the satisfaction of all concerned.

I appreciate the questions that came forward today. If there are no more, then perhaps we can approve the Bill and pass it.

Clause 1 agreed to.

Clause 2 agreed to.

Clause 3

Hon Mr. Klein: — With agreement of the opposition, if they are in approval of the Bill, perhaps we could just proceed on a page-by-page basis rather than clause by clause, unless we had some specific area. It's normal to

do that on a lengthy Bill if you're in agreement.

Mr. Van Mulligen: — In this instance, Mr. Chairman, we would agree to it.

Mr. Chairman: — I would suggest perhaps to the minister that we have two clauses left and then we are finished, which would probably be faster than going by page.

Clause 3 agreed to.

Clause 4 agreed to.

Hon Mr. Klein: — I would like to thank my officials, Mr. Chairman, and I'd like to thank the line of questioning that the opposition presented to us this afternoon.

Mr. Van Mulligen: — If I might, I would also like to thank the minister's officials for attending here today and for assisting in the consideration of this Bill. And I want to thank the minister for his assurances and for his contribution to this debate.

The committee agreed to report the Bill.

THIRD READINGS

Bill No. 37 — An Act to amend The Urban Municipality Act, 1984

Hon Mr. Klein: — Mr. Speaker, I move that this Bill be now read a third time and passed under its title.

Motion agreed to, the Bill read a third time and passed under its title.

(1545)

COMMITTEE OF FINANCE

Consolidated Fund Budgetary Expenditure Social Services Ordinary Expenditure — Vote 36

Item 1 (continued)

Mr. Hagel: — Thank you very much, Mr. Chairman. As we come back to the review of the services provided by this very important department that impacts on literally hundred of thousands of people directly in the province of Saskatchewan, Mr. Chairman, I think before moving to another topic that we haven't dealt with before, there is one item of unfinished business that needs to come before the House.

And it has to do, Mr. Minister, with the comments that you have made in this House regarding your former deputy minister, Con Hnatiuk, who by your words you transferred to Manitoba. In response, Mr. Minister, to questioning in the House regarding the cost to the taxpayers of this province for you to make this decision to transfer a deputy minister who was promoted into that position by the former Minister of Social Services, the PC member from Regina Rosemont at that time, Gordon Dirks — in response to questions about the cost of your decision, to use your terms "transfer him to Manitoba," you chose in this Assembly, Mr. Minister, to provide the

Assembly with what I would suggest would be slanderous remarks; certainly remarks that were not complimentary to the deputy minister; remarks that are a little difficult to understand, Mr. Minister, and a little difficult to understand in the context of a *Leader-Post* report on Saturday, September 5, in which Mr. Hnatiuk, after being contacted by the *Leader-Post*, is reported as saying, along the way he received regular performance bonuses, merit ratings, and positive feedback from his superiors. When he left the job earlier this spring, Premier Grant Devine sent him a complimentary letter.

Mr. Minister: will you admit to this Assembly that you unnecessarily dragged the name of the former deputy minister through the mud in a style that is not terribly uncharacteristic with some of your previous comments and performances? In the period of time, Mr. Minister, these past several months, you've failed to insult very few people, and there are a number of people who are insulted by your dragging through the mud the name of Mr. Con Hnatiuk.

And I would ask you, Mr. Minister, if you would stand in this House today and withdraw the slanderous remarks, the uncaring – typically uncaring – remarks that you made in respect to your deputy minister. Will you stand in the Assembly and withdraw those remarks, Mr. Minister?

Some Hon. Members: Hear, hear!

Hon. Mr. Schmidt: — Mr. Deputy Chairman, it should be pointed out that I did not raise any former employees in this Assembly; that they were raised by the member opposite who started in his questioning about . . . with the line; where is Howie Alberts; who then raised the names of Mr. Hnatiuk, Mr. Spigelman and other people in our department. And certainly I did not raise these matters; I consider the matters closed. The management changes have been made; they were made because they were necessary.

And certainly with respect to slander, that is a legal term and does not exist where there is truth, and I have answered the questions previously and given the truth. There may be differences of opinion as to what is the truth, but I have given the truth, there is no slander, and the matter is closed, and we're prepared to deal with the estimates.

Mr. Hagel: — Mr. Minister, I, too, am prepared to deal with the estimates.

And I point out again, when I stood in this Assembly and asked for information regarding the dismissal of Mr. Hnatiuk, I did not raise questions about his performance; you did. I asked specific questions about the cost to the taxpayers of Saskatchewan for you to make that decision, to dismiss that deputy minister.

You chose to make the slanderous comments, Mr. Minister, and if I may paraphrase, I recall you making a statement to the effect that Mr. Hnatiuk was costing the province his weight in gold, to use your words, Mr. Minister. And I challenge you to repeat those statements that you made formerly in this House when we discussed this matter. I challenge you, Mr. Minister, to make those

statement outside this Assembly.

Some Hon. Members: Hear, hear!

Hon. Mr. Schmidt: — Mr. Chairman, we happen to be in the Assembly at this time, and I've already answered the question. As everyone knows, we have complete freedom of speech in this Assembly and are responsible to each other. The statements I have made are truthful, are responsible, and I have no intention to retract any statements, or do I have any intention of repeating anything, because the questions have already been answered.

Mr. Hagel: — Mr. Minister, I think it is a blatant admission, on your part, of the inappropriateness of your comments – the fact that you refuse to repeat them outside this House. Mr. Minister, I challenge you to repeat those statements outside the House. If you are so convinced that what you said is accurate, inside this House and you firmly believe them to be true, I challenge you to make those statements outside this House.

