

The Assembly met at 2 p.m.

Prayers

## ROUTINE PROCEEDINGS

### ORAL QUESTIONS

#### Free Trade Negotiations

**Mr. Romanow:** — Thank you very much, Mr. Speaker. My question is to the Premier, and it has to do with the recent developments on free trade and the negotiations. Obviously the Premier was in discussions with the Prime Minister of Canada yesterday, and I wonder if the Premier would give the House and the people of Saskatchewan a brief summary of what the situation is and, specifically, would he answer whether or not this is a suspension of the free trade negotiations or is a termination of the free trade negotiations?

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

**Hon. Mr. Devine:** — Thank you, Mr. Speaker. I can say to the hon. member, to answer the last question first, that it is a suspension, but it's serious in terms of the gap between the negotiators. Mr. Reisman has been a negotiator for 25 years or more, as you know. He negotiated the auto pact years ago, has negotiated internationally on tariffs for Canada, and so he's an experienced man. He says it's extremely difficult, and there really wasn't much point in going on any further, unless United States brought to the table something reasonable.

With respect to the Prime Minister's view is that we have to have a substantial package when it comes to subsidies and tariffs and dumping and the trade remedy actions that the United States use on us. And the best example today, and I'm sure you're very familiar with it, is the potash case where you can hardly find an American who thinks it's a good idea, the anti-dumping. I mean, the farmers don't like it, the consumers don't like it, the taxpayers think it's ridiculous. They're spending billions of dollars on the U.S. farm bill. And it's typical, because their mines, Mr. Speaker, couldn't live under the anti-dumping rules that have been applied to us.

So I can only say, as briefly as I can, the Prime Minister's view is that this is a difficult situation. Obviously he's tried hard to negotiate, and believe that it's a fair challenge to do that, but we have to see some movement on the United States, or in fact it will be terminated.

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

**Mr. Romanow:** — Mr. Speaker, a supplementary to the Premier. In light of the fact that their Premier rather pointedly, and obviously purposefully, chose the word "suspension" as opposed to "termination" for the talks, there seems to be an indication or an implication that there is a possibility that these negotiations will resume.

Will the Premier advise whether or not the Prime Minister has told him, if that is in fact the case, whether the discussions are going to be resumed before the October 5 deadline, and if so, on whose initiative and on what

ground rules?

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

**Hon. Mr. Devine:** — Well that's a very good question that I'm sure not anybody knows the answer to it with respect to what kind of response the United States will come back with.

We suspended the discussions; we suspended the negotiations because United States hasn't moved. Obviously the United States will have to move and get serious with respect to the whole trade remedy world that we deal with, or else the suspensions will lead to the termination.

I mean, you've watched television I'm sure, and others, this morning. The United States is still trying to kind of figure out what they're going to do, and they are very confused, frankly, in Washington, both in terms of their own political priorities and in terms of their trading relationships. So we'll see what they do. If they're prepared to respond on the substantive issues . . . I could read five of them, but I won't at this time. But if you'd like me to, I can read the five that have been laid out and given to the President of the United States by the Prime Minister, and say, these are the things we've got to see at the table, or else it's over.

**Mr. Romanow:** — Mr. Speaker, a new question to the Premier. I would take him up on his suggestion if he would follow up on it and give us those five conditions subsequent to question period.

But my new question to you, sir, is this: in light of the fact that the Canadian government, through the course of these negotiations — in fact before the negotiations — has already surrendered, at least by my judgement and the judgement of a lot of Canadians, some very valuable bargaining chips, such as doing away with the foreign investment review agency and the drug patent Bill which is currently before parliament, and others which I think the Americans wanted removed.

In the light of the fact that we have gone a long way toward agreeing to the Americans' demands and yet no progress has been made judging by yesterday's developments, will the Premier be able to tell the House whether or not the Prime Minister has articulated an alternative trading strategy to him in the eventuality that the bilateral negotiations with the United States collapse — an alternative trading strategy which in fact involves a world-wide trading situation with not only the United States, but with a lot of the nations of the world?

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

**Hon. Mr. Devine:** — Two observations, Mr. Speaker. I can say, without hesitation, that the actions such as FIRA (foreign investment review agency) and the actions such as the national energy program — and I don't mean to embroil us in a new debate — but actions that were taken by the NDP in terms of nationalizing firms have not helped the Americans feel positive about the Canadian-American trading relationship. It's

antagonized them.

And whether we were in bilateral negotiations or not, Mr. Speaker, we wanted to see FIRA changed, and we wanted to see the national energy program changed, and that had nothing to do with the bilateral discussions; in fact, it was the wise thing to do, and Canadians support that.

Secondly, with respect the multilateral trade negotiations — sure, I mean, we're into those, and the Prime Minister has been raising agriculture world-wide in terms of us dealing with them. But I would point out to the hon. member that if the United States shows the world that it's unable to move towards freer trade with its largest and the best trading partner in history of the two countries, then others, like Japan and Europeans, are going to look at the United States and say, you can't be serious when you're talking about tariff reductions and freer trade world-wide when you can't even get it together with your best friend and your best trading partner.

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

### American Anti-dumping Action

**Mr. Rolfes:** — Mr. Speaker, a new question to the Premier. Mr. Premier, my question deals with the American anti-dumping action they took against the Saskatchewan potash industry.

The Americans have now agreed to delay the final ruling until January 8, and we hear out of the United States that U.S. trade lawyers and even officials of the Department of Commerce have said that this is now an opportunity to negotiate a political settlement on this industry between Ottawa and Washington. This is the kind of lobbying and action we've urged you to take for many months.

I'm asking you, Mr. Premier: in your discussions with the Prime Minister yesterday, did you urge him to seek an early meeting with President Reagan to negotiate a political settlement on this anti-dumping action? And furthermore, now that the comprehensive trade agreement or talks have stalled, did you also urge him to focus in on a specific industry where a political settlement could be had within a few months?

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

**Hon. Mr. Devine:** — Well, Mr. Speaker, first I would say to the hon. member that I am not convinced, and I don't think many people in Saskatchewan are convinced, that the anti-dumping case against Saskatchewan potash mines is valid. We think it's wrong, that it's wrong-headed, that it's fraudulent, that it is very much unfair — very much unfair. In fact, mines in the United States will clearly admit that they couldn't live under the rules that they're applying to us here in Canada.

So I am not prepared to admit, as a Canadian and as a Saskatchewan resident where we have the majority of the potash and supply 80 per cent of the potash to the United States, that in fact we have to have a political negotiated settlement when I'm yet unconvinced that we are at guilt or at fault at all.

We have been taking our legal action and our economic analysis and our accounting analysis to the Commerce department in some detail, and it's good research and it's well documented, to help them make the case and help them review it to make sure . . . perhaps they can realize, as many Americans are realizing now, that in fact the case is wrong, and that it is an over-supply situation. It is world wide. We have closed down operations. We're running . . .

**Mr. Speaker:** — Order, please. Order, please. Order, please. Order. Order, please. I know that it's an issue that could, you know, draw a very long and good response, but there should be a limit.

**Mr. Rolfes:** — Mr. Premier, I don't need to remind you that when we were in discussions on the Bill, your Minister of Energy and Mines indicated that it was a quasi-legal argument. But the United States people are now saying that this can be settled on a political basis.

I'm asking you now: why didn't you take the opportunity yesterday to speak for Saskatchewan potash workers and their families with the Prime Minister, to seek an early solution to this anti-dumping problem which you claim is a world-wide problem? Why aren't you protecting the workers and families in Saskatchewan now?

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

**Hon. Mr. Devine:** — Well, Mr. Speaker, I sincerely don't have much time for the hon. member's supposed regard for Saskatchewan potash mines and Saskatchewan families in the potash industry, when he borrowed money from Americans and brought them here, and is the reason for the whole problem to start with.

And the Senator from New Mexico quotes the NDP time and time and time again, and they don't like to hear that, but they quote them in the Congress, and they quote them right through the halls of Congress in Washington.

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

**Hon. Mr. Devine:** — I mean, I can read it here again. So to stand up there now and say . . . Let me point this out. If you want to resort to only political negotiations, we will be into many, many, many political negotiations with the United States unless we can have negotiations with the United States, unless we can have a new bilateral trading arrangement between the two countries. And if you want to negotiate on softwood lumber and pork next month, and uranium and steel and potash and several things for months, then of course we can have that.

But, Mr. Speaker, I would say: the key is to have a bilateral trade mechanism that would . . .

**Mr. Speaker:** — Order, please.

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

### Deficiency Payment to Farmers

**Mr. Upshall:** — Thank you, Mr. Speaker. My question is

also to the Premier. It deals with his meeting with the Prime Minister yesterday.

Yesterday, Mr. Premier, in your discussion with the Prime Minister, did you get a commitment from him of a date by which the grain price deficiency payment will be in the hands of the farmers; and did you get from him a commitment on a specific amount to be paid?

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

**Hon. Mr. Devine:** — Mr. Speaker, it seems like the only opportunity that the hon. member uses to ask a question about agriculture is when I happen to meet with the Prime Minister. Well I am happy that he's concerned about agriculture.

I will say to the hon. member that through the work of the Government of Saskatchewan, and in good part by my colleagues here in my office, every Minister of Agriculture in Canada and every Premier in Canada has said the same thing with respect to deficiency payments, that they should be at least \$1 billion; that they should be more than that this year, as a result of the export subsidies to the United States.

The Prime Minister understands that, and the Prime Minister has made a commitment to farmers across Canada, and indeed to Saskatchewan, that he will be there to defend Saskatchewan farmers against unfair subsidies by Americans or anybody else.

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

**Mr. Upshall:** — Supplementary, Mr. Speaker. Mr. Premier, you were face to face with the Prime Minister of this country yesterday, and didn't ask him how much and a date when the farmer who need money in Saskatchewan are going to get it? What kind of Agriculture minister is that? Were you more concerned about saving your political hide again, rather than looking after farmers? Why did you not demand a grain price deficiency payment now?

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

**Hon. Mr. Devine:** — Well, Mr. Speaker, in the agricultural community we can probably compare our political hides. And I would say, even in your jurisdiction, I would say that the substantial payment that the Prime Minister has given to Saskatchewan farmers, and the combination of the deficiency payment and the western grain stabilization, about \$10,000 a farmer in the last few months, it is significant. It's more than any administration has ever done.

And the Prime Minister on top of that has said to me and to the premiers and others: yes, I will support Canadian agriculture; and yes, I will support Saskatchewan agriculture producers in the face of export subsidies that we see in the United States.

So that commitment was there last year, Mr. Speaker. And as far as I'm concerned, it's there this year, and it will be there in the future.

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

### Position on Misleading the House

**Ms. Atkinson:** — Mr. Speaker, my question is to the Premier. Mr. Premier, is it your position that ministers of the Crown should tell the truth to this legislature and to the people of this province? And if one of your ministers was found to have misled this legislature, would you feel compelled to discipline that member?

