

EVENING SITTING

COMMITTEE OF THE WHOLE

Bill No. 14 — An Act to amend The Saskatchewan
Telecommunications Superannuation Act

Clause 1 (continued)

Mr. Shillington: — Thank you, Mr. Minister, before the legislature broke at 5, I was asking you why you felt it necessary to give the corporations such an unfettered discretion to terminate an employee.

Mr. Minister, any time, any place, a discretion as unfettered as what is contained in this legislation should offend people. At this time, given the history of the brief but very turbulent history of labour-management problems in SaskTel, it's particularly offensive.

Mr. Minister, the existing section 10 states:

An employee who:

(a) in the opinion of the corporation is not physically or otherwise qualified for the requirements of his employment:

(b) has attained . . . (55 years of age); and

(c) has served at least ten continuously;

may be retired at the option of the corporation . . .

The section which you draft, that, Mr. Minister, while it retains a discretion in the corporation, does provide a subjective criteria for the exercise of the corporation's discretion. Your section simply provides an unfettered discretion. Didn't like the . . . if you didn't like the politics of the person, if you didn't like the fact that they were engaged in union activities, this section would be broad enough to retire them.

I wonder, Mr. Minister. I ask you again why you didn't stick with the subjective criteria, but still I think perfectly adequate discretion in the former section — why you felt it necessary to give yourself an unfettered discretion to terminate employees.

Hon. Mr. Lane: — Well I believe that the hon. member is putting a rather unfair and improper interpretation on the legislation. I would ask him, as a lawyer, to take a little closer look at the amendments because one can very strongly argue that there is less discretion under the amendments than there is under the existing legislation.

And let's take a look at what existing section 10 says. It says that:

An employee who:

(a) in the opinion of the corporation is not physically or otherwise qualified for the requirements of his employment;

Now nothing would be more broad than to say, "or otherwise". Now that's as broad a term as you can get. The amendments that we are presenting, in fact, it can be interpreted as being much more restrictive because it eliminates the allegations that the hon. member says about politics when, where it is in the opinion of the corporation:

. . . that the employee is not able to meet the requirements of (his) employment . . .

And that means that the individual is not able to do the job, whereas the "or otherwise" which is in the existing legislation is, as I say, much more broad.

Secondly, there is an opinion that to limit it physically may be calling out physical handicapped as being a reason for dismissal, and that is of itself questionable.

I think in fairness those that are to look at the legislation and put a fair interpretation upon it, the real question and the big change is the age. Under the previous legislation:

(a) in the opinion of the corporation (if the employee) is not physically or otherwise qualified for the requirements of his employment;

(b) has attained the age of fifty-five years;

(c) and has served at least 10 years continuously;

The big change is that that age 55 has been deleted and it's now based on, one, is the employee not able to meet the requirements of his employment; and secondly, has the employee served at least 15 years continuously with the corporation.

So I suggest to the hon. member that the phraseology and descriptions in the old section 10 can be interpreted much, much more broadly than the narrow restrictions in section 10 subsection (1) of the proposed Bill.

Mr. Shillington: — Well, Mr. Minister, that's just not accurate. The word "qualified" does provide an objective criteria; "requirements" do not. The phrase "otherwise qualified" provides an objective criteria by which people may be measured. A statement that an employee is not able to meet the requirements of his employment, presumably that's defined by the employer. The only meaning that could be given to the word "requirements" is those requirements set out by the employer. You thus have a situation where there is no objective criteria.

Mr. Minister, if that was your objective, why didn't you just repeal section (b) and substitute 15 for 10 in subsection (c) and leave it alone? Why did you have to give yourself a broad discretion?

Hon. Mr. Lane: — I go back to the physically disabled part; that's a prohibited ground of discrimination. I'm surprised that you would want this still in the legislation.

Mr. Shillington: — Mr. Minister, I ask as well, why the minimum allowance set out in section 16 subsection (3)

was repealed? Why did you feel it desirable to take out that minimum allowance?

Hon. Mr. Lane: — The reason for that is to bring it in line with section 8 of the Sask Power legislation so it's the same.

Mr. Shillington: — Why was it felt desirable to bring it in line with section 8 of the Sask Power Bill?

Hon. Mr. Lane: — The only argument we have for that is consistency with the Sask Power legislation.

Mr. Shillington: — Why is consistency with the Sask Power legislation thought to be desirable?

Hon. Mr. Lane: — Well I think it fair to say that, given the environment, that there is a fair degree of understanding between the employees of both corporations as to what's going on with the other corporation.

I mean . . . Let me tell this to the hon. member. We would have been quite satisfied to change section 10 and eliminate subclause (b), and changed (c) to (b) but with 15 years, except for the concern that we have with regard to the reference to the physical handicap, and the rest is frankly not particularly important, I gather, and that consistency is the sole argument for the change — the latter change.

Mr. Shillington: — Mr. Minister, how many people were actually retired in the last year under your program? How many people from SaskTel were actually retired?

Hon. Mr. Lane: — We'll have to get the information precisely, but I'm advised that probably a dozen — somewhere in that range. We'll have to get you the information. Keep in mind that there were two early retirement programs, so a lot of people took advantage of those.

Mr. Shillington: — Well, Mr. Minister, I'm not going to keep this here all evening. Suffice it to say that I think this offends one of the fundamental principles of drafting legislation, and that is legislation should not give to the public service or, in this case, employees of SaskTel, any broader discretion than is necessary.