And is it not true, Mr. Minister, is it not true that you chose, you chose, to use your terms, to transfer the deputy minister to the province of Manitoba because, as a matter of fact, that he objected or provided some resistance to your intention to introduce a number of right-wing policies in the Department of Social Services? Will you not admit, Mr. Minister, that that was your motivation behind this \$120,000 cost to the taxpayers through which you dismissed the deputy minister? And I challenge you to repeat those remarks outside the House that you made in this Assembly.

Hon. Mr. Schmidt: — Well, Mr. Chairman, if the member opposite is suggesting that the individual he is trying to defend would not implement government policy, then his argument is self-defeating.

Ms. Smart: — Thank you, Mr. Chairman. Mr. Minister, I want to question you on the question of the day care services in the province, and begin by looking at the brief that the Saskatchewan government presented to the Special Committee on Child Care in June of 1986. I'll wait till the minister . . . I feel like I have his attention.

Mr. Minister, in this brief the government said . . . your government said that: given that 54 per cent of the women in Saskatchewan currently work outside the home, it is vital that families have access to quality child care services which are both affordable and flexible. That is a statement that I personally have no problem with.

I wanted to quote to you figures that are also available in this government report, so the government was aware of it: of the number of women 15 years of age and over with children under the age of three in Saskatchewan, in 1975 those women were 28.4 per cent of the population in the labour force – these are women who are at work; in 1985, 52.1 per cent of the women with children under the age of three. That's an 83.5 per cent increase in 10 years of women who are working, with children under the age of three.

Children under the ages from three to five with mothers

who are working went from 38.6 per cent in 1975 to 64.9 per cent in 1985. That's a 68.1 per cent increase. And women with children ages six to 15 years of age in the work-force went from 50 per cent in 1975 to 71.9 per cent in 1985 – a 43.8 per cent increase. That shows very clearly that more and more women are in the work-force, women that are parents, and more and more the need for adequate child care services for women.

In this brief to the federal government, your government in 1986 said: Saskatchewan has the foundation on which to continue developing quality child care services and options for delivery of those services; when your government in 1986 said, Saskatchewan has the foundation on which to continue developing quality child care. That is the foundation that was set by the New Democratic Party government from 1973 until 1982.

I want in this House to give credit to the New Democrats for starting the day care movement and making day care centres available, and I want to give credit to your government for recognizing that foundation, so that when you respond to my questions about day care, I hope that you will not give me the kind of response that you've been giving to other people in this House, where you stand up and waste the time of this House by going back over what you don't think the New Democratic Party has done. Because in this presentation to the federal government, your government in 1986 recognized that we had a foundation for quality child care services.

Now this brief goes on to say:

We are committed to improvement in this area. This commitment is based on the following principles, one of which is that federal-provincial co-operation is essential to the development of quality child care services.

My question, my first question to you, Mr. Minister, is: what has Saskatchewan's position been in the cost-sharing discussions with the federal government that have taken place recently regarding child care services and the development of a national child care policy? Can you be specific and clear with me in outlining what your position have been to the federal government?

Hon. Mr. Schmidt: — Mr. Chairman, I expect to be summoned to Ottawa in the very near future to hear the details of the federal proposals on day care, and until we receive the details of those proposals, we will not be in a position to make any major changes here because we would have to analyse the situation.

Our position is clearly that day care should continue on a 50-50 funding basis, higher if Ottawa could come up with the money, but we doubt very much if they will go higher than 50-50. So it's cost shared, half and half, between Ottawa and Regina – we should say Saskatchewan.

The day care situation has improved progressively and continuously in the term of office of this government. My most recent calculations are that the increase in spaces has been 49 per cent since 1981. The spaces have gone from 3,914 spaces in Saskatchewan to 5,748 spaces in Saskatchewan. We have recently allocated another half a

million dollars for another 225 spaces. Saskatchewan has a commitment to assisting in child care, and there'll be further details when the federal proposals are public and are considered.

Ms. Smart: — Mr. Minister, I asked you what your position was regarding the federal government on the development of a national child care policy. A 50-50 per cent cost sharing funding has been in place for a long time through the Canada assistance plan.

I'm looking at the specific comments and concepts that you've been supporting in your initial discussions. You've been to Ottawa already; you've talked to the federal government; they are now developing proposals based on discussions with the provinces. What position was the Saskatchewan government taking regarding the development of a national child care policy?

(1600)

Hon. Mr. Schmidt: — Mr. Chairman, the three main criteria that we've been advocating for are as follows: we want day care to be more affordable to parents, particularly at the lower and middle income levels; secondly, we want to increase the availability of day care spaces to families requiring out-of-home care; and thirdly, we want to improve the quality of day care in every way possible.

As for the details of how that will be done, part of that we've done already in this province. As for the details of the future, this is a national program that we are waiting for, and I would expect that in the next four weeks we will have further details on the national program.

Ms. Smart: — Mr. Minister, when you were talking to the federal government, did you or did you not support the concept of non-profit child care, or are you supporting the development of commercial or child care for profit centres?

Hon. Mr. Schmidt: — Mr. Chairman, when I went to school, profit was not a dirty word, and I don't believe it is right now. It is what our economy is driven on. We certainly do not want anyone to exploit child care, but we don't believe that people should care for children for no compensation, and so therefore, we are considering the various options.