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

**Hon. Mr. Devine:** — Mr. Speaker, I often find the members opposite exaggerating, misleading the public, stretching the facts to a very large extent, Mr. Speaker. And I would think the general public in the province of Saskatchewan expects all members to be accurate, and to be on the mark, and not to exaggerate, and to be as fair with the facts as possible, Mr. Speaker. And that would include, obviously, the members of the NDP who, in question period, I think you could see, often stretch it considerably, Mr. Speaker.

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

### Waiting for Cancer-Related Surgery

**Ms. Atkinson:** — A new question to the Premier. On Tuesday, I asked your Minister of Health about the case of a 53-year-old Saskatoon woman, Joyce Kosokowsky, who was diagnosed as having a cancerous growth on her kidney. Her doctor says she needs surgery to confirm that the growth is malignant, and remove it. On Tuesday your Minister of Health told this legislature, and I quote: The person in question today has surgery booked for October 5."

Mr. Premier, I want you to know that St. Paul's Hospital has not booked her surgery. Mrs. Kosokowsky has not been advised of a date for her surgery, and she requires urgent cancer surgery. Is it fair to say, Mr. Premier, that your Minister of Health deliberately misled this legislature? Do you condone that kind of behaviour on the part of your minister, and is this minister playing politics with Mrs. Kosokowsky and her family?

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

**Hon. Mr. McLeod:** — Mr. Speaker, as I indicated to the hon. member and to the House a couple of days ago, I believe, the case in question, and I stand by that as my best information, is that the surgery is booked for October 5. The member here raises the question and says — in fact I heard her say it very clearly — that the person has diagnosed as having a cancerous growth. That's not the fact, Mr. Speaker. The best information we have is that the person has been diagnosed as having a growth which could potentially be cancerous. It could potentially be cancerous.

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

**Hon. Mr. McLeod:** — Mr. Speaker, as I said earlier, let's just go back over the case in the situation at St. Paul's

Hospital. The fact is that at St. Paul's Hospital over a period of a number of years, quite a number of years . . .

**Mr. Speaker:** — Order, please. Order, please! I'd like to remind the minister that your going back over the case is going to take a considerable length of time, and I don't think we can allow that. So if you can do it in a few remarks, you may continue.

**Hon. Mr. McLeod:** — In order to explain this case we must lay out the circumstance. If you would bear with me for just a few seconds, I will deal with it. The case is the following. Urology, the waiting lists for urology at St. Paul's Hospital, Saskatoon, have been in the order of three to four weeks for a number of years. They are now at five weeks. That, over years, periodically has changed — up to five weeks, down as low as three weeks. There is not a significant change in terms of the length of time people will wait for . . .

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

**Ms. Atkinson:** — Supplementary to the Premier. Mr. Premier, the minister's office contacted St. Paul's Hospital and was advised that Mrs. Kosokowsky could be in the hospital the week of October 5 or the week of October 12. So the minister misled this House, and I want to know whether or not you condone that kind of behaviour.

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

**Hon. Mr. McLeod:** — I stand by what I said then, and what I say again today. The information that we have in the Department of Health is that the booking for this lady was for October 5 at the latest. Hopefully she'll be in before October 5. I would hope that would be the case, as will the person in question — that the member has chosen to bring before the House — as will all of her family and everyone concerned about the particular case. Obviously we would hope that the case could be dealt with at St. Paul's Hospital as soon as possible. I would hope that as well. I will stand by what I said earlier. But the best information that we have in the department is that that will take place October 5 or earlier.

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

**Ms. Atkinson:** — Mr. Premier, are you aware that your government — supplementary — cut funding to St. Paul's Hospital by \$1.5 million? Are you aware that they had to close 69 beds this summer for a two-month period because of those cuts, and will you now admit, Mr. Premier, that the reason why Mrs. Kosokowsky and thousands of others like her are waiting on lists, and have extended waiting times, is because of your underfunding of hospitals in this province?

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

**Hon. Mr. McLeod:** — Mr. Speaker, as it relates — the waiting list that the member talks about, extended waiting lists and so on in urology at St. Paul's Hospital — I have outlined the circumstance surrounding that. And I say again that it has not increased substantially over a period of a good number of years.

Secondly, is the hon. member aware, Mr. Speaker, are members over there aware at all of the legacy that they left as it relates to . . . as it relates to . . . as it relates to St. Paul's Hospital? Mr. Speaker, which government . . . which government is responsible for the regeneration and the new construction going on at St. Paul's Hospital; much needed, and should have been there a good deal before. Which government is responsible for that, Mr. Speaker? This . . .

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

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

#### Request for Information by Provincial Auditor

**Mr. Tchorzewski:** — Thank you, Mr. Speaker. I have a question to the Premier, and it has to do with some very shocking revelations that were disclosed this morning in the meeting of the Public Accounts Committee.

Mr. Premier, this morning the president of the Crown Management Board confirmed — and he did this during testimony before the legislature's Public Accounts Committee — he confirmed that he has been instructed by the board of directors of the Crown Management Board not to provide the Provincial Auditor with information he has requested about the operation of Saskatchewan's Crown corporations.

Now I ask you, Mr. Premier: since you are the vice-chairman of the Crown Management Board, and since you are the Premier, can you explain how you justify denying information to the Provincial Auditor this way?

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

**Hon. Mr. Lane:** — Mr. Speaker, unfortunately, over the last couple of days, we've had the sad public spectacle of a token NDP leadership candidate unravelling before the public in terms, Mr. Speaker, of falsely and deliberately misleading this House, and I accuse the member from Regina North East of that, Mr. Speaker. That is not the information that the Provincial Auditor asked.

Let me indicate what the Provincial Auditor asked for. He asked for the proposals submitted by the private sector audit companies to be able to do the audits of the Crown corporations. Mr. Speaker, that is the information he asked, and that is in the year 1987, not the year under review before the Public Accounts Committee, Mr. Speaker.

Secondly, what we are prepared to give in committee when we're in debate, if the question arises, is the list of the proposals, or the successful proposals — I don't think that the unsuccessful proposals are relevant — the proposals for the companies to be able to do the audits of the Crown corporations, we will give the information. We will also give the information, because it is not under the year under review for the Public Accounts Committee, Mr. Speaker, of the value of the proposals or the fees for the proposals which will indicate that the private sector

audit proposals are less than the fees charged by the Provincial Auditor.

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

**Mr. Tchorzewski:** — Mr. Premier, since you refuse to answer the question on behalf of your government, on an important matter such as this of government policy, I ask you: will you confirm in this House today that the board of directors of the Crown Management Board has directed the president of that corporation not to provide information that the Provincial Auditor has requested?

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

**Hon. Mr. Lane:** — I again, will repeat: what information? And I again am somewhat shocked at the spectacle that we see of the candidate whose party has turned on him, and I think he is now getting somewhat extreme in his questions, Mr. Speaker. I suggest to the hon. member, Mr. Speaker, the information we are prepared to give . . . and one should, and I would think that the hon. member should know, that we are entitled, before the Public Accounts Committee, to deal with the year under review.

The legislation is before this Assembly to deal with the ability of the province of Saskatchewan to use private sector auditors to deal with the audits of the Crown corporations. We find it somewhat surprising that it seems to be all right for the New Democratic Party to use private sector auditors for the Potash Corporation and SMDC (Saskatchewan Mining Development Corporation), but to use it beyond that seems somewhat wrong.

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

**Mr. Speaker:** — Order.

#### INTRODUCTION OF BILLS

##### **Bill No. 43 — An Act to repeal The Public Utilities Review Commission Act**

**Hon. Mr. Lane:** — Mr. Speaker, I move first reading of a Bill to repeal The Public Utilities Review Commission Act.

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

##### **Bill No. 44 — An Act respecting the Consequential Amendments to Certain Acts resulting from the enactment of The Public Utilities Review Commission Repeal Act**

**Hon. Mr. Lane:** — Mr. Speaker, I move first reading of a Bill respecting the Consequential Amendments to Certain Acts resulting from the enactment of The Public Utilities Review Commission Repeal Act.

**Mr. Speaker:** — When shall the Bill be read a second time?

**Hon. Mr. Lane:** — Mr. Speaker, as the opposition has

supported repeal of this, I suggest later this day.

**Mr. Speaker:** — Is leave granted?

Leave not granted.

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

#### POINTS OF ORDER

**Mr. Shillington:** — Thank you, Mr. Speaker. Before orders of the day, I wish to raise a point of order having to do with the conduct of today's question period. Mr. Speaker, yesterday you were very strict with the member for Quill Lakes with respect to his background statement on the basis that it tended to provoke debate — a lengthy background statement.

Today, Mr. Speaker, we had the spectacle of ministers opposite saying whatever they wanted to say, whether or not it had anything to do with the question. We had the spectacle of the member from Qu'Appelle-Lumsden making provocative statements which were again unrelated to the question asked.

Mr. Speaker, there has to be rules for both sides of the House. If our conduct must be such that it does not provoke debate, then the conduct of the ministers opposite, and particularly the Premier, who felt perfectly free to say anything he liked whether or not it had anything to do with the question, must also be to the point, on the subject, and relatively brief.

Those are the rules which apply to us, Mr. Speaker, they must be the rules which apply to the members opposite. And the worst two, I suggest, are from Qu'Appelle-Lumsden, and the Premier himself.

So I ask you, Mr. Premier, Mr. Speaker, to review the record and give us a ruling as to whether or not you think the Premier and the member from Qu'Appelle-Lumsden fell within the very strict juncture that you set for the member from Qu'Appelle Lake yesterday . . . the member from Quill Lakes yesterday.

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

**Hon. Mr. Berntson:** — I would likewise invite Mr. Speaker to review the record and to catalogue all those provocative statements that have been made in the House, and rule as to whether provocative statements should be, should be in fact banned from the House. I think that there would be very little said in here if that were the case, Mr. Speaker.

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

**Hon. Mr. Lane:** — Speaking further to the point of order, Mr. Speaker, the hon. member indicated that he had some concerns, I believe, as ministers answering in a way that he found less than acceptable. Mr. Speaker, I would hope that your ruling would extend to respond to the general tenor of the hon. member's point of order, and whether or not the deliberate, false interpretation of documents by members of the opposition . . .

**Mr. Speaker:** — Order, please. Order, please. Order, please! I would ask the Minister of Finance to please sit down. I don't think he's speaking to the point of order.

The Minister of Finance knows that he must not accuse anybody in this House of deliberately misleading this Assembly. I'm afraid that the Minister of Finance seems to be doing that, and I would ask him to respond to that, and withdraw.

**Hon. Mr. Lane:** — Mr. Speaker, I apologize if that was the way my remarks were taken. They were not meant, Mr. Speaker . . . I did raise very much . . .

**Mr. Speaker:** — Order. Order. Order, please. Order, please. I would ask the Minister of Finance to simply withdraw the statement and apologize without any qualifications.

**Hon. Mr. Lane:** — Certainly I withdraw and apologize, Mr. Speaker, and then I have another point of order I'd like to raise.

**Mr. Speaker:** — Referring to the hon. member's point of order, from Regina Centre, if I may I would like to deal with it now.