I think it's a fundamental and important rule in drafting legislation that governments should not give themselves any broader discretion than they need to administer the programs. And so far as possible, the rights of public, in this case the employees, ought to be preserved and enshrined in legislation so far as is possible. By giving the corporation an unfettered discretion, you have either given the management a very significant weapon in their ongoing quarrel with the employees of the corporation or you've unnecessarily offended them.

If you never intended to use it and it was a bit of bad drafting, then you've offended them unnecessarily and frightened them unnecessarily. If you do intend to use it, Mr. Minister, then it's a truly frightening exercise of regulatory and bureaucratic power.

Clause 1 agreed to.

Clauses 2 and 3 agreed to.

The committee agreed to report the Bill.

(1915)

THIRD READINGS

Bill No. 41 — An Act to amend The Provincial Auditor Act

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

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

Bill No. 42 — An Act respecting the Consequential Amendments to Certain Acts resulting from the Enactment of The Provincial Auditor Amendment Act, 1987

Hon. Mr. Berntson: — I move the Bill be now read a third time and passed under its title.

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

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

Hon. Mr. Berntson: — I move the Bill be now read a third time and passed under its title.

(1930)

Motion agreed to on the following recorded division.

Yeas — 22

Muller	Meiklejohn
Duncan	Martin
McLeod	Toth
Andrew	McLaren
Berntson	Hopfner
Lane	Petersen
Smith	Swenson
Maxwell	Baker
Schmidt	Gleim
Hodgins	Neudorf
Klein	Kopelchuk

Nays — 17

Shillington	Goulet
Koskie	Hagel
Tchorzewski	Lyons
Thompson	Calvert
Upshall	Lautermilch
Simard	Smart
Solomon	Koenker
Atkinson	Goodale
Anguish	

The Bill read a third time and passed under its title.

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

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

Bill No. 17 — An Act to amend The Corporation Capital Tax Act

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

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

Bill No. 18 — An Act to amend The Tobacco Tax Act

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

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

Bill No. 19 — An Act to amend The Education and Health Tax Act

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

(1959)

Motion agreed to on the following recorded division.

Yeas — 25

Muller	Meiklejohn
Duncan	Martin
McLeod	Toth
Andrew	McLaren
Berntson	Hopfner
Lane	Petersen
Taylor	Swenson
Smith	Baker
Muirhead	Gleim
Maxwell	Neudorf
Schmidt	Kopelchuk
Hodgins	Saxinger
Klein	

Nays — 17

Shillington	Goulet
Koskie	Hagel
Tchorzewski	Lyons
Thompson	Calvert
Upshall	Lautermilch
Simard	Smart
Solomon	Koenker

Atkinson
Anguish

Goodale

The Bill read a third time and passed under its title.

Bill No. 27 — An Act to amend The Income Tax Act

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

(2003)

Motion agreed to on the following recorded division.

Yeas — 23

Muller	Meiklejohn
McLeod	Martin
Andrew	Toth
Berntson	McLaren
Lane	Petersen
Taylor	Swenson
Smith	Baker
Muirhead	Gleim
Maxwell	Neudorf
Schmidt	Kopelchuk
Hodgins	Saxinger
Klein	

Nays — 18

Shillington	Goulet
Koskie	Hagel
Tchorzewski	Lyons
Thompson	Calvert
Upshall	Lautermilch
Simard	Smart
Solomon	Van Mulligen
Atkinson	Koenker
Anguish	Goodale

The Bill read a third time and passed under its title.

Bill No. 12 — An Act to amend The Management Accountants Act

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

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

Bill No. 20 — An Act to amend The Superannuation (Supplementary Provisions) Act

Hon. Mr. Berntson: — Mr. Speaker, I move the amendments now be read a first and second time.

Motion agreed to.

Hon. Mr. Berntson: — Mr. Speaker, with leave, I move the Bill be now read a third time and passed under its title.

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

Bill No. 14 — An Act to amend The Saskatchewan Telecommunications Superannuation Act

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

(2010)

Motion agreed to on the following recorded division.

Yeas — 25

Muller	Meiklejohn
Duncan	Martin
McLeod	Toth
Andrew	McLaren
Berntson	Hopfner
Lane	Petersen
Taylor	Swenson
Smith	Baker
Muirhead	Gleim
Maxwell	Neudorf
Schmidt	Kopelchuk
Hodgins	Saxinger
Klein	

Nays — 18

Shillington	Goulet
Koskie	Hagel
Tchorzewski	Lyons
Thompson	Calvert
Upshall	Lautermilch
Simard	Smart
Solomon	Van Mulligen
Atkinson	Koenker
Anguish	Goodale

The Bill read a third time and passed under its title.

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Andrew that Bill No. 28 — **An Act to provide for the Postponement of the Tabling of Certain Documents (No. 2)** be now read a second time.

Mr. Tchorzewski: — Mr. Speaker, I already have made my comments on this Bill. We're prepared to let it go to committee.

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Swan that Bill No. 32 — **An Act respecting the Emission of Air Contaminants** be now read a second time.

Mr. Lyons: — Thank you very much, Mr. Speaker. Just a few comments in regard to this Act.

I believe, Mr. Speaker, that one could characterize the Act as an improvement over existing legislation, but I'd like to make several comments on some of the perceived weaknesses in the new legislation, and hopefully these comments will be taken in the spirit that they're given by the Minister of the Environment in regards to strengthening the provisions so that the quality of the air in Saskatchewan can be protected by the Act.