The Government of Saskatchewan would not be subsidizing any day care centres that were based on a commercial nature, but whether commercial day care centres should be allowed in Saskatchewan is not yet been decided. They are common in Alberta, Manitoba, Ontario, and other provinces, and we would have to weigh all the options once we see what the federal position is.

Ms. Smart: — Mr. Minister, you obviously have a lot of homework to do in regard to this issue. I would suggest that you pay very close attention to the research that's been done in terms of the high quality of care that non-profit day cares provide, versus the quality of care in profit day cares. When people are running day cares to make money, then the quality of care for children suffers.

The research has been done for that over and over again, and there are many well-informed people in Saskatchewan who could enlighten you on this need for non-profit day care. It's a crucial issue — an absolutely crucial issue to the many, many parents in this province who are working and who are looking for good child care.

And it's unacceptable to me to hear you say that the alternative to profit care is somehow to have people work for nothing. That is not the kind of plan that the people who really want good child care for their children are suggesting, not at all. And you would be well advised to listen to them.

Some Hon. Members: Hear, hear!

Hon. Mr. Schmidt: — Mr. Chairman, I would be prepared to listen to the member opposite, and I have, but there didn't seem to be much logic or much rational thought to considering all options. We have no comparisons in this province between commercial day care centres and non-profit day care centres. The non-profit day care centres still charge fees and still pay wages, so there are employees who are benefiting from the existence of those centres. We expect that the prime object of day care should not be the benefit of employees or owners, whether they're profit or non-profit, but the care of children.

With respect to the care of children, there should be some ability for parents to make choices on what type of day care they wish to have for their children, and this is something that we will consider to allow parents some choice. Whether a commercial day care can provide different services, or better services, or not as good services as the existing day cares, that is a matter to be seen. Maybe we would have to try a pilot project so that we would have some comparison, but at present we have no comparison.

Mr. Trew: — Thank you, Mr. Chairman. Before entering this debate, I beg leave of the Assembly to introduce two guests.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Trew: — Thank you, Mr. Chairman. Seated in the Speaker's gallery is Monica Lysack, who is the outgoing director of the university day care co-op here in Regina. And seated next to her is Heather Guzik, the incoming director of the university day care co-op. I ask all people in the Assembly today to join me in welcoming these two guests.

Hon. Members: Hear, hear!

COMMITTEE OF FINANCE

Consolidated Fund Budgetary Expenditure Social Services Ordinary Expenditure — Vote 36

Item 1 (continued)

Mr. Trew: — Mr. Minister, you're talking now about commercial day care, and it disturbs me greatly to hear you saying we maybe need a pilot project here in Saskatchewan to find out indeed if commercial day care or day care for profit is in fact a good thing. Just do as the member from Saskatoon asked you to do; read some studies; find out.

It only makes logical sense that when anyone is in business for profit, their primary goal is that of turning a dollar. And if you are earning a dollar at the expense of the children, that's exactly what will happen in a day care for profit situation. It is inescapable that in a profit day care the staff salaries may be lower. They may in fact pay a similar amount per hour, but instead of supervising a relatively small number of children, that number will continue to increase and increase and increase until the limits are reached and, in many cases, exceeded.

I make my comments about the profit day care simply to urge you not to even pursue that, other than if you want to study what's happening in Alberta or Ontario or some other provinces where they have profit day care. By all means go and ask them how it's working; go and look at it; see how it works, but you certainly do not need a pilot project here in Saskatchewan because it won't work one iota better here than it does in neighbouring Alberta or indeed in Ontario.

What is required, Mr. Minister, is simply an increase in funding for day cares, and I urge you to move towards universal funding for day cares. There's a number of ways you can proceed there, but I urge you to look at universal funding of day cares.

Indeed, the children that attend day cares are our future, and that's not simply idle words. Obviously they are going to be the future generations that will be running Saskatchewan and indeed running Canada. Many of them will go on to very important positions within the world.

The subsidy, Mr. Minister, has been frozen at \$235 per child space per month since some time before April of 1982 when your government was first elected. Prior to that the subsidy had been increased in regular increments. They had not been increased in large, drastic amounts such as I'm urging you to do now; they had been increased regularly. But since April of 1982 they've been frozen at \$235 a month, and I ask you: how do you justify freezing that subsidy per child at \$235? How can you justify that, and when are you going to move to drastically increase that from \$235 a month to something more realistic, something certainly in excess of \$300 per month?

Hon. Mr. Schmidt: — Mr. Chairman, I would appreciate if the member for Regina North could give us a clear indication of what he proposes by universal funding for day care. While we on this side of the House believe that those people who can afford child care should pay their own child care, and that those people who cannot afford child care should be assisted, we would have to have some clarification on his concept of universal funding.

I would like to point out, however, that it was this government who instituted a standard funding fee or a standard amount of \$20 per space per month in all of the day cares in Saskatchewan, something that his government did not see fit to implement. So if you could explain to us what he means by universal funding . . . is it something different than what has been requested and denied by the former government, or is it a new concept?

I can point out that this government has come up with a standard fee of \$20 per space per month for everyone as a basic funding for day care centres. Then in addition there are subsidies for those people who require subsidies.

Mr. Trew: — Mr. Minister, surely you jest when you suggest that someone with a gross income of \$1,500, that a subsidy of \$235 per month is adequate. Just picture yourself. I recognize that on an income in excess of \$50,000 per year, and with the wonderful garden that you and your wife grow, that you would not understand the hardship faced by a single parent who has an income of \$1,500 and one or two children and finds a subsidy of \$235, in fact, decreases very substantially from \$1,500 per month and on.