The hon. member's point of order is well taken, and let me give a few remarks on that. However, I would just like to point out one thing, that in dealing with the hon. member from Quill Lakes yesterday the ruling was not on whether or not he was on topic but that his preamble was too lengthy. I think I should like to bring that to your attention.

However, having said that, it is true that some members are taking too long in their responses. As a matter of fact, I think question period was going quite well for a while. In the last few days it seems to have taken another turn for the worse, and I would like to remind that there are some ministers who are taking too long with their answers. There also are some members on the opposite side, perhaps, taking a little too long with their preambles. I would hope that hon. members, in the spirit of the good conduct of this House, will try to keep that in mind and try to rectify their ways in future question periods.

But, yes, the point of order is well taken.

**Hon. Mr. Andrew:** — On a point of order, Mr. Speaker. As I heard during question period today, the member from Saskatoon Nutana accused the Minister of Health of deliberately misleading the House.

I would ask that you review the record on that, and if you find that to be unparliamentary, I would ask and hope that she would be asked to withdraw those comments.

**Mr. Speaker:** — I make note of the point of order, and I will definitely review the record to see if the minister — rather, the member from Nutana — did in fact make those remarks.

**Hon. Mr. Blakeney:** — Mr. Speaker, I raise a similar point of order, and I now deal with the remarks of the member

for Qu'Appelle-Lumsden, not during his intervention on the first point of order, but rather his intervention, his answer in the question period. I wrote down the words "falsely and deliberately misleading the House," applying that to the member for Regina North East.

I would ask you, Mr. Speaker, to review that and to advise the House whether or not in your judgement those words are parliamentary.

**Mr. Speaker:** — The point of order of the Leader of the Opposition is well taken, and I will certainly review the record to see if the Minister of Finance in fact did make those remarks.

**Hon. Mr. Lane:** — A further point of order, Mr. Speaker. I would ask Mr. Speaker to consider the rather recent practice in this session of the opposition in question period, and deliberately not quoting either correctly, or a wide interpretation so far from the accuracy of the document as being a factual assessment of the documentation used, Mr. Speaker.

My particular example is the two questions the last two days by the minister from North East. I have documents wherein . . . which refute not only his question but the interpretation and impression that he was attempting to lead. And, Mr. Speaker, the further example of the member from Regina . . . I apologize, from not Centre, but Regina Victoria — I apologize to the hon. member — when he yesterday, and I suggest . . .

**Mr. Speaker:** — Order, please. Order, please. Order, please. It's a long bow to draw for a point of order. If you have a point of order, please put it, and I ask the hon. member not to make a speech; just put your point of order.

**Hon. Mr. Lane:** — Thank you, Mr. Speaker. I believe that the activity of a deliberate misinterpretation of documents as being part of a factual statement should also be reviewed by Mr. Speaker. And I raise that point of order as to that . . . as whether it being a good parliamentary practice, Mr. Speaker.

**Hon. Mr. Blakeney:** — I asked you to consider the point of order raised by the member for Qu'Appelle-Lumsden, to consider whether or not it's the role of the Chair to pass upon interpretation of material, impressions left, as the member for Qu'Appelle-Lumsden apparently thinks it is. And I ask you, Mr. Speaker, to rule on whether or not you should be called upon to decide whether an interpretation amounts to a deliberate misrepresentation, which is the job that the member for Qu'Appelle-Lumsden wishes to foist upon you. And I ask you to review whether or not that's the appropriate role of the Chair, or whether that is just another misconception of how this House operates, among the many which are held by the member for Qu'Appelle-Lumsden.

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

**Mr. Van Mulligen:** — Mr. Speaker, on the point of order, should it be your intention, following the point of order raised by the member from Qu'Appelle-Lumsden, to in fact ascertain whether there has been misinterpretation,

and if it's your intention to look into that, I wonder if, in the same vein, you might check the government's budget projections for the last five years or so.

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

**Mr. Speaker:** — Order, please. Order, please. If you don't mind, I would like to deal with the hon. member's point of order, the Minister of Finance. Order, please. Order, please. It is not the role of the Chair to rule on a dispute of facts between members, and therefore the point of order is not well taken.

#### POINT OF PRIVILEGE

**Mr. Romanow:** — Thank you very much, Mr. Speaker. On a point of privilege, during question period the Premier promised that he would table and forward to me the five conditions that the Prime Minister has set out on free trade, and he hasn't done that. I wonder if the Deputy Premier would undertake to tell me when I can get it.

**Hon. Mr. Berntson:** — Mr. Speaker, I think that's hardly a point of privilege, but the Premier did undertake to provide those five items, as it were, and I will undertake to see that the hon. member gets them.

**Mr. Speaker:** — Order, please. Order, please. Order, please. Order, please. Hon. members can carry on their debate outside the Chambers. I'd like to ask hon. members to please refrain from interrupting and making noise when the Chair is on his feet. And I've reminded hon. members before, and it seems that some just don't want to do that. So I'm reminding you again.

**Hon. Mr. Berntson:** — Mr. Speaker, earlier today, Mr. Speaker, I talked with the Opposition Whip about dealing with the private Bills on page 6 of the blues. I wonder if we might have leave to go to Committee of the Whole, private Bills, to deal with those three private Bills in committee.

Leave granted.

(1445)

#### ORDERS OF THE DAY

#### COMMITTEE OF THE WHOLE

##### PRIVATE BILLS

##### **Bill No. 01 — An Act respecting the Saskatchewan Association of Rural Municipalities**

Clauses 1 to 20 inclusive agreed to.

The committee agreed to report the Bill.

##### **Bill No. 02 — An Act to amend An Act to incorporate the Briercrest Bible College**

Clauses 1 to 3 inclusive agreed to.

The committee agreed to report the Bill.

##### **Bill No. 03 — An Act respecting Our Lady of the Prairies Foundation**

**Mr. Chairman:** — There is an amendment to clause 1:

Amend the printed Bill by adding the following before section 1:

Whereas Our Lady of the Prairies Foundation was incorporated by chapter 106 of the Statutes of Saskatchewan, 1957, as amended by chapter 86 of the Statutes of Saskatchewan, 1963; and

Whereas Our Lady of the Prairies Foundation has by petition prayed for amendments to its incorporating legislation to reflect changes in its trustees and amendments to the Income Tax Act (Canada); and

Whereas it is expedient to grant the prayer of the said petition:

Now therefore Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows:

Clause 1 as amended agreed to.

Clauses 2 to 16 inclusive agreed to.

The committee agreed to report the Bill as amended.

#### THIRD READINGS

##### PRIVATE BILLS

##### **Bill No. 01 — An Act respecting the Saskatchewan Association of Rural Municipalities**

**Mr. Johnson:** — Mr. Speaker, I move that Bill No. 01, An Act respecting the municipal (Saskatchewan) Association of Rural Municipalities 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.

##### **Bill No. 02 — An Act to amend An Act to incorporate the Briercrest Bible College**

**Mr. Swenson:** — Mr. Speaker, I move that Bill No. 02, An Act to amend An Act to incorporate the Briercrest Bible College be read the third time and passed under its title.

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

##### **Bill No. 03 — An Act respecting Our Lady of the Prairies Foundation**

**Mr. Rolfes:** — Mr. Speaker, I move that the amendments be now read a first and second time.

Motion agreed to.

**Mr. Rolfes:** — By leave of the Assembly, Mr. Speaker, I

move that Bill No. 03, An Act respecting Our Lady of the Prairies Foundation 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.

## GOVERNMENT ORDERS

### COMMITTEE OF THE WHOLE

#### Bill No. 21 — An Act to amend The Mineral Taxation Act, 1983

##### Clause 1

**Mr. Chairman:** — I should perhaps, first of all, give the minister an opportunity to introduce her officials, please.

**Hon. Mrs. Smith:** — Thank you, Mr. Chairman. With me today is the associate deputy minister of Energy and Mines, Mr. Ray Clayton; immediately behind Mr. Clayton is the lawyer from the Department of Justice, Mr. Ray Petrich; and immediately behind me from the Department of Energy and Mines, Mr. Steve Zurawski.

**Mr. Rolfes:** — Mr. Chairman, I was wondering if the minister would take this opportunity to address just a couple of the problems that we had with the Bill in second reading, both the Leader of the Opposition drew your attention to that, and myself. We can expedite matters rather quickly if you can address yourself to those two problems, and then we can go on with Committee of the Whole on clause by clause.

(1500)

**Hon. Mrs. Smith:** — I believe the problems, Mr. Chairman, was about the increase and burden for individuals? Is that correct as being one of the problems . . . (inaudible interjection) . . . And the issue of evasion of taxes by multiple incorporations.

Mr. Chairman, the amendment gives farmers, regardless of whether they are incorporated or not, the exemption of 3,200 acres, and no resident individual owns more than that 3,200 acres in the mineral rights. So the impact is not on the individual farmer.

To address your second question, which was the issue of abusing it, we had intended to follow the definition as it is laid down in The Saskatchewan Farm Ownership Act, and it will be monitored on that basis.

**Mr. Rolfes:** — Madam Minister, there were a couple a questions. One was incorporating the definition of an incorporated farm into the Bill, rather than leaving it into regulations. Could you just indicate to me as to why would you not want to incorporate the definition into the Bill, rather than putting it into regulations? That's the first question.

**Hon. Mrs. Smith:** — I understand the concern of the opposition, Mr. Member, but I also think that it's unfounded. We simply did not consider it necessary to once again put it into the Act, with it already being

identified. And I might add that several programs and other pieces of legislation use that definition without incorporating it in full into the Act.

We can also address the issue of regulations, which allows some flexibility and perhaps more room for fine tuning than one might find in legislation. But we simply did not consider it to be necessary. And if it wasn't necessary, why would you do it?

**Mr. Rolfes:** — Madam Minister, well we have two problems: first of all we didn't know what definition you were going to use. Secondly, I know from experience, as well as you do, that it's much easier to change a definition by regulation that it is to change it if it's in a Bill. If you have it in a Bill and if you want to change it, then you must come back to this House and state your reasons as to why you want to change the definition. So there is, I think, more stability and more assurance for the people out there that the definition will not be unduly changed without coming before the legislature and making your explanations there as to why you want to change it. So I think there are some merits in having the definition written into the Bill.

**Hon. Mrs. Smith:** — The legislation defines the . . . uses the term "the agricultural corporation." The definition of that will be laid out in regulations, as I understand it, and I believe I mentioned it in my second reading speech; I may be wrong. But we would be using the definition that appears to be common throughout Saskatchewan under The Saskatchewan Farm Ownership Act, as it defines a farmer.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Madam Minister, as I understand the legislation, it provides for an exemption for the first 3,200 acres; and as I understand the legislation, it provides that this extension will now be extended to agricultural corporations as defined as you now say in The Farm Ownership Act.

Would you agree, Madam Minister, that if any one owned 32,000 acres, but not 3,200 acres, they could enjoy the same exemption by the device of incorporating 10 agricultural corporations, all of which will qualify because they'll all be owned by a farmer who is devoting his energies to farming and therefore avoid the total impact of the tax even though they own 32,000 acres?