The first comment I'd like to make is what, I believe, is a section of the Act which weakens the intent — weakens the present Act and weakens the intent of this Act in regards to the definitions of air pollution. The present Act refers to concentration of contaminants in quantities that may cause discomfort to, or endanger the health, safety, and welfare of Saskatchewan residents.

(2015)

The present Act, or the Act proposed, Mr. Speaker, weakens that provision — weakens that provision to provide a qualitatively higher threshold before the provisions of this Act come into effect. And it reads that where:

. . . quantities that are or are likely to:

(a) be injurious to the health, safety, and comfort . . .

And I think that's quite plain and quite evident in the Act that that threshold has been raised and is with this new Act; and does not, and I believe, will not, provide the kind of protection in terms of the emissions and quality of air for this province that the people of this province have come to expect.

I think there's some problems, Mr. Speaker, in regards to the Act in so far as the penalties for the contravention of the provisions of the Act are put forward. First of all, there's a clause which permits offenders and people who break the standards of The Clean Air Act . . . The penalties of prosecutions to this Act won't be able to apply for a period of after two years. And I think that that, in fact, is a period which is much too short a time to allow polluters to escape.

The fines that will be levied on polluters which are convicted under this Act, while they are increased from the present Act, are still not necessarily a deterrent to the breaking of the provisions of this Act. The fines are \$1,000 for individuals and \$50,000 for corporations, with \$100 on the basis of a continuation of the act for individuals and \$5,000 for corporations.

And there was one thing missing which is, that if there is an outward breach of the Act and a continuing breach of the Act and, in fact, a disregard for the legislation, there is no higher penalty to be applied. For example, there's no jail term as there now is being proposed under the Environmental Protection Act which is before the Canadian parliament for breaches of the clean air

standards. This Act doesn't provide for those kind of penalties. And perhaps the Minister of the Environment would consider looking at some of the penalty provisions.

Any other comments I'd like to make, Mr. Speaker, I'll make in regards to the committee and under question by the minister. I've got no further comments at this time, so if you wish to proceed to committee, that's fine by me.

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Lane that Bill No. 51 — **An Act to Provide for the Imposition of Taxes on and the Collection of Taxes from Certain Purchases of Certain Fuels and to Provide for Rebates of Taxes to Certain Purchasers** be now read a second time.

Mr. Solomon: — Thank you, Mr. speaker. I commenced my remarks in response to the second reading of this Bill on Friday. I wanted to just sum up my remarks and have some of my colleagues add to it.

I want to remind or at least inform members of this Assembly and people in the province that what I have been told, and from the experience that many people have relayed to me with respect to the fuel tax, is that it is, very simply put, Mr. Speaker, a ludicrous tax; it's an unfair tax; it's a question of accountability.

The Conservative government opposite have made promises to the effect that the province of Saskatchewan will never see a gas tax as long as they're in power, reimposed. And of course what we've seen here, Mr. Speaker, is not just the reimposition of the gas tax, but an increase of the gas tax from 6 cents a litre to 7 cents a litre, which is equal to from 28 cents a gallon to 32 cents a gallon of each gallon of fuel purchased in this province.

If it wasn't such a harmful tax, Mr. Speaker, it would be laughable. People are laughing at the way the tax has been implemented. They're laughing at the way that the government has created a massive bureaucratic red tape operation — 641,000 licensed vehicle operators in this province, if they purchase gasoline once a week during the course of a year, they will generate about 34 million gas receipts, Mr. Speaker. And what that means is a massive amount of bureaucratic red tape.

The government and this Conservative Party has gone on record in previous election campaigns as criticizing government for their massive attempts at creating red tape. The Conservative government opposite and the party opposite said if they got elected to government they would do away with red tape. What they have done, Mr. Speaker, has created an amount of red tape that is second to none on the entire continent. They have now included 641,000 licensed vehicle operators in their red tape operation.

The other point I want to raise with respect to this Bill is the timing. The budget was introduced on June 17. At that time the budget that was read by the Minister of Finance informed people of this province that the fuel tax would be levied, the 7 cents a litre tax.

Since that time, the Conservatives — especially in the last couple of weeks — the Premier in particular, have talked about the opposition wasting the time of the people of the province by prolonging this session. Well. Mr. Speaker, on June 17 the announcement of this tax was made in the budget. The Bill was not introduced until October 7, which was day 92 — about 70 sitting days later. And the second reading of this Bill was not undertaken by the government until Friday last, three days ago. And that's a 70 sitting day period, a total of four months.

So the hypocritical government and the hypocritical Premier get up and talk about the opposition wasting time, when the government refuses to introduce Bills which they've announced they're going to introduce four months earlier. This is another credibility gap that we have with this government. They have no credibility. They say one thing out of one side of their mouth and they do the opposite when it comes down to action.

Mr. Speaker, I think the people of this province recognize that what the Conservative government says, what the Premier says, he doesn't mean. Or if he suggests that something is going to be done, they know it'll never be delivered; or if he says that the taxes are going to be decreased, people know and expect massive tax increases. And that's the legacy of this government, Mr. Speaker. They make promises they never keep — never intend to keep — and as a result they have no credibility with anybody in this province or anybody in this country.

So, Mr. Speaker, in summary, our opposition party, the New Democratic Party, will oppose this Bill on the premiss that it is unfair, that it generates more red tape than any other single government program in this province, and that it is a ludicrous tax. It's a tax that's wide open to abuse. We have heard all kinds of stories about people lining up when they get their . . . purchase their fuel, and they're paying their tax with credit cards or with cash.