And not only has the subsidy decreased, but I point out to the minister that the subsidy is a maximum of \$235 per child, but day cares are charging well in excess of \$300 per child space simply because they have to pay their staff, they have to pay their rent, they have to purchase supplies. I believe the supplies is included in that \$20 per space allotment that you were speaking about just moments ago.

But there's certainly considerable pressure on day cares to meet the criteria outlined under the licensing arrangement. Day cares cannot simply stack little children up in the corner or hang them on hooks and leave them there from the time that their caretaker or their mother or father drops them off until their mother or father or caretaker comes and picks them up. Children require constant attention throughout the day.

Your subsidy level is simply inescapable; it's creating a terrific hardship for a great number of people. Will you move to increase that subsidy rate, move it up to something more acceptable, something more reasonable and something more in tune with the economy of today?

Hon. Mr. Schmidt: — Mr. Chairman, just to give you an update on this. People tend to get emotional on this topic but you have to look at the facts. We subsidize 90 per cent of the average fees to a maximum of \$235 — as a maximum — that's 90 per cent of the fees. Last year was the first year that the average fees in the province were high enough to capture the full \$235 subsidy. So when you receive 90 per cent of the fee, up to a maximum of 235 last year, the average fees had reached a level where people started qualifying for the maximum subsidy, at the 90 per cent.

Instead of increasing the subsidy, we granted \$20 per space, for all spaces in Saskatchewan. So you have to have a balance here between whether the members of the opposition want universality, or whether they want specifically to help those in greatest need. And those are

the kinds of decisions that have to be made. And as a government we have to make decisions and be responsible for them. The opposition can ask for both, and no tax increases and no deficit. And it goes on and on. But we have to govern and we have to balance these things and provide what is reasonable and practical.

So if the members opposite could decide what they really want — universality or assistance to those in greatest need, whether they wish to have taxes lowered or raised, whether they wish the deficit increased, whether they wish spending increased or decreased — if they could give us a final decision on what their policies are in this regard then we could take them into account. But since they have three or four policies, which are all inconsistent with each other, the government has to pick what we think is the most common-sense approach.

Mr. Trew: — Ninety per cent of the funding, Mr. Minister, a maximum of \$235 per month — it just simply is not the way it is. Day cares are charging . . . well many of them are charging in excess of 330, 340, \$350 per month per child space.

(1615)

You are stating that you're funding each space 90 per cent of the funding, but it is only to a maximum of \$235, and there's a great many spaces where that funding is short. That is why I'm asking you to increase that \$235. You're making statements that the \$235 per month per child seems to cover virtually every day care space, and quite frankly that is not so and you know it is not so, and I wish you would not pretend that it is that way.

In some instances, perhaps where the building is supplied free of charge for whatever reason, that may be accurate, but it is not in the majority of cases. So I come back again: when will you increase that maximum rate, that maximum subsidy, from \$235? When are you going to increase it, and to what level are you contemplating increasing it to?

Hon. Mr. Schmidt: — Mr. Chairman, the question is when. And I gave the members opposite a choice on universality or helping those in greatest need and they haven't made any decision as yet.

When we've made the decision we will announce it. And we will probably do that after we have heard the federal proposals on day care.

Ms. Smart: — Mr. Minister, you have said that you see our policies as . . .

Mr. Chairman: — Order. Order, please.

Ms. Smart: — Sorry, Mr. Speaker.

Mr. Minister, you've said you see the New Democratic policies as inconsistent. Let me tell you that one of the basis for our philosophy is: people first. And one of the most important things for people, for parents is high-quality child care for their children. It's children that are hurting in day cares that are not licensed, that day cares that are not living up to the proper standards, that

are not properly funded.

I've told you how many children belong to mothers who are working; it's very much increased since 1975. And we are talking about the need for high-quality child care so that children are not left in front of television sets all day long, so that parents are not left with the tremendous stress of going around this province trying to find places for their children to be cared for because they have to be in the work-force. That's what we're talking about. I want to be very clear with you on that.

You've mentioned the increase in day care spaces. Under the New Democrats from 1973 to 1981, in eight years time, the New Democrats created 3,900 spaces. In the eight years of your government you have created 1,800 spaces. It's an increase but it's not nearly enough – not nearly enough.

In this budget you created a mere 225 new spaces, in the budget announced this year. Child care movement estimates that at least, at a very minimum, there's a need for another 800 new spaces in day care centres and family day care homes. I have very specific questions for you and I would like the answers. Where are the 225 new spaces?

Hon. Mr. Schmidt: — Mr. Chairman, the spaces are being allocated. Announcements will be made from time to time when the allocations have been completed.

Ms. Smart: — How many spaces have been lost due to closures? Do you know that?

Hon. Mr. Schmidt: — Mr. Deputy Chairman, there is always some turnover in day care spaces. There may be some closures; there'll be some openings. We don't capture any spaces that are closed. What we do is reallocate them to other day care centres.

The statistics in last year are as follows. Increase in spaces: Mackenzie Infant Care Centre, Regina, 10, start-up grant cost \$6,000; Moose Jaw Community College, 35, start-up grant 21,000; La Co-operative Gard Amis Francaise de Regina, it's a French day care, 25 spaces, start-up cost \$15,000.

And centre expansions: the Churchill Day care, Saskatoon, five; Lakeland Preschool, Christopher Lake, 10; Massey Road Day Care, Regina, five; Melfort Day Care, 10; Nipawin Day Care, 10; Preston Avenue Day Care, Saskatoon, 20; Regina General Hospital Daycare, 10; Regina's Market Square, 10; Sign Day Care, Yorkton, five; Small World Day Care, Prince Albert, five; University Day Care, five.