Will you agree that that would be possible under the Act as you have drawn it, and of the definition of farm corporation which you say you will use in the regulations drawn from the previous Act to which you referred?

**Hon. Mrs. Smith:** — Once again, Mr. Chairman, we have checked our records, and there is no individual that owns over that 3,200 acres. I don't know if that addresses your question or not.

**Hon. Mr. Blakeney:** — Madam Minister, are you telling me that no individual owns more than 3,200 acres of mineral rights in the province, notwithstanding the fact that many, many people own more than 3,200 acres of surface rights — and we all know of many, many who own more than 3,200 acres? You are saying that in so far as mineral rights are concerned, nobody owns more than



3,200 acres?

**Hon. Mrs. Smith:** — No individual farmer.

**Hon. Mr. Blakeney:** — That's what I mean, no individual farmer. I'm surprised at that answer, but I'm in no position to dispute it, and I'll accept your comment.

**An Hon. Member:** — Well I should think so.

**Hon. Mr. Blakeney:** — Well I'm sure it would have surprised the member for Weyburn to hear that no individual in the province owns more than 3,200 acres of mineral rights . . . (inaudible interjection) . . . Oh sure, the member for Weyburn, he has added, as he says, the intent of this Bill to the short list of things which he understands.

If I understand the minister's answers, he is saying that nobody can gain any advantage by splitting their ownership, at least by the use of a corporate device. Whether they can do it by transferring for their wife is another matter, and that possibility has always been there — or their spouse, I should say, not necessarily . . . or child.

But with respect to the use of the corporate device, nobody is in the position to split their holdings and therefore reduce or eliminate their tax liability because nobody owns more than 3,200 acres of mineral rights in the name of one individual in this province.

Thank you.

**Mr. Rolfes:** — Madam Minister, I would like to just ask very specifically: give me a reason . . . I mean, you told me you were going to put the definition into regulations, but could you tell me very specifically why it is not better to have the definition in the Bill rather than in regulations?

**Hon. Mrs. Smith:** — Well, Mr. Chairman, the term agriculture corporation is reasonably descriptive in itself. And as I stated earlier, it was to allow the flexibility in dealing with it in the legislation, and that's where we intend to deal, or I'm sorry, in the regulations.

**Mr. Rolfes:** — You're missing my point. I know where you're going to deal with it, but why? I want the why of it. Why would you deal with it in regulations rather than having it in the Bill? I'd like to know the reason as to why it's better to have it in the regulation, rather than having it in the Bill. I would think there's more security to having it in the Bill because you can't change it as easily, and you'd have to come before this legislature to explain to the people why you want to change the definition. All I'm asking is: why couldn't you incorporate it in the Bill? There may be some legitimate reason. All I want to know is the why.

**Hon. Mrs. Smith:** — Well, Mr. Chairman, once again the reason is flexibility, and allow me to give the member some examples as to why one might use that flexibility. If there are some loopholes that we did not foresee, it would give you the flexibility to deal with it rather quickly. If we have overlooked something else, or if there is a possibility of some abuse, then it allows that flexibility immediately within the regulations.

Like I said, you know, I think the term agricultural corporation is relatively descriptive on its own, and most people understand that. But in terms of the total definition in legislation, we would prefer it in regulations in order to deal with some possible misses or loopholes.

**Mr. Rolfes:** — Madam Minister, I don't agree with your answer, but we've had enough experience, I think, with the definition. It's been there before. I would think if it was going to give us any problems we would have had problems up to now. I think it would be better to have it in the Bill, but I'm not going to delay proceedings any longer, and just leave it at that.

Clause 1 agreed to.

Clauses 2 to 8 inclusive agreed to.

The committee agreed to report the Bill.

(1515)

### **Bill No. 15 — An Act to amend The Student Assistance and Student Aid Fund Act, 1985**

**Hon. Mr. Hepworth:** — Mr. Chairman, members of the committee, I have beside me, Mike Benson, executive director of finance and administration, Department of Education; immediately behind him, Deb Achen, director of grant programs; and Ted Jowniak, assistant director of student aid, who's moving into the seat immediately behind me.

#### **Clause 1**

**Mr. Prebble:** — Thank you, Mr. Chairman.

Mr. Minister, in committee I now have the opportunity to ask you a number of questions in detail with respect to this Bill. My first one, Mr. Chairman, to the minister is: Mr. Minister, will you inform the Assembly whether section 10 of this Act is required in order to allow your government to bring in changes in the student loan and student bursary program, which first of all eliminate the student bursary program as we've known it; secondly, change it to a forgivable loan program; and thirdly, significantly change the rules over last year under which forgivable assistance will be offered to students?

**Hon. Mr. Hepworth:** — Relative to section 10, I think if the member were to examine legislation in this House that has come long before us, for example, An Act respecting the Stabilization of returns to Beef Producers in Saskatchewan, otherwise known as The Beef Stabilization Act — I just pulled that one out, for example — you would find that virtually the section there which is 25 in that Act, for example:

For the purposes of carrying out this Act according to its intent, the Lieutenant Government in Council may make regulations:

(a) defining, enlarging or restricting the meaning of any word or expression used in this Act but not defined in this Act:

And it goes on, so on and so forth, and I think you would find that virtually that kind of language used in here. And I don't know that it's all that unusual.

**Mr. Prebble:** — You're not answering my question, Mr. Minister. Maybe I can be more direct. Does the Bill that we have before us today — is that Bill required for you to undertake the changes to the student loan program that you have initiated this summer, including the cancellation of the student bursary program? Could you answer that question?

**Hon. Mr. Hepworth:** — I'll try and give you as best an understanding as I have of why we're doing what we're doing. Since the early '70s what we operated under was ministerial guide-lines. They covered most of the items listed, and I suspect at that time the numbers of applications we were dealing with was 6,000, numbers of dollars in total federal/provincial less than 20 million.

Now we have . . . obviously we've seen a very major growth in our loans, and I think that's a positive thing in that more students are able to take advantage of it and gain accessibility. So to be as forthcoming as we can to the public and to provide them the greatest degree of disclosure, if you like, as to what we're doing, and as well to effect some administrative expediency, we're still going to have ministerial . . . the ministerial guide-lines will be replaced by ministerial regulations, if you like.

And whereas today it's perhaps a bit too simplistic in its four pages, I suspect we'll be dealing with something like two dozen or more pages when we put the policy regulations in place, but it's so that we can be clear and expedient in the delivery of our process, and so the public do know exactly what they're dealing with. I hope that gives you some understanding of why we're doing what we're doing.

**Mr. Prebble:** — Mr. Chairman, to the minister. Mr. Minister, I understand what you've said, but you still have not answered my question. My question to you is: do you require this Bill to have legislative authority to the changes in the student loan and student bursary program that you made this summer?

**Hon. Mr. Hepworth:** — I'm advised, and I think I referred to this in the second reading speech, in fact, that in essence what this Bill does is deal with some accounting, and the changes that were made earlier this year, aren't . . . this Bill it isn't particularly germane — it's not relevant; it's two different issues. This is to deal with non-budgetary expenditures in the normal sort of fashion, as I understand it, that government deals with them. And that's what this Bill allows us to do.

So much as some of the debate that you and I have engaged in, in this, over a . . . and a wide-ranging debate it was. In essence, the Bill is a pretty simple Bill.

**Mr. Prebble:** — Mr. Minister, I understand all that, but I've had the opportunity over the last few days to go back to look at the regulations that were passed under The Student Assistance and Student Aid Fund Act, and I find, Mr. Minister, that you've had no regulatory authority to make the changes to the student loan and student bursary

program that you made this summer.

There are no regulations that I can find that have been passed which allowed you to abolish the student bursary program. There are no regulations that I can find that have been passed to introduce a forgivable loan program, nor, Mr. Minister, are there any regulations that I can find that have been passed to allow you to force students to borrow \$180 a week before they are eligible for any forgiveness on their loan instead of last year only having to borrow \$80 a week before they received forgiveness on their loan.

And I ask you, Mr. Minister, if you have passed those regulations — and I missed them — would you table them in this Assembly and provide them to the legislature now?

**Hon. Mr. Hepworth:** — I'm advised, if you're asking — what authority did I have to make the change that we made this past summer? — I'm advised that in act authority is vested in two areas: number one, The Department of Advanced Education (and Manpower) Act and The Student Assistance and Student Aid Fund Act.

**Mr. Prebble:** — But, Mr. Minister, my question to you is: where are the regulations that were passed subject to that Act that implemented the changes that you brought about this summer? There is no sign, for instance, of a regulation abolishing the student bursary program. Where is that regulation?

**Hon. Mr. Hepworth:** — Mr. Chairman, hon. member, the regulations that you would be looking for would be under The Department of Advanced Education (and Manpower) Act, and am advised they were passed last November.

**Mr. Prebble:** — Mr. Minister, I thank you for clarifying that point. It would seem that you're now giving yourself the regulatory ability to make those same regulations under this Act. Is that correct?

**Hon. Mr. Hepworth:** — What we're doing here actually gets back to my earlier response of being more forthcoming with the public. We've always had the ability under the Acts I referred to previously, with some fairly broad and sweeping powers, quite frankly. And a lot of it was couched in ministerial guide-lines which, if you're worried about the minister having too much power — well, guide-lines are a lot flimsier, I would suggest, if you like, in the public's mind than ministerial regulation and so forth and so on up the ladder.

What we're trying to do here is lay it out in a more explicit legislative framework, if you like, albeit that there's still going to be ministerial regulations. But we're trying to be explicit and forthcoming so that, because the numbers are now large and the number of students are large, so that we can deal with it in an expeditious fashion.

**Mr. Prebble:** — Mr. Minister, this Bill gives you the power to make regulations respecting the total amount of financial assistance that may be provided to students. I take it that what you're saying, Mr. Minister, is that you're proposing to change the making of regulations respecting the amount of money that can be lent out to students and the conditions under which it can be lent out. And such

things as the abolition of the bursary program, the introduction of the forgivable loan program, you're proposing now to do that under this Act. That's the only interpretation I can give to section 10, and I ask you if you agree with that interpretation.

(1530)

**Hon. Mr. Hepworth:** — Section 10 has nothing to do with the changes that were made. Those are . . . that is, as I talked about earlier, that's irrelevant to this Bill to some degree — maybe some fair degree. We're mixing apples and oranges a bit here, and I think it's because we've had some fair, broad-ranging debate in second reading on it.

**Mr. Prebble:** — Well, Mr. Minister, I am going to ask that we not pursue this Bill any further until you can provide me with the regulations that you passed in November under the Advanced Education and Manpower Act, and I have a chance to examine them. And until that time, Mr. Chairman, I beg leave to adjourn the debate.