And I've heard stories about people saying well, they buy \$9 worth of gas and they say, we'll just leave it at \$9 and they put in a 1 or a 2 beside the 9. And it's not a matter of people being dishonest, it's a matter that the program is such an incredibly badly designed program that people are taking advantage of it.

I wonder what the government is going to do, Mr. Speaker, when it comes down to paying these rebates and there's more rebates claimed than there was tax collected. I wonder what they're going to do about that little problem. How are they going to be able to check 34 million, or 38 million, or even more gas tax receipts and match them to the gas station operators who have issued them?

There's a story about the gas station being robbed in Regina. And they're not after cigarettes and other oil and petroleum products. They're after the cash in the till and the tax receipt book because that's like cash in their pockets.

Mr. Speaker, I think this fuel tax rebate system is an absolute scam; I think it's wide open to abuse, and as a

result our party will be opposing this Bill. Thank you.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Thank you, Mr. Speaker. I'd like to say a few words to this Bill if I might, as well. And my colleague has indicated that it's a bad tax. It was unfairly written — and poorly written, as a matter of fact — and that it's a betrayal of the people of this province.

I'd like to speak a few minutes as to how it affects the business community and the small-business people who in 1982 heard that never under a PC government would we ever see a gas tax in this province. And I would like to speak to how they have planned their businesses around that and what has happened because of this betrayal of the faith that was put in this government in 1982 and again in 1986.

I've talked with small independent truckers who many of them spend thousands of dollars a month on fuel; who feel betrayed; who made plans to operate their businesses and made their annual budgets expecting to pay a certain number of cents per litre, only to find that this budget brought down by the Finance minister, who in turn took his direction from the Premier of this province — only to find that they had been betrayed by both of them.

I want to speak about the role of the Finance minister in this tax. As I'm speaking about the business community, I want to say, Mr. Speaker, that I don't believe that there's a corporation in this province that would keep on a man in charge of fiscal matters for that corporation who has displayed the kind of incompetence that the Finance minister of this province has done.

In 1986 we were led to believe prior to the election that the deficit in the province would be something in the order of \$389 million only to find that the same Finance minister, less than a year later, tells us that there's a problem. He tells the people of this province that he's going to have to collect some \$1.235 billion, and that part of that is going to come in the form of a gas tax. There are two things that bother me about that. The first is that this Finance minister isn't capable of operating fiscal matters of this province.

I want to go back to the point that I don't think there's a corporation in this province that would keep him employed in that position or, I would suggest to you, in any other position having a record as dismal and as pathetic as what the record of this Finance minister has been.

Let me take that one step further, Mr. Speaker. His boss is none other than the Premier of this province, and for the Premier of this province not to have shed himself of that kind of incompetence tells me that the people of this province have a responsibility as well. They have a responsibility to shed themselves of the leadership of the Premier of this province who would allow a Finance minister to betray the people of this province, number one, and number two, to display the incompetence that he has.

I ask, who will follow this Premier and this Finance

minister with their record? I ask, who will believe them, with their record? I would suggest that less and less people will be following and less and less people will be believing, and every time that they fill their tank and fill their cars and their trucks with fuel, it will bring them one more step closer to the realization that both the Premier and the Finance minister, the cabinet, and the rest of the members on that side of the House have to be removed.

(2030)

I said before that every time a Saskatchewan resident fills their tank with fuel and pays that extra 7 cents a litre, that they're going to feel betrayed and that the Finance minister has indeed deceived them. I would like to for a moment, if I could, ask the members on that side of the House — and they haven't been able to answer anyone on this side or anybody that I know — how they're going to set in place the tools to collect this money. Now there's going to be thousands of people across this province submitting bills. My colleague has indicated that he isn't quite convinced, and a lot of people in this province aren't quite convinced that the bills are going to be legitimate, a lot of them that are submitted.

But I'll put that aside. Let's just deal with the numbers of invoices that are going to be coming before whoever is setting these rebates in place. I'd like to know, is the Premier going to be in the basement of this building adding up those invoices? Or is the Finance minister going to be, or are they going to bring their kids downstairs to count all of these thousands and thousands of invoices? Or the Deputy Premier — is he going to bring his family downstairs? How many people is it going to take to calculate the rebates, how many secretaries, how many accountants, how many people are going to have to be employed to rebate a tax of this magnitude? I don't even think that they can comprehend or can understand how it's going to be done. I just don't believe what they were thinking of when they wrote this legislation and when they presented it to the people of this province and this legislature. I don't understand how they figured they were going to put this all together and collect all of these bills, put them together and mail cheques to all of the people that are submitting them. It's not a reasonable way to try and tax people.

Can you imagine the magnitude of the costs involved in collecting this tax? And then can you imagine . . . And I'm talking about the costs that are perpetrated upon the business people who are writing the invoices, paying people to write these invoices, and then the costs of all of those employed to put all of this together — totally non-productive work, an absolute unfair and unreasonable situation, but another indication that this government is incompetent, has no direction, and knows not where they're going.