At the same time there were two centres closed: Indian Head Child Care co-operative with 45 spaces closed in that year; and the Lloydminster Native Day Care Centre with 30 spaces closed in that year.

As I indicated earlier, that if a day care should close, then those spaces will be allocated on the basis of need to other day cares or new day cares.

Ms. Smart: — So in terms of the new spaces, you're

half-way through this budget year and you have none of those 225 day care spaces, new ones, in place. That's what you've told me in this House. That's really shocking, when the budget said that you were providing a new, enriched day care program.

I want to question you just quickly on the equipment grants. Are they being paid out to the day care centres now? They were held up for some months, even into this new budget year. Are they being paid out now?

Hon. Mr. Schmidt: — Mr. Deputy Chairman, as you know and as the members on this side of the House know, the budget has not yet been passed and we are operating on interim supply. On the basis of interim supply, payments are going out in the regular manner.

With respect to spaces, it should be also be noted that in addition to the 225 spaces to be allocated this year, there's an additional 350 children – and this is an estimate that we've got so far – an additional 350 children in private home day care spaces. So that the total increase this year would be in the range of 600 – getting very close to the amount requested by the members of the opposition.

Ms. Smart: — Those private homes are not licensed ones. That's true, isn't it, that you're referring to?

Hon. Mr. Schmidt: — Mr. Chairman, yes, those are licensed.

Ms. Smart: — Well then what you're calling a private home, that's a family day care centre? Is that the same thing? All right.

A couple of questions about the spaces created at the northern technical institute in Prince Albert. How many spaces were created there; and how many have been registered in those spaces?

Hon. Mr. Schmidt: — Mr. Deputy Chairman, I was in Prince Albert. The institute hasn't got back to us yet with respect to the need there. We would have a preference though for other day care centres where the need might be greater, and so we'll have to decide where the need is greatest.

I recall visiting the United church – and I don't recall the name of the United church – on the west side of Prince Albert, in the west flats, and they're requesting allocation for day care, and I tend to think that we haven't talked to her yet. We've talked about commercial and we've talked about non-profit, but I would tend to think that the United church day care requested in Prince Albert should get serious consideration as a house of God should be an appropriate place for the care of children. So we will have to decide where the greatest need is.

Ms. Smart: — Well of course a request from a United church should get serious consideration, but you've built a day care in the Northern Institute of Technology – a day care space which is also to be a training area, as I understand it. And you're telling me that you haven't got spaces registered there and you're not going ahead with that program. That's your newest institute, and the

Minister of Education has been promoting that institute, and yet here's a program that seems not to be going ahead.

Hon. Mr. Schmidt: — Mr. Deputy Chairman, the information I have is that the institute is doing a survey, checking for the need. Should the need be there, we will continue with the project. With respect to what Education is doing, we would have to check that in Education estimates.

Ms. Smart: — I can't believe the lack of planning from this government opposite in terms of providing people with the services that they need. You just seem to be going around in circles. You don't seem to know where you're going at all.

I want to ask you a question regarding infant care. I would like to know, since the statistics show, for example, in Saskatchewan in 1981 that there were 6,685 children ages zero to one — the very tiny babies — who had parents who were either full-time working parents, students, or parents working 20 to 29 hours a week . . .

And I know in my constituency I have young single moms who are looking for space for their infants for care, because your government has defined a woman as employable when her baby is three months old, and she has to change from being on full subsidy with social assistance to being on employable rates, which are a lot lower. And there are many women who are desperate to find day care for their very tiny babies. How many infants are there in licensed care in Saskatchewan?

Hon. Mr. Schmidt: — Mr. Deputy Chairman, the information I have is there are about 325 to 350 infant care spaces at any given time in the province of Saskatchewan. This is a particularly difficult area because, as we know, the care of an infant — as I know because I have two children and I can still remember the care required when they were that age; and clearly there is a higher staff ration. It's particularly difficult for a stranger to care for an infant as compared to a mother or as compared to relatives, so this is a particularly difficult area. The question is: at what stage in life does the government start taking part in the care of infants or children?

It should be pointed out that the day-care budget, which hasn't been raised here in these estimates, is approximately \$13.5 million in this province. And in addition, at the Department of Social Services, we pay on our welfare budget to assist for necessary baby-sitting related to employment, medical, rehabilitation, education; and we pay another \$3.6 million per year for baby-sitting at the Department of Social Services. That is a fee that should really be included in the day-care situation because it's specialized day care.

But in addition to the 13.5 million for regular day care, the Department of Social Services pays out another \$3,649,000 per year in baby-sitting, most of that for fairly young single mothers. And the reason we do that is because we have education programs for those people so that they can continue their education and become more self-sufficient. So that should not be overlooked. And so

it's a question of how you go about this. Would you add that 3.6 million into infant care? I would think that it should be taken into account.

(1630)

Ms. Smart: — Well it's very important to fund the women that are trying to go back to school, but it's also very important to fund the development of day care through the department in an orderly fashion so that you can deal with all the issues that are coming up, such as care for children who are very tiny, such as help for parents that are on part-time work, such as women who are trying to go for the transition from training to employment. They go through your training programs, but they don't get the money for child care so that they can afford it and get into the work place at the same time.