**Mr. Chairman:** — Order. Order. The only motion in committee is to rise and report progress on the Bill.

**Mr. Prebble:** — I'll move, Mr. Chairman, that we rise and report progress and ask for leave to sit again.

**Hon. Mr. Hepworth:** — If it would help the business of the House, Mr. Chairman, we don't have those regulations here under The Department of Advanced Education and Manpower Act, and the reason we don't is because we're dealing with an Act to amend The Student Assistance and Student Aid Fund Act, 1985. However, to expedite the business of the House I will undertake to provide the hon. member with those regulations and, in fact, I will also, to back up what I said about that power being in section 14 of The Department of Advanced Education and Manpower Act, I will just read it for your information:

The minister may, for any purpose relating to any matter under his administration or for which he is responsible, provide financial assistance with respect to any programs, and in accordance with any terms or conditions, that are prescribed in the regulations to any person, agency, organization, association, institution or other body inside or outside Saskatchewan.

So that was the authority. The regulations, as I said, were passed last November, and I think we're mixing two Bills, and really this one here is largely to accommodate an accounting procedure, as I understand it.

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

**Mr. Prebble:** — Well, Mr. Chairman, I'll withdraw the motion.

I want to — but Mr. Minister, you're failing to explain why section 10 of this Act is required. This section specifically says:

The minister may make regulations:

(a) respecting the total amount of financial assistance that may be (available) for a student . . . (and)

(b) respecting the terms and conditions on which financial assistance may be provided . . .

And Mr. Minister, that's much broader than simply accounting authority. I suggest to you that that gives you the right under this Act to make the regulations that you've been passing under The Department of Advanced Education and Manpower Act. And I ask you to acknowledge that that's the case.

**Hon. Mr. Hepworth:** — Mr. Chairman, and hon. member, I apologize for the delay in consulting with my officials because it's a point of confusion, and it's a point of some complexity. And I'm trying to get it and be able to present it to you and other members of the House in a sense that we can all understand it. And it's the first time, I have to admit, that I've ever found myself defending why we're trying to be more forthcoming with the public, which is usually the opposite, as you can appreciate, too often perhaps in this House.

What we're trying to do here is parallel in this Bill what we do in regulations under The Department of Advanced Education and Manpower Act. Because the way it is right now, as I talked about earlier, is that it's pretty loose in so far as how things are described in its administrative or ministerial guide-lines. And we want to formalize to a larger extent what it is we're doing — clarify maybe is a word that might be useful. We're wanting to do more than hide it in ministerial guide-lines. And it's not meant to be relatively specific; it's meant to be forthcoming; it's meant to be an attempt at more public disclosure as to what we're doing; it's meant to be more expedient in how we do our business. I mean, I guess if I was to say, let's take an argument, maybe you should say we take it out. Well that might mean then that I go back to sort of hiding and shuffling stuff around in ministerial guide-lines as opposed to ministerial regulations.

I know it's a bit complex, given the interrelationship and the fact that we have the ability in one place, and that's a different Act, and I'm trying to clarify a confusing and complex issue at best I can for you. And I hope that's of some additional help.

**Mr. Anguish:** — Thank you, Mr. Chairman. Mr. Minister, I'm wondering: I have the regulations that you referred to when the member from Saskatoon University asked about the authority that was given to you to abolish the student bursary program, and you referred to the regulations that were passed in November — I believe the date is November 19, 1986 — could you tell us the specific reference in those regulations that gave you that authority to abolish the student bursary program?

**Hon. Mr. Hepworth:** — The authority is in section 14, which I read into the record here for the hon. member to help him understand where the authority came from in legislation.

**Mr. Anguish:** — Are you referring, Mr. Minister, to the Act

or to the regulations?

**Hon. Mr. Hepworth:** — To the Act, Mr. Chairman.

**Mr. Anguish:** — What I'm asking you, Mr. Minister, is, where is it within the regulations that flow from that Act? Where are the regulations?

The regulations, I take it from what you're telling me, the regulations for this flow from section 14 of the Act. What I'm asking you is that in the regulations that flow from section 14, what is the specific reference you can give us that gives you the authority to abolish the student bursary program?

**Hon. Mr. Hepworth:** — I'm advised that the . . . I think the sense . . . the issue of your question is, you made this program change. And I've answered in that, yes, and the authority for that came under section 14 of another Act, The Department of Advanced Education and Manpower Act, and regulations that might flow from it.

And you're saying, well, in those regulation — albeit we don't have a copy because we're not dealing with that Act, but we'll get you a copy — you're saying, what specific line detailed change, X or Y, whichever one you're referring to.

I don't know (a) because we don't have a copy, but I'm advised — having said all that — that doesn't matter; it's not as your main question in that the statute itself gives the authority. "The minister may for any purpose relating" — I read it into the House record here already once.

**Mr. Prebble:** — Thank you, Mr. Chairman. Mr. Minister, it's a pretty sloppy way to do government business to undertake a major change in the student loan program, the student bursary program, abolish the student bursary program, introduce a forgivable loan program and increase by almost two and a half times the amount of money that students in this province must borrow before having any of it forgiven and not pass a single regulation to do it. What you're saying, Mr. Minister, is that that's what you did.

**Hon. Mr. Hepworth:** — I want to address that point because I think that your view is exactly the opposite of what we're trying to do. This very day we have this two-page document that sort of outlines our obligations in so far as what I must do, and how I can do it, and what I have to tell, and who I have to tell, and whether I can do it under my pen, or it's cabinet, or it's statute.

So what we're proposing is going from that to something like this. This is some draft regulation — going from two pages to 25 — so that there is no wishy-washiness about how things shall operate. We are trying to be more forthcoming clear in our administration, do everything the opposite of what you suggest. And I think that's a laudable exercise, quite frankly.

**Mr. Anguish:** — Thank you, Mr. Chairman. It seems to me that even though you might have the authority under the Act — and you said you have the authority under section 14 to abolish the student bursary program — it seems to me that in order for you to have full force to carry that out,

that you require a regulation.

And I don't know how we can proceed on from here. It's a very important issue, and our critic in this department views it as a very important issue, as I do. I think we can't proceed very far from here until you give us the specific regulation — and I have the regulation here that you referred to.

If you could give us where you have the authority . . . or do you believe, are you saying to us, Mr. Minister, that you have the authority of the Act, and you can interpret that as you like, so you can do anything you want under section 14, or do you acknowledge that you require regulation flowing from that Act to in fact carry out the dismantling of the student bursary program?

**Hon. Mr. Hepworth:** — One could argue, Mr. Chairman — to come at this another way — one could argue that you don't need a regulation to terminate a program. One could argue, as well, that when we approved the appropriations for the Department of Education, that we, in fact, approved what has been done.

But having said all of that, section 14 of the . . . I mean, it's unusual to be dealing with another Act of this degree, or in fact the Act in the committee stage here is getting ignored. But I read again section 14:

The minister may, for any purpose relating to any matter under his administration or for which he is responsible, provide financial assistance with respect to any programs, and in accordance with any terms or conditions, that are prescribed in the regulations to any person, (body), agency, organization, association, institution or other body inside or outside Saskatchewan.

(1545)

**Mr. Prebble:** — Well, Mr. Minister, we'll accept the fact that you have the legal authority to make the changes that you've indicated under The Advanced Education and Manpower Act.

I want to say to you that I think that the way in which you have changed the student bursary and student loan program this summer without passing a single regulation to do it — because I've just reviewed the November regulation and there's not a sign of a single regulation that gives you authority to make those changes. You've simply used your broad legal authority under the Act to do it, but that's a sloppy way to conduct government affairs.

And I say to you, Mr. Minister, that you're now giving yourself more specific authority to do that and to make regulations to do that under this Act. And as a result of that, Mr. Minister, we'll be introducing an amendment to this Act, when we get to section 7, reinstating the Saskatchewan student bursary program. And we'll leave the point that we've been debating now. I think for the purposes of public debate it's been sufficiently discussed.

Mr. Minister, I want to ask you what consultations with the scholarship, bursary and loan committee you

undertook before drafting this legislation, and does that committee support this legislation? And do you have any written indication of that?

**Hon. Mr. Hepworth:** — No discussion relative to this Bill, Mr. Chairman.

**Mr. Prebble:** — Mr. Minister, can I ask you why you didn't consult the student loan and student . . . the scholarship, bursary and loan committee before implementing . . . or before bringing this legislation before the Assembly?

**Hon. Mr. Hepworth:** — Well once again we're mixing what's going on in this Bill with, in fact, some other policy changes that have taken place. This Bill is largely a . . . probably any other time would be a non-controversial Bill and go to that committee, because it largely deals with accounting and some technical, legal, administrative in some areas.

And having said all of that, in so far as the discussions that we may have had with students or councils or advisory bodies or bursary committees or whatever, as you can appreciate, this measure here was a . . . some these measures were budgetary measures, and there is some discussion, certainly, that can go on. And I think specifically of items like tuition fees, where I had some fair degree of discussion, and I'm yet to have more discussion with university and technical institute students, as well as with the boards of governors.

So where we can, we have tried to engage in dialogue with them and some of the things that, very specifically, like I said tuition fees that affect students. But after that and specifically on this Bill — no, there's been no discussion.

**Mr. Prebble:** — Well, Mr. Minister, contrary to your claim that this is purely a housekeeping Bill, I just remind you of the fact that one of the things that you're giving yourself authority for under this Bill is that you may make regulations respecting the total amount of financial assistance that may be provided for a student. I don't consider that to be a matter on which you ought not to be consulting students on.

You're also giving yourself the legal authority under this Act to, instead of administering student loan and bursary funds yourself as a government department, to pass that administrative task over to banks and credit unions as the Canadian government has done. I'm not suggesting that that's a measure that students won't support, but you surely ought to have consulted the scholarship, bursary, and loan committee prior to bringing this legislation before the Assembly.

I want to ask the minister how many students will lose bursaries in the current fiscal year as a result of his decision to abolish the bursary program and move to the forgivable loan program?

How many students in effect, Mr. Minister, will receive no loan forgiveness as a result of your policy to change the amount of money that a student must borrow on a weekly basis under your program, and increase it from

\$80 to \$180? How many students will be cut off of forgivable assistance or the equivalent of bursary assistance in this province as a result of that change in the current fiscal year in comparison with last year?

**Hon. Mr. Hepworth:** — The question was: how many students got bursaries last year that won't get this year? We don't have that number at this point in time. And I think you can appreciate that not all of them are in and, I mean, that's very extensive cross-matching to answer that question.

But having said all that, I mean, one should know, and I should remind you what it is that we've done here. Yes, changes in the bursary; yes, we've standardized our guide-lines, the Saskatchewan and the Canadian plans. But more importantly, what we've said to the people and the students of this province is rather than have the bursary program the way it was, we're going to take our financial commitment target it to high need students in the form of forgivable loan. And what do I mean by high need students? I mean particularly single parents; I mean natives; I mean disabled. And we have something, at this point in time, we have 2,368 in that category.

So I wouldn't want you to get the impression, nor to leave the impression with the public of Saskatchewan, that somehow we're stepping back in our commitment. Because reality is we're still going to assist 15 to 17,000 young people in this province this year. And more than that, we're going to target to those who — and I think in your mind and certainly in mine — who perhaps are even more deserving, not only more deserving, but more in need than some others.

And I could go through in detail how it worked in '86-87 versus '87-88. It was a very convoluted process — very convoluted. And by standardizing, by targeting the high need, and by in fact maintaining our financial commitment, I think the students are well-served, and particularly those who have a high need.