I was talking about the small-business people and how some of the small-business people are being affected. And where was the small-business critic? Where was he when this government was putting an extra 7 cents a litre cost on a travelling salesman? And I ask why this travelling salesman wasn't exempt. The tools of his trade, his vehicle, his time . . . Those vehicles cost many, many dollars — and I'm sure we both know that — to keep

operating, and if there's one segment of this society that you've totally ignored and neglected, it's been the business community. People with delivery trucks on the roads can't claim this 7 cents a litre — haven't budgeted for it, I would suggest. And they're going to find their bottom line shrunk because of what this government has done. I say to you that you have hurt, and this government has hurt, more small-business people by this unfair tax than you even imagine. And I suggest to you that there are going to be some 20,000 business people in this province who are going to be willing to make you pay for it.

You haven't thought of the administration and how you're going to be giving these rebates, if indeed they're going to get rebates. You haven't listened to the road builders association in this province who said, for goodness sakes, if you're going to implement a road tax, put it into highways. You've been neglecting them since 1982, and you're creating a massive investment for some government somewhere down the road when these highways are going to start to be repaired. And they've said to you, if you're going to put on a tax on fuel, direct it to the highways. Has this government done that? Not on your life.

What this government has done is implemented that fuel tax, but where does it go? They tack it on into general revenue, and from there it goes to pay the \$3.4 billion deficit or interest on that 3.4 billion. That's where it's gone. It's a tax, not to deliver a service to the people, because we've seen those services cut back from everything from dental care to the drug prescription plan. It hasn't gone there. Where has it gone?

It's gone to the Peter Pocklington, and to the Weyerhaeusers, and to the bankers wherever you've borrowed the money. We understand you need about \$340 million a year just to pay the interest. That's clear to us. It's clear to the people of this province.

But why haven't you listened to the road builders association and said, yes, we're going to put some money into highways and getting your people back to work, your employees back to work; and we're going to be delivering a number one road system like we've had in this province and like we will again in the future? But I'm afraid not under this administration.

You haven't put it to road building where those people can employ people who are now on social assistance and on unemployment insurance. It hasn't gone there. And how do you expect to generate some economic prosperity in this province when you've got people not working? You're increasing taxes to the point where middle income people are not middle income people any more but lower income people; and I say to you, all because of incompetence and because of mismanagement.

I look at the new Messiah in this province, tourism, and what have you done? Is this new road tax or this new fuel tax, this new gas Bill, is that going to enhance tourism in this province? I say to you it's not going to. The facts are that about 85 per cent of the tourism travel in North America is done by automobile. And I say to you as well, they're not looking for a place where there's high added

fuel costs. People right now — because of the Reagan government in the United States and because of the Mulroney government in Canada — the middle income people are being taxed and they're being strapped. They don't have the kind of disposable income that they would like. And so I say what you've done in this province with this new gas Bill is just to add more problems, more burden, and I say to you, going to be less tourism.

And what else have you done? What else have you done? What kind of indirect taxation are the people in this province going to face? School boards and municipalities don't qualify for the rebate so the school boards got increased costs, some of them thousands of dollars a year, tens of thousands. And where does this money come from? It comes from farmers and from business people and from working people who you've already taxed through the flat tax, who you've already taxed through the increase in the E&H tax, and now you tax through the gas Bill.

You're causing more and more undue hardship for more and more people. And I say, because of the way you're directing your taxation in this province, this government will pay, and I say pay dearly. Members on this side of the House will not support this Bill, and we'll not support it because we want to be able to go back to our constituents and say that we feel we've done the right thing. And I don't believe that there's a member on that side of the House that can in good conscience go back to their constituents and say, we voted for the gas Bill because we wanted to do the right thing.

What I suggest, Mr. Speaker, is that they're going to have to go back to their constituents and they're going to say, we've betrayed you. We've betrayed the faith that you put in us; we've betrayed your confidence in us; and all because we're led by an incompetent Premier — an incompetent Premier that has betrayed almost every election promise that he's ever made. And I suggest to you that the members on that side of the House that are following that kind of leadership are going to be severely chastised by their constituents one day.

Mr. Speaker, I'll close, but in closing I want to say that I believe the members on this side of the House can go to their constituents with a clear conscience because they haven't betrayed them by promising one thing, and when they get into the House after an election, doing another. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Upshall: — Thank you, Mr. Speaker. Mr. Speaker, I'd like to begin by going back to 1982, to a little headline. "Save 40 cents on gas; vote Progressive Conservative" — little buttons they were handing out.

First of all, it wasn't 40 cents, it was about 28 cents. Just another little miscalculation by this government — saying that they were going to take the gas tax off and leave it off, and not many years later what do we see — a gas tax.

As has been said in this House before, that certainly is a betrayal, Mr. Speaker, a betrayal of a promise given to the people of this province by a government that had only

one thing in mind. One thing, and that was self-interest — power, the motive behind this government, Mr. Speaker. Power. They go to any length to get power and the gas tax is one good example — putting out the bait, the carrot on the end of the stick. All of a sudden, now you see it, now you don't.

School divisions and R.M.s are suffering because of this gas tax. The R.M.s, Mr. Speaker, I take for example one R.M. that I have talked to buys 500 gallons of fuel a day during the summer. Multiply that out, that's a \$160 a day extra money needed by the R.M.s to cover the cost of this gas tax. And who pays for that? The people of this province; the farmers pay for that and the R.M.s. And that's the whole point here. Who's going to pay?

I mean we hear all the arguments about the money coming in and going out; responsible government; have to keep our House in order; times are tight. But who pays? The people pay. And I hear all the arguments about the formula being adjusted to compensate. But when it's overall, when the money's down, who pays? The taxpayer pays, and he pays, and he pays, and he pays some more.