There's all sorts of problems there in terms of organizing a day care system that will fit the needs of the people who are wanting it. And one of those issues is reflected in your budget where you have a staff cut in the department of one person, from 29.6 person-years to 28.6 this year. And my understanding is that the positions related to the development and monitoring of licensed centres have not been filled, so that the staff are very badly overworked; even with the licensing day cares they can only visit one centre a year. You haven't filled that position, the position of the day care worker in Saskatoon, and I'm wondering why you're cutting back on staff when there's all this need to develop these specialized services and to spend the money in an orderly and efficient and caring and high-quality way.

Hon. Mr. Schmidt: — Mr. Deputy Chairman, we should make some corrections in what the member has indicated here as being the accuracy in all that. I've made the mistake of assuming that the information received from the members opposite could be accurate.

A few days ago the member from Lakeview indicated that the Yorkton Crisis Centre had received 14,000 calls, and when I checked the Yorkton newspaper, the newspaper reports were 1,400 calls — an error of tenfold. Here we have a substantial error. The member opposite has indicated that the age that the Department of Social Services considers a single woman employable was at the age of three months of the child, when in fact I'm advised our policy is that we consider that age to be one year.

We have now under the Saskatchewan skills development program 2,500 people receiving an education and upgrading their training so that they can become employable. Most of those are single mothers, and in that case the Department of Social Services pays for their maintenance, their education, the care of their children, and the baby-sitting of the children in those cases. And there have been a few instances where there has been problems where the single mother has been under the age of 18, where we consider them part of their family, and then we'd look at the income of the grandparents because they are living at home. And that is considered part of it.

Once they are over the age of 18, they are considered to be independent and are helped in many, many ways.

Never before have single mothers received so much assistance in this province, and I really don't know where they would receive more assistance.

In addition, to correct some of the misconceptions that this government is stingy with money and day care spaces, we have the second highest cost to the government for day care space in Canada. The highest cost is in Alberta. So in the two most Conservative provinces, the government spends the most per capita on subsidized day care. And then the NDP would come to us and say oh, we care . . .

An Hon. Member: — Well that's true, that's right.

Hon. Mr. Schmidt: — No, no, that's not true. The NDP talk. We act. We are the government. And the NDP try to obtain a monopoly on caring, but it's only an oral caring. This government is into physical caring, physical caring for people. And that costs money; it costs effort; it takes organization. That is what has been done.

Now I hear complaints that somehow in our department we have made a cut to day care because we now have 28 staff rather than 29. And I would say to the members opposite that the day cares that are in Saskatchewan have matured, are more self-sufficient, have more experience, require less assistance from our department.

The development of day care does not take quite as many people as it once did, and the difference between 28 and 29 staff is hardly a significant figure. Now here we have the members complaining that we have reduced the administration by one person, from 29 to 28, when in the debates on these estimates they also complain about the increase in taxes, about the deficit. They cannot have it both ways. I submit that a decrease of one person, from 29 to 28, is reasonable and responsible.

Ms. Smart: — It's not reasonable and responsible at all, particularly given the need, and the growing need, for the development of rural day care for the farm families. Many, many farm women . . . over one-third of the farm women in 1982 — and it certainly must be a lot higher now — have had to go out to work in order to subsidize their farms.

And in your government's presentation, the federal government, they said: we are committed to the development of services suited to our widespread rural population. The rural women are very, very anxious to have day care extended into the rural areas. I don't see how you can do that when you cut back on the development staff in your department.

I also want to point out, when you refer to Alberta, that in 1984 the per capita spending in Alberta was \$82.88; in Manitoba, it was \$85.52 per capita for child care, and in Saskatchewan, \$53.59 — much lower per capita in Saskatchewan. There's a need for at least a 15 per cent increase in the day care budget — \$500,000 increase is a very minimum amount. It's hardly an increase at all given the tremendous demand; given the number of women that are looking for work; given the complications now with the development of part-time work and the need for infant care; and given, as a base for all of it, the very real

need to have high quality care for our children and to put children at the heart of what it is we're about here with government, because they deserve the very finest care.

The money is there if you didn't spend it on things like giving away the Weyerhaeuser mill and Peter Pocklington and all the things that we've mentioned here many, many times. The money is there; it's just different priorities. Well, it's about time to start putting people first, and children absolutely first.

Hon. Mr. Schmidt: — Mr. Chairman, the figures cited by my colleague opposite, if I accepted them — and for the sake of argument we'll accept them — refer to per capita, not per space but per person in the province, or per child in the province.

And if in Saskatchewan families take care of their own children without assistance from the government, I do not believe that the government should dissuade people or discourage people from caring for their own children. And so long as people are prepared to care for their own children and are not in as great a need as they might be in other provinces, then there's no reason for the government to discourage them from caring for their own children. We will do everything possible to have available and affordable day care for all those people who need it, but you have to go on the basis of need.

Saskatchewan is one of the few provinces in Canada where the rural population is still the majority. The provinces are Saskatchewan and Prince Edward Island. And it seems that in the rural part of Saskatchewan there is a less of a demand for day care for many, many reasons. And why there is a lower demand for day care is because there are not as many available jobs for women in rural Saskatchewan where they are needed the most.

So if we can devise ways of providing more jobs for women in rural Saskatchewan, where they're needed because the incomes of farmers are very low these days, then at the same time we'll be providing more day care spaces. But right now we have to get the jobs into rural Saskatchewan — something the members opposite don't really understand, something they don't really care much about. But it is important out there that farm wives have some off-farm income, but they don't really need day-care centres if they don't have jobs. That is what we have to look at.