**Mr. Prebble:** — Mr. Chairman, a question to the minister. Mr. Minister, can you tell us how many students in the fiscal year 1986-87 received a Saskatchewan student bursary?

**Hon. Mr. Hepworth:** — We don't have that number with us. We're going to phone back to the department and see if we can't get that. So maybe you can go on to some other question.

**Mr. Prebble:** — I'd be grateful if you could have that information ready when we get to section 7 of the Bill, which I hope will be about 10 minutes.

Mr. Minister, I want to make a point with respect to your claim that you have improved financial assistance under the Act to native students in this province. That claim is just not true, and I'll give you an example.

With respect to SUNTEP (Saskatchewan urban native teach education program), a program in which native students pursue training to be teachers in this province, Mr. Minister, if you go back five or six years, SUNTEP students were fully funded by the Government of

Saskatchewan. Apart from their tuition, which I think was paid through the Government of Canada, all their other financial costs with respect to their post-secondary education studies was covered by the Government of Saskatchewan in the form of a bursary. And now, Mr. Minister, when they get to year three and four of their program, they may well go through their entire program without a penny of bursary assistance from your government.

And you call that an improvement to native students? I say you're wrong, Mr. Minister.

**Hon. Mr. Hepworth:** — We've had a discussion earlier in this House today about the accuracy of one's facts — the accuracy of one's facts. And the facts are, when it comes to student assistance to natives, you are saying that we are going backwards rather than forwards. You have clearly said that to this House and to the people of this province.

The facts are these, Mr. Chairman. In '83-84 the total assistance — and I'm talking now bursaries, grants, supplementary loans, federal loans, those kinds of things — was \$3.132 million. To May 30, '86-87, which is the last year I have the numbers for, that same number was \$6.883 million.

Now how does the hon. member square those numbers with his erroneous allegation that somehow we are not more committed than ever to helping natives with their education? How does he square that? — point number one. How do you square that allegation with the public of Saskatchewan? And how too, do you square the fact that in '85-86 we increased, by \$75 per week, the amount of money available to natives because of the reason I talked about; targeting to those with special needs — natives, disabled, the handicapped, single parents. We have done more under this administration than you ever did. Talk was cheap. Talk was cheap with your party for years and years and years, and that's the reality, and you know it.

(1600)

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

**Hon. Mr. Hepworth:** — And I get tired of this kind of sanctimonious approach that it's only the NDP that can somehow help the students of this province whether it be native or disabled or whatever. Because the facts are, when your party first come into power in this province, 2 million . . . less than \$20 million was made available — less than 20 million. And there was no special help, none whatsoever. And there were 6,000 students helped in total — 6,000. And today that number is 15 or 17,000. So you stand up and tell the public how you square your facts with the true facts, Mr. Chairman. Tell us.

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

**Mr. Prebble:** — Well, Mr. Minister, you may be angry, but I'm getting even angrier on behalf of the students of Saskatchewan. I ask you, Mr. Minister, will you deny that in 1981, native students who were studying in the SUNTEP program had their costs under SUNTEP fully covered. And today, Mr. Minister, if a student is in their third or fourth year, they may well get a loan from your

government, but they won't get a bursary. Do you deny that?

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

**Hon. Mr. Hepworth:** — I don't have the numbers for '81-82, but I would suggest to you if I did have them before me the trend I talked about between '83-84 and '86-87 would be unchanged, point number one.

Point number two, you say your points about the grant, etc. The point I will make here is the numbers have gone up, number one. Number two, is yes, there's a loan there. But secondly, it's \$75 higher than it was in '85-86 so we (a) have increased that, and as well, because of the special needs, and as well, they are eligible for the first year, totally forgivable. And as well, their adult basic education, as you will know, is totally forgivable, too, to use that word again.

So we can argue about whose program was the best and whose worked the best. I will argue that the numbers speak for themselves.

**Mr. Prebble:** — Mr. Minister, the numbers don't speak for themselves because the numbers that you cite are all loaned money that students have to repay and will go in debt for; and the numbers that we recite, Mr. Minister, the numbers from '81-82, in large part are bursary money which students don't have to repay.

And that's the key difference, Mr. Minister. And what you have done consistently across the board is, ever since you came to government in 1982, you've eroded the Saskatchewan student bursary program, and now you've chosen to abolish it entirely. And that's a disgrace. And no doubt, Mr. Minister, after you pass this Act, we're going to see regulations introduced which will confirm the fact that that program is gone.

Mr. Chairman, another question to the minister, and it relates to . . . it's more of a . . . simply a question for administrative clarification. Going back to page 2075 of *Hansard*, if the minister wants to refer to that, the top paragraph on that page. You say, Mr. Minister, that:

The non-forgivable portions of student loans are in fact repayable (which is quite correct) and will be repaid to the Consolidated Fund. (You say therefore) This is not a budgetary expense, and therefore the Act has been changed to reflect standard accounting principles for non-budgetary expenditures.

Mr. Minister, does that mean that this will no longer show up as a budget item when we do estimates? Can you give me an explanation of exactly where that will show up? It's just a technical question.

**Hon. Mr. Hepworth:** — I must apologize again for the delay. I'm not real quick on this accounting stuff. Some might argue I'm not quick on anything, but I hope the hon. member won't.

This will show up in the province's balance sheet as a non-budgetary loan to the department, point number

one. Point number two, the fund reports the fund's annual statement to the legislature, and as well, under vote 141 of the Supplementary Estimates this year, it showed up as a non-budgetary item.

**Mr. Prebble:** — Thanks for clarifying that, Mr. Minister. Mr. Minister, I presume that by now your officials have the numbers for the number of students who received a student bursary in the fiscal year 1986-87. Could you provide that information to the Assembly, please?

**Hon. Mr. Hepworth:** — Seven thousand, ninety-three. And we can't forecast this year, as I said earlier.

**Mr. Prebble:** — Mr. Minister, that's truly incredible that you can't forecast this year. Are you telling this Assembly that you have no idea of how many students are going to be eligible for a student bursary this year, despite the fact, Mr. Minister, that you have made dramatic changes to the program? Surely, Mr. Minister, before you undertook the changes to the program, you examined how many students would be cut off of student bursaries as a result of your changes; surely you have an estimate for this legislature for the current fiscal year?

**Hon. Mr. Hepworth:** — The hon. member says it's incredible or unbelievable that I can't forecast or supply him with an accurate number. Well the reality is, the applications are coming in about the same rate this year as last year. We've got about 12,000. We expect 15 to 17,000. Pick a number.

**Mr. Prebble:** — Mr. Chairman, to the minister. Mr. Minister, you've made the most dramatic changes to the student bursary program that have ever been made in the history of the province since the bursary program was established.

**An Hon. Member:** — Big increases — most dramatic changes.

**Mr. Prebble:** — The member for Meadow Lake says the most dramatic increases. Mr. Minister, it's an example of how the minister for Meadow Lake continues to try to mislead the people of this province.

Mr. Chairman, the minister has made a decision very consciously to say to university students in a 33-week program, that students who borrowed \$2,640 last year before they were eligible for a bursary, now are being forced to borrow \$5,940. He is saying, Mr. Chairman, to students from technical institutes that they must now be eligible to borrow student loans of \$6,840 before they get a penny of that forgiven. He is saying to students that they have to borrow two and a half times as much as they did last year before they get a penny of bursary, and yet he is incapable of telling this legislature how many students are going to be cut off as a result of those policy changes.

And I say to him, Mr. Chairman, let's table this Bill until he can come up with providing the legislature with the kind of information that we need before we can assess the program.

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

**Hon. Mr. Hepworth:** — Well I stand by my . . . I mean, he's asking me to do some things that I clearly cannot do, Mr. Chairman. I have told him about how many applications we've got in; how many we expect. We can get some harder numbers obviously down the road. And you know, let's try and be fair and rational and reasonable and collected in our view of what we've done for students here.

And you know I could ask the question: when the NDP were in government, did they make 6 per cent money available to students? You know, when the interest rates were 20 and 22 per cent across the piece, did you ever address that issue for them? You know, did you ever address the high needs to the disabled, the native; you know, the single parent.

I mean, you know, we can have this happy little debate here and go on *ad infinitum*. We went through this in estimates; we can go through it again now. I'll be happy to trot the numbers out again, about the six-fold increase in assistance in the last five years, etc., etc., etc. The reality is the commitment is clear. More students than ever are having . . . getting access to post-second education, and it will be that way and more in the future, Mr. Chairman. I assure you of that.

**Mr. Prebble:** — Mr. Chairman, I have no more general questions of the minister with respect to clause 1. I simply want to say with respect to clause 1, in conclusion, that first of all, Mr. Minister, this debate this afternoon has shown the sloppiness with which your department has handled the changes to the student loan and the student bursary program.

Mr. Minister, it's just thoroughly unfair to students the way your government has introduced these changes. It's obvious today, Mr. Chairman, that the Minister of Education made the changes to the student bursary program without making any attempt to estimate how many students would be cut off from student bursaries; how many students would receive substantially reduced student bursaries; and he also made the changes to the student loan and student bursary program, Mr. Chairman, without passing any regulations to introduce those changes. He did them simply using his general authority under the Act.

And, Mr. Minister, we say . . . I want to tell the minister that I have dozens of students coming into my office each week suddenly discovering that while they had a \$1,500 student bursary last year, they're not getting a penny from your government this year. And I ask you, Mr. Minister, how do you justify that?

**Hon. Mr. Hepworth:** — Mr. Chairman, I think if I was to put the question to the hon. member who wants to return to the bygone days when there was no attention to high-need students, and when they were only helping 6,000 students rather than the 15 to 17,000 that we anticipate to help, I would suggest that if the hon. member was to answer this Assembly honestly, I would bet that he had more than a dozen or two dozen students into his office when his party was in government, and there were no things like 6 per cent loans available; when farm children were penalized because of the net worth of their

fathers, and in fact there was no extra stipend for natives and single parents and those kinds of categories. I'll bet you, you had more than dozens of people coming into your constituency office then. Would you like to answer that question, hon. member?

(1615)

**Mr. Prebble:** — Well, Mr. Chairman, to the minister, I just want to remind the minister once again that native students studying in programs like SUNTEP were fully funded by our government when we were in office, and that that's now not the case. A student in SUNTEP after their first year is going to find themselves going further and further and further into debt under this government.

And the minister can make whatever claims he wishes about the old student bursary program, but I tell you, Mr. Minister, the students who were studying in the late 1970s and the early 1980s understood that once they borrowed \$1,100 in Canada student loan, they were eligible for Saskatchewan bursary. And now under your government they have to borrow five and a half times as much before they get a penny of bursary.

And instead, Mr. Chairman, I say to the minister that instead of under the NDP government when students were graduating with debts of 5 or 6 or \$7,000, they're going to be graduating under your government with debts of \$24,000. You are creating, Mr. Minister, a new generation of students who are going to be more indebted than any generation of Saskatchewan students that ever came before. And I say, Mr. Chairman, that that is symbolic of the attack that this government has made on the young people of this province, and we stand four-square against that. And on that I conclude my remarks.