And if that same R.M. had to buy a road grader at a \$100,000, roughly, without a trade-in, again they're paying — another promise broken. Or there's another R.M. that will buy about 150 to 190,000 litres in a year. That's about \$13,000 a year extra, Mr. Speaker — \$13,000 a year.

How can this government stand up here one after the other and vote in favour of this Bill when it was a promise made by this government and a promise broken by the government and a loss to the people of this province — a loss of their tax dollars. Everything that they buy, all the gas that these R.M.s and urban municipalities buy adds up to a lot of money and that money, as I've said, has to come out of the pockets of the taxpayers. And not only are they doing that, they're cutting back on their share of the transfer payments to the urban municipalities. So combine the two.

(2045)

I have a letter here from Mr. Don Abel, the president of SUMA (Saskatchewan Urban Municipalities Association) saying that in Yorkton the third quarterly transfer payment should have been about \$308,000 but they only got \$111,000. So you add that to moneys they don't get, add to it the losses from the gas tax, and the squeeze is on.

Now in order to compensate that, they have to go out and borrow the money and on that borrowed money they have to pay interest. It all adds up, Mr. Speaker, to more loss for the taxpayer because he either has a choice of losing services or dishing out more money for those services because the government is falling down on their part.

That's right. That's what the government has done. All the while they're saying, we're going to manage this province in the best possible way, they are putting the squeeze on the taxpayers of the province. They are putting a squeeze on the taxpayers of this province because their coffers are running low or empty. And why are they running low and

empty? Why do they need the gas tax? They need this gas tax because this government, Mr. Speaker, is unable to manage the affairs of this province.

They are able to manage only for those people who they wish to manage for, not for the majority of the people in this province. They are able to manage for the Pocklingtons and the Weyerhaeusers, putting money into the hands of those people. So they have to get it somewhere, so they put on a gas tax.

Mr. Speaker, this gas tax is incredible when you think of the management of managing the bills coming in, repaying the receipts from the bills that came in. I mean, can you just imagine, out of 641,000 licensed vehicles that operate in this province, can you just imagine the number of bills that are coming in? Can you imagine the administrative nightmare that's being created? And they say, oh, but we're going to hire 80 students during the summer. I mean, how ridiculous! How ill conceived and poorly thought out. They have a situation where they're going to be swamped — swamped — with these receipts.

Besides that, how many people aren't going to put these receipts in? That's the real question that I ask. There's people who are going to lose them, older people who just couldn't be bothered, young people who just couldn't be bothered. And that's what this government's counting on, not paying back a substantial portion of that 7 cents a litre.

And I say, all because they can't manage the affairs of this province, all because we have a Premier and a Minister of Finance who are incapable of looking at a situation through eyes other than those that are rose coloured for themselves. They're incapable of managing the affairs of this province for the people in general who need a break right now.

But no, we have to keep our house in order, they say, we have to keep our house in order. Keep our house in order — when they have squandered money time and time again, when they have had ridiculous patronage appointments.

This is the type of government that we're seeing right now, and how does the Premier respond? The other day in the *Leader-Post* the headline is "The Premier's name may put limit on time allowed to discuss budget".

So they're doing all these things, and the Premier of this province has the arrogance to stand up and say, we're not going to let you ask us any questions; we don't think the people of this province have a right to know what we're doing; we don't think we should be accountable to anybody, so we're going to cut off this debate. That's the type of arrogance we're seeing from the Premier of this province and the members opposite lined up right behind him.

Mr. Speaker, when we have a situation where the dollars are short in this province and the government is incapable of managing those dollars, incapable of keeping their house in order. Why is it that the people have to suffer when the government goes merrily on its way — merrily on its arrogant way?

Some Hon. Members: Hear, hear!

Mr. Upshall: — Why do the people of this province have to be put in a situation? And this is what they're asking me — what are we going to do? Is there any way to get rid of these guys right now? And that's what I unfortunately have to say — no, there isn't. And so they say to me, you mean, we're going to have to put up with this type of mismanagement, this type of incompetence, this type of arrogance, and this type of . . . I can't think of the word, Mr. Speaker.

An Hon. Member: — Credibility.

Mr. Upshall: — No — irresponsibility, to the people of this province. Do we have to put up with this irresponsibility? And I say, unfortunately, yes. Buy I say, there's one way you can change that and that's next time you go to the polls. And they tell me, well, it'll be changed. And I think they're right, Mr. Speaker, it will be changed.

We have a situation where the truckers of this province, the taxi-cabs, all those people who rely on a living based on miles travelled and gas consumed — those are the people who are paying. They're paying through the nose for a government who can't manage its own house. It says the Road Builders and Heavy Construction Association of Saskatchewan says the PC gas tax will add nearly \$7 million dollars to this year's provincial highway budget — \$7 million because the . . . and they're competing for fewer dollars.

An Hon. Member: — How much of that will go to roads?

Mr. Upshall: — And that's the question: how much will go to roads? They say, sure, if it goes to roads, we wouldn't mind because their costs because of the shape of this road are going sky-high because of all the holes and the cracks and the general poor condition of the roads. They're beating their vehicles apart. And will the gas tax go to fix that so that it'll bring their costs down? No, it goes into general revenue because the government hasn't managed responsibility responsibly enough, Mr. Deputy Speaker — hasn't managed responsibly enough to keep the house in order.