Secondly, in rural Saskatchewan there is more of a caring and sharing. There is more family day care than there is government day care. Where the requests come in, we have been looking seriously at priorities in rural Saskatchewan.

But right now, as I see it, the greatest need, and what we should be looking at, would be the city of Saskatoon that has fewer spaces than the city of Regina and has a population slightly higher than Regina. And somehow we inherited it from the NDP was a system where most of the day care spaces were in Regina, approximately 1,800 in Regina, approximately 1,300 in Saskatoon; there's still a disparity there. So I would think that on the basis of per capita, that Saskatoon is an area that we should seriously look at, plus those rural areas where day care is needed.

Mr. Hagel: — Thank you very much, Mr. Chairman. Before moving to another section of the operation of the department, just one final comment in your observations about day care, Mr. Minister. If you would take the time to listen, the need for day care does exist right today in rural Saskatchewan.

And I would suggest, Mr. Minister, that you give some careful thought into how you're going to implement these 225 new day-care spaces that you announced in the budget. As you've said, we've got the plan for 225 new spaces in the province; you've just finished saying that the need is greater than that — you just finished telling me that — and you've also told us this afternoon that they will be allocated some place, some time.

I remind you, Mr. Minister, that we're half-way through the budget year and you've put none of those spaces in place. And to steal a phrase from your cryptic way of capturing a message, Mr. Minister, to use one of your phrases. I am concerned that we've got 225 day care spaces for ghosts, and I hope that that's not the plan that you've got in mind for the people of Saskatchewan.

Well, Mr. Minister, you will know, as well as I, that there are literally hundreds of non-government organizations in the province of Saskatchewan delivering very, very important social services in communities across all this province, hundreds of non-government organizations which are operated through the efforts of literally thousands of volunteers and with a number of paid staff offering those services, many of which, over a period of time, have moved from direct delivery from your department into community delivery.

And, Mr. Minister, that is a concept of the delivery of social services that I strongly support. And I have some fears that you may, as a matter of fact, be placing a lower priority on the delivery of social services in communities across this province.

And I would begin, Mr. Minister, by asking you: who is administering the non-government organization services branch in the department today? And would you also please advise me how long they have been in those positions, and if there are any vacant positions as well?

Hon. Mr. Schmidt: — Mr. Deputy Chairman, the individual in charge, John Labatt, has been promoted to director of the Regina region, and there's been a new placement now. The individual may be pleased to hear this on television, if the individual is listening to television, because we have made an offer to a Gloria Tillus to take that position.

I don't believe we've had her acceptance, but I would hope that she would accept that position. She has spent 10 to 12 years with this government, in Parks, in student aid, in Social Services non-government organization branch, and has been promoted in this area. This promotion is quite consistent with the government's concept of having more women in management.

(1645)

Mr. Hagel: — Mr. Minister, am I to assume then with your answer that you're telling me there are no vacant positions in the NGO (Non-Governmental Organizations) services branch? Is that the implication of what I'm to understand?

I asked the question before, Mr. Minister. Would you mind responding to it, please.

Hon. Mr. Schmidt: — There's one other vacancy for an officer in that division. The incumbent has gone to law school, and we'll be replacing her.

Mr. Hagel: — Well I'm pleased to see that the NGO services branch will be staffed and properly administered. And I hope the fact that we've had these vacancies is not indicative of a reduced priority in NGO services in the province of Saskatchewan.

Mr. Minister, there would have been a number of NGOs across Saskatchewan who would have taken some interest in an announcement made just the other day by the Minister for Consumer Affairs into a review in the conduct of bingos and lotteries and raffles and the like. Unfortunately, Mr. Minister, it has become a common phenomenon in Saskatchewan, in the last short period of time, that fund-raising for the operation of their services is being done through the conduct of bingos and lotteries and the like.

There was a time, Mr. Minister, in which NGOs were able to provide services to the people in their communities through provincial government funding. And I simply ask you, Mr. Minister, whether you agree that it makes sense for the volunteers, the thousands of volunteers associated with NGOs in Saskatchewan, to be dedicating their time — their time that they intended to be used to improve the lot of life for their fellow men and women in their communities — to be dedicating a significant amount of that time to carrying out bingos and raffles to fund-raise in order to carry out and to continue their operations at the same levels that they've conducted them in the past — and, I would add, Mr. Minister, at a time in which in many cases for those NGOs, the demand on their services were less.

We now have a picture where the demands on many NGOs have gone up, and the funding has gone down, and the demand for bingo time from volunteers has increased in order to substantiate the reductions in income from the province and the Department of Social Services. And I would wonder, Mr. Minister, whether you disagree with my sentiments that volunteers and NGOs should not be spending a large amount of their time conducting bingos to fund-raise.

Hon. Mr. Schmidt: — Well, Mr. Deputy Chairman, I'm not sure which specific NGOs — and there are over a hundred, maybe over two hundred when you add them all up — the member from Moose Jaw North is referring to. You have to draw the line and try to consider that there is a difference between service organizations and government contractors.

Some NGOs are totally government contractors where we have contracted out services provided by the

government to be supplied by a non-governmental organization.

Other non-governmental organizations are service organizations who come to the government for assistance in the provision of services. But you have to draw the line somewhere between what is a service organization and what is a government contractor. And then you get into the question of what's profit and what isn't profit. And if three or four people on my block organize a non-profit corporation and then contract to the government and pay themselves wages, and all of the wages are equal to the income coming in so that there is no profit but they are receiving wages, is that still a non-profit corporation?