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

Clause 1 agreed to.

Clauses 2 to 5 inclusive agreed to.

#### Clause 6

**Mr. Prebble:** — Mr. Chairman, I would like to move an amendment with respect to clause 6 of this Bill. I want to move, seconded by my colleague, the member for Regina Centre, the following amendment, Mr. Speaker. I want to move with respect to section 6:

That we strike out section 6 of the printed Bill and substitute the following:

Section 7 amended:

(a) by adding "or any persons designated by the minister" after the word "minister" in the first line of subsection (1); and

(b) by adding the following subsection after subsection (1):

(1.1) The Saskatchewan student bursary program established pursuant to this Act and Saskatchewan

regulations 211-76 is continued.

And for the benefit of the minister, I want to send him over a copy of this amendment as well as sending one to the Clerk. If you just give me a minute, Mr. Chairman, I'll have my colleague from Regina Centre sign the motion.

**Mr. Chairman:** — Order. I find the amendment in order. Moved by the member from Saskatoon University, seconded by the member from Regina Centre. Is that Assembly ready for the question on the amendment?

**Mr. Prebble:** — Mr. Chairman, the effect of this amendment will be to reinstate a program known as the Saskatchewan student bursary program in this province. And I say, Mr. Chairman, to the Minister of Education and to all members of the Assembly, that the young people of this province are being exploited by the Government of Saskatchewan in their decision to abolish a program originally established by the New Democratic Party in this province to provide direct grant assistance to students at the beginning of the academic year, depending on the amount of loan that they needed to borrow.

And it used to be in this province, Mr. Chairman, in 1981 that a student only needed to borrow \$1,100 in loan before they were eligible for a student bursary, and that bursary was then given in the form of a direct grant to a student to keep their debts down. And this government, as a matter of policy, Mr. Chairman, has decided to abandon that practice. It is moving to a forgivable loan program that will only be paid at the end of the year, and will only be paid after students in this province must borrow at least five and one-half times as much money as they did in 1981 before they'll get any forgivable loan assistance.

So, Mr. Chairman, what this amendment will do is what the students in this province want to see this government do, and that is to have the Saskatchewan student bursary program reinstated in Saskatchewan.

**Hon. Mr. Hepworth:** — Mr. Chairman, now the member is trying to rewrite history and go back to the way it was. I've outlined the reasons why we've made the changes in the program that we did. (a) It was to standardize with the Canada student loans, on one hand; and (b) to target more . . . to provide additional assistance for those particularly with high needs.

And I don't apologize for that. I think that's the right approach; I think it's a sensible approach. And in fact in so doing we reach more people than ever in this province and make post-secondary education accessible to them more than ever in the past.

And that's notwithstanding the fact that I've talked about earlier, about the 6 per cent loans, the changes to the criterion for farm children who, whether their fathers had a net worth of half a million dollars — you, Mr. Chairman, yourself, know the farm scene today — they might have had a net worth of half a million dollars, but the cash flow might have been virtually zero.

And somehow yet all of that is okay, all of that was okay when the hon. member was a part of the NDP when they were in government. Mr. Speaker, we have laid out our



plans clearly and the terms of our commitment to Saskatchewan young people. We will be voting against this motion because, quite frankly, I see it as a budgetary item anyway. But having said all of that, I'll leave it at that.

**Mr. Prebble:** — Very briefly, to the minister. Mr. Minister, in 1985-86 you did introduce some changes and improvements to the supplementary loan program. And then in 1980, just before the election, Mr. Chairman, just before the election I acknowledged that the minister made some improvements to the student loan program that were welcome in this province, and at the time I commended him for those. And, Mr. Chairman, he promised during the election that he was going to make education more accessible to students. His candidates in Saskatoon promised, Mr. Chairman, that more financial assistance would be made available to students.

And right after the election, Mr. Chairman, his government abandoned that promise and did more damage to the student loan and student bursary program in a single swing of the axe than they had ever improved in the four previous years of their government — did more damage to the student loan and student bursary program in a single swing of an axe, Mr. Chairman, than governments over all the years since the mid-1970s had done to improve the program.

And I say, Mr. Chairman, that the minister is being dishonest or — I take that back — is simply being . . . is misleading the general public in a . . . without intending to, by suggesting, Mr. Chairman, by suggesting that the program is being improved. It's true that some improvements have been made to a few needy students.

But I say, Mr. Chairman, that many needy students such as native people are being hit now very hard by the changes that you have made. They're getting much less assistance, not more assistance. They're losing in effect, Mr. Chairman, they are losing approximately \$6,000 a year every year as a result of these government's changes, because whereas in 1981 their costs were fully covered, in 1987 they're having to borrow at least \$6,000 before any of their loan is forgiven. So they are paying out hand over fist as a result of the policies of this government, Mr. Chairman.

(1630)

And, Mr. Chairman, we've seen earlier that thousands of students — the minister can't tell us how many thousands of students are going to either have bursaries reduced or lost as a result of his changes. I suggest to you, Mr. Chairman, that the reason that he doesn't want to bring those calculations before the House is because the numbers are too embarrassing for the government to acknowledge.

Mr. Chairman, it would be my estimate, it would not surprise me at all if at least 3,000 students are going to lose their bursaries in this province as a result of the changes the government has made, and then many hundreds of others will have their bursaries substantially reduced.

And I say, Mr. Chairman, it's time we moved back to the

old bursary program that we had last year. And I challenge the government to explain to members of this Assembly why a program that was so good last year, which you heralded last year before the election as a program that was going to benefit students, and promised students would not be eroded, why the program that in 1986 was so acceptable to your government, has now been dropped in 1987. Will you explain that to members of this Assembly?

**Hon. Mr. Hepworth:** — Well, Mr. Chairman, I went through the rationale three times now as to why we've made the changes we've made. The only additional item of information I would like to lay on the table is in terms of scholarships, to point out the increased commitment there.

Technical institute scholarships, up 11 per cent. French language, for example, up 66 per cent. Saskatchewan urban native teachers, up 25 per cent. And it's a point that the hon. member likes to berate. University of Regina, undergraduate and graduate scholarships, up 11 per cent and 23 per cent respectively. At the University of Saskatchewan the same numbers are 6 per cent and 18 per cent.

So while yes, there have been changes, you don't view them positively; I think they're a step in the right direction in terms of some of the broad goals that we have. I could continue to trot out measures that support the case of our government, and I don't think you can argue with these numbers. We can have the debate, and you will probably stick to your view at the end of the day and I will stick to mine. I suggest we get on with the vote, Mr. Chairman.

**Mr. Prebble:** — Just one more point to the minister, Mr. Chairman, in concluding this debate. I want the minister to answer my question, and it's a very simple one.

In 1986 when you brought forward what you called improvements in the student loan and student bursary program, you obviously did it just prior to the election. There were some welcomed changes, many of them coming from members on this side of the House, and we're happy that you adopted them. And you gave the students of this province a commitment during the election campaign.

Your party promised, and I'm sure that promise was made in any riding where there were a large number of technical institute or university students, that accessibility to post-secondary education would be improved, that financial assistance to students would be enhanced.

And right after the election, Mr. Chairman, this government abolished the Saskatchewan student bursary program and told students that they would have to borrow two and one-half times as much before being eligible for a penny of forgivable loan.

And my question to the minister is very simple: how do you square the decision that you made after the election with the promise that you made during the election that you would enhance financial assistance to students? Will you explain that? Because all your programs for needy students were in place in 1986. You have made no

significant changes there. Your significant changes have only been in the erosion and destruction of the Saskatchewan student bursary program.

**Hon. Mr. Hepworth:** — Methinks, Mr. Chairman, the hon. member wouldn't even believe his own rhetoric, using terms like erosion and destruction of the plan. Do you really honestly think anybody out there buys that? Do you really honestly even believe that — what is it the member from Regina Victoria would call that — a hyperbolic excess?

I mean, the reality is that we are trying to help as many people as we can and we particularly want to help those with high need. And I would say to you that now assistance to 15 to 17,000 young people across this province is something that we can be proud of. How does . . . I mean, erosion, destruction — surely you cannot even believe that, your own rhetoric.

The question specifically is, how come . . . if the program was good last year, why is it not good this year? One of the things that became apparent and I talked about earlier as why we made some of the changes, was to standardize the Saskatchewan and the Canadian programs. We had got a situation where we had a bit of . . . we were out of sync, if you like. So standardizing and simplification. Because with the add-on mentality we'd got just exactly that — a fair degree of stacking and different rules. So it was simplification, number one; and number two, standardization.

And I don't know as I can say much more, Mr. Chairman.

**Mr. Lyons:** — Mr. Chairman, just a few words, because I think that they're necessary in terms of the context and why we're raising the concerns that we have. And the member from Saskatoon University has put his finger on it with a single word, which is accessibility.

And our concern, and I think it's your concern as well, sir — it's the question of accessibility, given that we're now entering into the information age; given now that when high school students can break into the computers in the Pentagon, for example; when high school students who are going through the grades 10, 11, and 12 process have the greatest amount of information at their fingertips now than any generation before them, and that in order to deal with that information we have got to provide them with the technical tools. And that includes the expansion of opportunities to have a higher education.

Our concern in this whole matter . . .

**Mr. Chairman:** — Order, order. I'd ask the member to keep his remarks pursuant to clause 6 and the amendment. We've moved off . . . (inaudible interjection) . . . Order. We've moved off clause 1, so that the members should stay to clause 6 and the amendment.

**Mr. Lyons:** — Thank you, Mr. Chairman. I will relate it directly to the amendment that's been put forward. I'm rising to support this particular amendment, because it expresses to the minister our concern over the question of accessibility, and we feel that this amendment in particular will try to guarantee the kind of accessibility

that the minister himself talks about.

We've seen in a situation, Mr. Minister, where some of that accessibility to education in this past year has been eroded. And that's not rhetoric and that's not hyperbole. It's a fact, given the waiting lists at the university. And we think that some of that question of accessibility relates directly to the financial needs of students. The member from Saskatoon University has pointed that out.

So my question to you, Mr. Minister, is very simply this: if over the course of the next year or the next two years we find a decrease in the accessibility to education, will you agree then to scrap the program that you're now introducing and to revert to a program which opens up opportunity for students, as opposed to, as we think — and we may be wrong, but we don't think we are — that restricts accessibility to education. Will you make that commitment, that you will review this program?

**Hon. Mr. Hepworth:** — I make the commitment that on an ongoing basis, the practice of our government has been to be very proactive and, in fact, make accessibility to post-secondary education indeed just that, more accessible.

And the numbers once again . . . I mean we can go back, if you like, six and seven years ago to when 5,400 young people were receiving help; we can go back to those days if you want. But the track is clear — 5,400, '81-82; 10,500, '85-86; '86-87, 17,000. To me that's a clear expression that more young people have had more assistance than their studies at a post-secondary education level — point number one.