Giveaways, tax holidays, patronage, incompetence, pleading to the people of this province saying, can't we get rid of them before three years? No wonder they're saying that.

So. Mr. Speaker, I would just like to say that the people of this province are getting disgusted and so am I, because there is no way that this government should be allowed to carry on this type of mismanagement. There is no way the Premier of this province should be allowed to carry on this type of irresponsibility, arrogance, and mismanagement.

There is no way that the members opposite, any of them, should be allowed to stand up in this House and say, we're building for the future. Because when they come down hard on the people of this province as they have time and time and time again, whether it be health, whether it be education, whether it be finances, the

people just shudder. They look around and they say, what next? What's going to come next? And they repeat, isn't there anything we can do to get rid of this government before the next three years? And all I say to them is this. You have to wait to get rid of this government, but don't forget. And they say, we won't forget.

And believe me, Mr. Deputy Speaker, I'm sure they won't forget. So for all those and many more reasons, Mr. Speaker, I am totally opposed to this Bill.

Some Hon. Members: Hear, hear!

Mr. Van Mulligen: — Thank you, Mr. Deputy Speaker. I think that most people in Saskatchewan are aware, at least if they're drivers, about the rebate program under this gas tax. They know that if they save their receipts and send them in at some point next year, if they have the receipts, they'll get a rebate for the amount of money that they expended on the gas tax.

But I don't think that many people are aware, except for those that use the service, that the transit systems in our cities are not exempt from the gas tax, neither will there be any rebates provided to these transit systems for the moneys that they have spent on the gas tax. And these are very considerable costs, Mr. Deputy Speaker.

One estimate, I understand from the city of Regina, and probably a comparable sum for the city of Saskatoon, suggests that the transit system in Regina will be spending an additional half a million dollars this year because of the additional fuel costs. That was not a sum that the city had budgeted for, but the city and all the cities concerned must now absorb that.

At the point that this measure was introduced by the government, we expressed concerns about these additional costs and the fact that these costs would ultimately have to be passed on either to the users of the transit systems or to the property taxpayers in the cities concerned, who are in the position of having to absorb the deficit of any of those transit systems. And make no mistake about it, all transit systems, or most if not all, operate on a deficit. That is a public utility, one in which the user costs simply do not, cannot pay for the cost of running the system. When we raised these concerns with the Minister of Finance, the minister said, well transit systems throughout Saskatchewan can absorb those costs and there need not be any increases to the transit riders.

It's interesting to review the facts that transit fares have gone up throughout Saskatchewan as a direct result by this measure by the government. The latest example is in Saskatoon where there has been an appreciable increase in the past for senior citizens, again as a result of increased costs by these transit systems. The other thing that has happened is that the deficits, notwithstanding these increases in fares, have gone up, and these deficits are having to be absorbed by the cities that have the transit systems.

It's a regrettable state of affairs that the government would on the one hand provide a definite rebate for many thousands of Saskatchewan drivers, but on the other hand ignore the many thousands of Saskatchewan people who

use the transit system, who we encourage to use the transit system as an alternative to taking vehicles and to consume energy, and for the many thousands who are captives of the transit systems, especially the senior citizens, the poor, the students. Those are the types of people that urban transit systems are especially geared to help. Those are the kinds of people that transit systems provide transportation for primarily.

And it's interesting that this government is, in effect, creating a double standard, ruling to provide appreciable help for many, yet ignoring again a group of Saskatchewan people — the seniors, the poor, and the students of this province. It will not provide them with that kind of assistance.

We can only guess as to why there is such a double standard. I suppose the most telling comment on that came from the member from Weyburn from his seat. When this matter was discussed he said, well we don't have a transit system in Weyburn, and if you're so fortunate in Saskatoon or Moose Jaw or Yorkton to have a transit system, why should that be any concern of ours?

And perhaps that's the telling comment, and that's the story. Most of the constituencies served by Conservative members, that government does not have transit systems, and for them there is no political benefit in providing an exemption or an abatement or a rebate for urban transit systems. That's the story. That's a telling comment.

The comment is also a crude and callous one, because it seems to imply that if the expense is a matter of concern, then cities shouldn't have transit systems, so that the seniors and those that must get to their doctors and the students should be required to walk the 10 to 12 miles, or whatever is required, to get from point A to point B.

Mr. Speaker, in closing, I want to say that the government has moved very badly on this by not extending the rebates to urban transit systems, as well as to other sectors that have been mentioned. But I think in this particular case it particularly points out the lack of any influence, the lack of any clout that the Minister of Urban Affairs has in that cabinet, because no Minister of Urban Affairs worth his weight would have allowed that cabinet to proceed in this fashion and not provide for an exemption to urban transit systems.

Thank you, Mr. Deputy Speaker.

Some Hon. Members: Hear, hear!

(2101)

Motion agreed to on the following recorded division.

Yeas — 23

Muller	Martin
McLeod	Toth
Andrew	McLaren
Lane	Hopfner
Taylor	Petersen
Smith	Swenson
Maxwell	Baker

Schmidt
Hodgins
Hardy
Klein
Meiklejohn

Gleim
Neudorf
Kopelchuk
Saxinger

Nays — 17

Brockelbank
Shillington
Thompson
Rolfes
Upshall
Simard
Solomon
Atkinson
Anguish

Goulet
Hagel
Lyons
Calvert
Lautermilch
Smart
Van Mulligen
Koenker

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Lane that Bill No. 52 — **An Act to amend The Department of Revenue and Financial Services Act** to now read a second time.