What is profit? would have to be defined at some stage. Are you talking about dividends; are you talking about profit; are you talking about wages to the proprietor? So this is a very fuzzy area. The area of what is a NGO and what is a non-profit corporation gets very, very fuzzy. And I could run some very profitable non-profit corporations, knowing what I know about law and how government operates. So we really are in a discussion about profit, whether it is good or bad. It's a question of definition: what is profit?

In this case it's a question of definition: is this a service organization we're referring to, or is this a government contractor we're referring to?

Mr. Hagel: — Mr. Minister, you will know that the vast majority of NGOs in Saskatchewan are non-profit corporations. And for your information, to put it in simple terms, Mr. Minister, a non-profit corporation is one that operates with a balanced budget. And I understand that that's a concept that's foreign to you and the members opposite in this Government of Saskatchewan. I can fully understand why you may have a difficult time grappling with that concept, Mr. Minister.

Given the fact that you did not respond to my question, I can only assume that NGOs in this province can look forward to continued bingos and raffles in order to substantiate their money that they have to operate to provide social services to their fellow men, women, and children in the communities in which they operate around the province of Saskatchewan.

Mr. Minister, when you and your colleagues decided to delay your bad news budget until the summer, it created some considerable problems for many agencies funded by your department and, in some cases, groups had to go to their credit union or bank to take out a line of credit in order to operate, because their funding wasn't forthcoming. I ask you, Mr. Minister, if you've made any effort to cover the costs associated with these expenses for NGOs funded by your department?

Hon. Mr. Schmidt: — Mr. Chairman, we haven't received any information of substantial costs. The costs of interest would be minimal because this government has operated on special warrants and then on interim supply, so the cheques were going out every month after the budget year had expired, so there was not any significant delay there. And I recall sending letters out to organizations saying that the cheques would be out soon.

With respect to . . . and this discussion about non-profit corporations, the member . . . you know, I question the member from Moose Jaw North. Was he ever employed by a non-profit corporation? And if so, then he would understand what a non-profit corporation is and how they pay wages, and are those wages profits, or are they wages, or are they dividends? And that's really, you know, what should be considered here is, when does a non-profit corporation become a profit corporation? How long does it continue in that status? So those are the kind of considerations we have to make.

Mr. Hagel: — Mr. Minister, I asked you a very specific question. I would appreciate an answer to the question. The question was: for those non-government organizations funded by your department who had to take out lines of credit in order to continue operating while your government withheld funds, have you done anything to compensate them for the costs in borrowing money in order to operate? because your government delayed the bringing of the budget until June 17, a record late time by over two months in the history of this province. You made that decision, and they have had to pay the price by borrowing money to operate. Have you made arrangements to compensate them for the cost of borrowing in order to operate?

Hon. Mr. Schmidt: — Well the member opposite should know that . . . and I believe the member opposite does not deny that he was an employee of an NGO or a non-profit corporation, so he should understand that my officials advise that initially we tried to make the payments on a one-twelfth basis. But once the budget year was in full process, we followed the normal process then and started paying quarterly. So if you receive a quarterly payment, that interest received on that part that you haven't expended yet until the quarter comes along is also interest credited to the non-governmental organization. We do not take their interest earned or their interest paid into account. We believe that those sums should balance off.

Mr. Hagel: — Well, Mr. Minister, I do not deny . . . There's nothing to deny. I've been associated with non-government organizations, non-profit corporations, and non-profit corporations that operated with balanced budgets. As I said before, that's a phenomenon that is strange to you, I understand.

It will not come as a note of security to non-profit corporations funded by your department that you refuse to answer the question.

Mr. Minister, I accept your observation that the majority of non-government organizations funded by your department did not experience outright cuts from your government this year, in the budget year. However, the other side of the coin is that very, very few got any increases. And you will understand as well as I, that in times of inflation to be held to zero per cent increase is, in practical terms, is in effect a reduction equivalent to inflation.

And I ask you, Mr. Minister, whether you expect, or . . . Do you have any suggestions for those non-profit

operations which are required to continue to provide the same level of service, in many cases an increased level of service at, as a matter of fact, a reduced level of funding, because zero per cent increase in pure terms means a reduction in their money available equivalent to inflation?

So as a matter of fact, the large majority of NGOs in Saskatchewan, virtually all have suffered, in practical terms, a 4 per cent reduction. And I wonder if you find that acceptable, Mr. Minister, and whether you expect them to continue operating with the same level of service to the people they serve.

Hon. Mr. Schmidt: — We would certainly like to increase payments made by the government, but that money would have to be found somewhere. It was necessary to increase the Health budget by \$36 million, and there has to be some balancing. Inflation is at a low that has not been seen in 20 years, and is not a major factor in today's economy.

Certainly it is not easy for them, as it is for anyone else, to operate with rising costs. It's not easy to operate with respect to trying to be more efficient, but you have to look at Saskatchewan as a whole, and you have to look at the agricultural economy. Farmers in my constituency are operating at 30 or 40 per cent reduction. They no longer pay taxes; they no longer pay their interest; they no longer pay their land taxes.

We are trying to deal with those type of situations, and that means that in a province like Saskatchewan with one million people — we all live here together, and I believe that one time the motto of your party was: Sharing Together. And I think we have to share the economic situation, and therefore I compliment the NGOs for doing what they've doing, operating efficiently in difficult financial times — but they're not isolated. You and I haven't had a raise either, and we're operating.

The committee reported progress.

The Assembly adjourned at 4:59 p.m.