Point number two, to address that very question of accessibility, that's why we're going to get into distance education initiatives into a much larger degree than we have. And that's why, as the hon. member from Saskatoon University will know, that's why the regional college concept is being so widely and roundly acclaimed out there across rural Saskatchewan, because they see that as a method of delivering more institute programming, more university programming into their communities — not just into Saskatoon or Regina, but into their communities — and make it truly accessible and not bound by the limits of geography or a five-hour drive to Regina two times a week to study a particular course. That's accessibility in my mind, Mr. Chairman.

**Mr. Prebble:** — One final question to the minister. Mr. Minister, I want to ask you: do you think it's fair that under your new policies, a student that is eligible to borrow \$6,800 in Canada student loan and Saskatchewan student loan, attending a 38-week program at Kelsey or Wascana or STI (Saskatchewan Technical Institute), is not eligible for a penny of bursary under your government? Do you think that's fair? Are you telling the people of this province that that's fair? Because that's the effect of your policy, Mr. Minister, and if you don't think it's fair, then vote for this motion.

But before we vote on the motion, I want to hear from you whether you think that's fair or not, because members on this side of the House do not think it's fair that a technical institute student in a 38-week program, borrowing

\$6,800 doesn't get a penny of bursary, whereas five years ago they would have gotten thousands of dollars in bursary if they were in that situation.

**Hon. Mr. Hepworth:** — Now the hon. member, and we all heard it, being a little loose with facts again, talked about how several years ago he would be eligible for thousands of dollars. Those are the exact words, thousands of dollars of bursary.

But what were they eligible for on a 33-week program in 1981? — \$1,800 of bursary, \$1,800 of loan — 1,800 and 1,800. That's what they were eligible for. And somehow the hon. member hasn't got his head around the concept that we're talking about here yet. The bursary, the changes there, on the other hand, what are we saying? Forgivable loans, okay, that's what we're saying, and particularly with an emphasis on high needs students — 8,250 in '87 would be what a regular student will be eligible for, 2,750 forgivable. A special high needs student could get 11,880 and about 6,000 would be forgivable. Now that sounds pretty reasonable to me, especially when you look at inflation at 34, 35 per cent. That's the two different concepts, you know — the bursary, forgivable loans.

**Mr. Prebble:** — A further question to the minister. The minister knows full well that under his program now the student borrowing \$6,800 would not get a penny of that forgiven, not a penny. Will he acknowledge that? Now one penny will be forgiven.

As he rightly said, that student before would have got \$1,800 in bursary in 1981 when costs were substantially less for that student to go to school, and this year, will he not acknowledge that not only will that student not get a penny of bursary, but that student in the 38-week program at a technical institute will not get a penny of forgivable loan.

**Hon. Mr. Hepworth:** — Well, you know, the simple answer to your question is, it's needs based, and give me the specific examples, and we can go through them one by one.

**Mr. Prebble:** — Mr. Minister, this is an example of sheer incompetence. Here you are sitting with three of your officials in the House, and you're telling me, Mr. Minister, that you can't do a simple calculation of what the cut-off point is for where students cut into your forgivable loan program.

Mr. Minister, let me tell you your own regulations — \$180 a week is what you need to borrow before you are eligible for a penny of forgivable loan, multiply that by 38, sir, and it comes to 6,840. And what you're telling the students of this province, in a technical institute program right across the technical institutes of Saskatchewan, is that if they borrow \$6,800 in loan from your government, they don't get a penny of bursary, and they don't get a penny of forgivable loan. And as you yourself acknowledged way back in 1981, where costs were at least 30 per cent less than they are now, they'd have gotten \$1,800 in bursary and grant right up front. By your own admission now, in this Assembly, you're demonstrating how you've eroded your program.

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

**Mr. Prebble:** — Mr. Chairman, a question to the minister. He hasn't answered by question. Does he deny that a student in a technical institute today, in a standard course 38 weeks long, borrowing \$6,800, will not get one penny of that in bursary, and not one penny of that in forgivable loan? Does he deny that?

(1645)

**Hon. Mr. Hepworth:** — Well, the hon. member makes the point that somehow we're denying people now, as opposed in 1981. Well, I am advised, and I gave you the numbers about 3,500 in '81; in '87 it's 8,250; and 11,880 for high need students; 2,700 forgivable in the first instance; 6,000 forgivable, approximately, in the second instance.

Now the kicker of course, the kicker of course, and where I might disagree with your facts is, is that somehow you had suggested they just sort of automatically got this bursary in 1981. As I understand it, first of all, the Canadian student loan kicked in; then the Saskatchewan loan program; and then, if there was a demonstrated need, the bursary.

**Mr. Prebble:** — Mr. Chairman, the minister is displaying unbelievable ignorance about the way the student loan and student bursary program operate. And I'm starting to see now why the minister made the changes he did in the program. He didn't understand how it worked before, and he doesn't understand how it works now.

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

**Mr. Prebble:** — And, Mr. Chairman, if the students of this province were to tune in to their television sets at this time of the afternoon — unfortunately they have to be at their studies — there is not a single one watching who'd vote for this government after this display of ignorance this afternoon.

I want to inform the minister that in 1981, no, the student did not have to apply for a Saskatchewan student loan before getting a Saskatchewan student bursary. They simply . . .

**An Hon. Member:** — Yes they did.

**Mr. Prebble:** — The member from Meadow Lake says, yes they did. And the member from Meadow Lake doesn't know any more about the student loan program than the Minister of Education does. He's sorely mistaken. Mr. Chairman, the minister is trying to get off the hook . . .

**Mr. Chairman:** — Order, order. Allow the member for Saskatchewan University to make his remarks.

**Mr. Prebble:** — Thank you, Mr. Chairman. The minister is not listening to me, Mr. Chairman. He's got his back turned to me. He's talking to his officials. I'll wait until he's ready to listen to me.

Mr. Chairman, the minister is trying to get off the hook by citing a high need case. In the average class-room in a technical institute with 35 or 40 students in the class, not more than three or four of them are likely to be high need cases.

So I want to talk about the other 36 of the 40 students that are in the class-room. And of those 36 students, Mr. Minister, many of them will require very substantive student loans. Many of them now, as a result of your policies, will require student loans of above \$6,000. And I ask you, Mr. Minister, once again: will you deny to members of the public and members of this Assembly that the average student in a technical institute class-room, engaged in the average length of course, 38 weeks, in a 38-week program, if they borrow \$6,800 in loan under your government's policies, do you deny that they will not get a penny of forgivable loan and not a penny of bursary from your government?

**Hon. Mr. Hepworth:** — Okay. Point number one, you have somehow suggested that three students in a class of 40, was it, would not . . . would be only high need. Our view is that is not the case from past experience, it's one-third. Point number two, an example I used and read into the record was not a 38-week, but a 33-week — regular student, \$8,250, 2,750 forgivable; special high-need student, 11,880, and about 6,000 forgivable.

I mean, I'm not trying to argue that there haven't been changes. Yes, there have been changes; yes, there are more students receiving assistance than ever; and yes, there are more having accessibility; yes, there is a 6 per cent money where there wasn't before.

**Mr. Prebble:** — Well, Mr. Chairman, I just cannot believe this minister. And if he's wondering why this Bill is being delayed, it's because of his own incompetence. Here he is surrounded by his officials, and he can't answer my simple question.

Mr. Minister, once again: will you deny that the average student in a technical institute class-room, not classified by your government as a high need student, but just the average student in this province, studying in a 38-week program — not a 33-week program — Mr. Minister, for your information it's the universities that have a 33-week program. It's the technical institutes that generally have a 38-week program. It goes up as high as 41.

But in a 38-week program, do you deny that a student that borrows \$6,830 from your government in the form of a Saskatchewan student loan and a Canada student loan will not get one penny of that forgiven in the form of a bursary, and not one penny of that forgiven in the form of a forgivable loan? Do you deny that, because it's precisely the question that I'm asking that is leading to the amendment here today? That's why we're bringing forward this amendment, Mr. Chairman, because of this change in policy which means that students who do borrow over \$6,000 from this government in a 38-week program don't get a penny of it forgiven? So will you finally answer my question, Mr. Minister.

**Hon. Mr. Hepworth:** — They are . . . I will acknowledge that in some instances your mathematics may well be

correct. And the hon. member says in the majority instances, and then I would say, how does he know that? Because we don't know yet this year how many will in fact be high need, but I can tell you what: your number of three or four I have no doubt will be wrong.

**Mr. Anguish:** — Thank you, Mr. Chairman. Maybe we could deal with a few specifics. Well look at a student . . . and I've dealt with some of these through your office, Mr. Minister, which has been appreciated, and your staff have been very good about that.

But the one student in particular got a student loan last year — got the supplementary loan, and this year she didn't get it, and virtually there's no change in the circumstances; hasn't gone from a special needs student to a non-special need; the parents work in the same job; she had the same summer job. And this year it's no student loan from your department.

And she asked me whether or not it was easier in an election year to get a student loan than it is in a non-election year. And it would appear to her to be kind of logical, because in 1986 she received a student loan just days before the election was called and got her student loan. And now in a non-election year she doesn't get any student loan from the provincial government.

Now how could a student's circumstances change so much, and virtually they're exactly the same circumstances, last year having got a student loan, this year not qualifying for a student loan. How do you explain situations like that?

**Hon. Mr. Hepworth:** — I can't comment on the individual case particularly. What I can tell you is, yes, there are instances like this, and the reason there are instances like this is that the criterion have been standardized between the Canada student loan program and the Saskatchewan loan program.

They were not last year, and we have this year, and yes, that has, in some instances, accounted for the change. At least there'll be one reason; there may be others, but that might be one that would account for what you've seen in some instances.

**Mr. Anguish:** — And how many students, Mr. Minister, have fallen into that category? Do you have any figures at this point in time this year?

**Hon. Mr. Hepworth:** — No, we don't. And it's because, as I said earlier, we're running about the same level as last year in terms of loans, at 12,000, we expect it to peak out at somewhere 15 to 17.

And I think, as you can appreciate, as has other members who have had inquiries about student loan programs, incorrectly fill out applications, etc., etc. If we don't have our statistical analysis right up to date in a retrospective sort of fashion, it's because we've been trying to deal with individual cases to make sure that students had what was coming to them. But I have no doubt we'll have those numbers, that kind of analysis, done down the road.

**Mr. Anguish:** — Well there are a good number of students

in Saskatchewan this year that don't feel they've got coming to them what they have not received in way of student loan.

It seems to me, Mr. Minister, there are other cases. For example, another case I dealt with your office, this particular student went into a two-year program and successfully completed the course of study for that particular semester; led to believe that she would receive a bursary and a certain dollar amount; can't afford to go back to school this year because the family doesn't have the means to send her to school, and your department refuses to grant the bursary. Why does the person have to — if they successfully complete their course of study at that stage — why do they have to start now repaying that loan? Why can't they have the bursary granted to them?

**Hon. Mr. Hepworth:** — We're a little unclear on the member's question. But what exists is the six-month's grace period, and then if there's somebody who is unemployed or underemployed and needs additional relief, they can apply for up to 18 months of interest relief as well.

The committee reported progress.

#### **COMMITTEE OF FINANCE**

The Assembly recessed until 7 p.m.