Mr. Solomon: — Mr. Speaker, Bill 52 is a consequential Bill to 51 and the government of the day has head our arguments with respect to Bill 51, The Fuel Tax Act, so to expedite the business of the House, we'll let the Bill proceed into committee.

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

The Assembly resumed the adjourned debate on the proposed motion by Mr. Klein that Bill No. 22 — **An Act to amend The Municipal Revenue Sharing Act** be now read a second time.

Mr. Van Mulligen: — Mr. Speaker, just briefly if I might, the reason that we're so strongly opposed to this Bill is that net property taxes in Saskatchewan are now the third highest in Canada. By net property taxes, one takes property taxes and deducts from that any grant programs that might be provided by provincial governments such as the property improvement grant which was in existence in Saskatchewan until a few years ago and was done away with by the PC government. But those net property taxes are third highest in Canada.

Now that statistic by itself is not a matter of concern, but when one examines the type of tax that the property tax is, it's very much a matter of concern. The property tax is generally conceded to be, generally acknowledged to be, an unfair tax, a regressive tax. That is to say, there is very little relationship between the taxes that one must actually pay and the ability of the of the taxpayer to pay those taxes. That is why we are very strongly opposed to this Bill, because this Bill purports to shift even more of the overall provincial tax burden to property taxes in Saskatchewan — to take that burden away from provincial taxpayers and away from the any sources of revenue that are available to the government, whether it's

income tax, sales tax, corporation taxes, resource taxes, even profits on various aspects of government operations such as the Liquor Board. All those sources of revenue are available to the provincial government.

The property tax is one of the few sources of revenue for municipalities. As a consequence of cutting back on revenue sharing — as a consequence of that — municipal councils throughout Saskatchewan had to increase taxes or defer increases in taxes which are likely to come in the ensuing years. That is why, Mr. Speaker, we are very much opposed to this Bill and we will vote accordingly on second reading. Thank you, Mr. Speaker.

Hon. Mr. Klein: — Thank you Mr. Speaker. I've got plenty to say about net property taxes, about consultation and its process — something totally unfamiliar to the members opposite. And they laugh, Mr. Speaker, they laugh because they don't agree with it, and they think consultation is funny. Well people don't think consultation is funny.

Mr. Speaker, things to say about tax increases and how the member opposite, my critic, all the time that he sat in city council did nothing to address the taxes in the city of Regina — absolutely zero — the highest taxed city in the country.

Mr. Speaker, all about fairness of revenue sharing and how it worked when we held it to minus 1 per cent. Mr. Speaker, I want to talk about municipalities doing a good job and some even reducing mill rates in this year, contrary to what the member opposite makes statements about.

Mr. Speaker, I'd like to talk about that member's inaccuracy in statements. I would like to talk about his incomplete and total ridiculous arguments and comparisons. I would like to talk about rumours and how they get started.

But, Mr. Speaker, I will save my remarks for debate in committee. And I move second reading of this Bill.

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

Motion agreed to on the following recorded division.

Yeas — 23

Muller	Martin
McLeod	Toth
Andrew	McLaren
Lane	Hopfner
Taylor	Petersen
Smith	Swenson
Maxwell	Baker
Schmidt	Gleim
Hodgins	Neudorf
Hardy	Kopelchuk
Klein	Saxinger
Meiklejohn	

Nays — 14

Brockelbank	Hagel
Shillington	Lyons
Thompson	Calvert
Rolfes	Lautermilch
Solomon	Smart
Anguish	Van Mulligen
Goulet	Koenker

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

COMMITTEE OF THE WHOLE

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

Clause 1

Mr. Lyons: — Thank you very much, Mr. Chairman. The comments that we've had to make in the . . . have already been made at second reading, and we're prepared at this time to let the Bill pass committee.

Clause 1 agreed to.

Clauses 2 and 3 agreed to.

The committee agreed to report the Bill.

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

Clause 1

Mr. Shillington: — As was said by my colleague, Regina Rosemont, our comments were made on second reading. We have no questions on this Bill and we can proceed.

Clause 1 agreed to.

Clauses 2 to 6 inclusive agreed to.

The committee agreed to report the Bill.

Bill No. 16 — An Act to amend The Time Act

Clauses 1 to 6 inclusive agreed to.

The committee agreed to report the Bill.

Bill No. 23 — An Act to amend The Rural Municipality Act

Clause 1

Mr. Shillington: — I merely ask the minister for assurance that SARM (Saskatchewan Association of Rural Municipalities) asked for this. This is an unusual way to settle an election, to hold . . . to settle a tie, to hold a new one. We have no real objection to it so long as it does, in fact, express the wishes of SARM. So I ask the minister for a comment on that.

Hon. Mr. Hardy: — Mr. Chairman, in answer to the

member's question, I've consulted SARM. They're in full agreement with this.

Clause 1 agreed to.

Clauses 2 to 6 inclusive agreed to

The committee agreed to report the Bill.

Bill No. 24 — An Act to amend The Controverted Municipal Elections Act

Clauses 1 to 3 inclusive agreed to.

The committee agreed to report the Bill.

THIRD READINGS

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

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

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

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

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

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

Bill No. 16 — An Act to amend The Time Act

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

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

Bill No. 23 — An Act to amend The Rural Municipality Act

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

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

Bill No. 24 — An Act to amend The Controverted Municipal Elections Act

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

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

(2130)

The Assembly adjourned at 9:30 p.m.