

The Assembly met at 2 p.m.

Prayers

INTRODUCTION OF GUESTS

Mr. Muirhead: — Mr. Speaker, it's with great pleasure to introduce to you, and to the members of this Assembly, a 15-year-old exchange student from Tampico, Mexico. His name is Fernando Saldena; he is sitting in the Speaker's gallery. Fernando is accompanied here today by the Lyle Knutson family of Elbow, Saskatchewan. Fernando is in grade 10 and is living at the Knutson home while living in Saskatchewan.

Mr. Speaker, at this time I would like to say welcome to Fernando, to all people from Elbow, Saskatchewan, and all of Canada; and also say congratulations and thanks to the Knutson family for participating in this program. Now I would like to ask all members of this Assembly to welcome them in the usual way. Thank you, Mr. Speaker.

Hon. Members: Hear, hear!

Hon. Mr. Klein: — Thank you, Mr. Speaker. In the gallery this afternoon, your gallery, sir, the Speaker's gallery, two young ladies are visiting us: one is a constituent of mine from Regina South, Shireen Meggitt, and with her is Karena Taylor. Karena is a business administration exchange student from Manchester, England. I'm sure that's she's enjoying her visit to Canada and, I expect, Regina. Welcome to the Assembly, and I hope you enjoy the afternoon. Would you please greet them.

ORAL QUESTIONS

Provincial Government Bond Issue

Mr. Tchorzewski: — Mr. Speaker, I have a question for the Minister of Finance. Mr. Minister, my question deals with yet another example of how your government's incompetence and mismanagement of our financial affairs is hurting Saskatchewan's reputation on the world's money markets. Can you confirm, Mr. Minister, that just before the stock markets across the world collapsed, you agreed to a new \$125 million provincial government bond issue which tied the bond's yield to the performance of the New York Stock Exchange; and can you confirm that hardly any of those bonds have been sold, and the chief underwriter, Wood Gundy, has had to withdraw them from the market?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — Mr. Speaker, again we have further evidence that the hon. member doesn't understand. The bonds were issued at an all in cost to the province of 41 bases points below the cost of Government of Canada borrowing, Mr. Speaker, which is a dramatic saving for the taxpayer of Saskatchewan.

Secondly, Mr. Speaker, the agency that brought them forward, the investment house, of course, Wood Gundy, is required, when it takes an issue like that on their advice

— they believed they could place it — they have to hold that particular issue. So of course the Government of Saskatchewan, Mr. Speaker, gets its money at, in effect, an interest rate of 5 per cent. Mr. Speaker, I suggest that that is a good deal for the province of Saskatchewan.

Once, if the hon. member understood, the investment house has to take those bonds, Mr. Speaker, and they are holding them. There is some expectation that they'll be placing them back, but that's their problem.

Mr. Tchorzewski: — Supplementary, Mr. Speaker. Mr. Minister, before you can get any benefit, you have to be able to sell them first. Clearly, this risky arrangement, Mr. Minister, has again made Saskatchewan the laughing stock of the financial markets, and you know it. You can try to shift the blame all you want, or explain it away all you want, the fact of the matter is that Wood Gundy made a recommendation to you; you had a choice to either accept it or to reject it. Can you explain, Mr. Minister, what possessed you and your cabinet colleagues to agree to a provincial government bond issue with the yield tied to as volatile an index as the New York Stock Exchange?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — Again the hon. member doesn't understand that when the investment house takes the bonds . . . They take the bonds, Mr. Speaker. We get the money. We've got the money. We're getting the moneys at 5 per cent interest rate, Mr. Speaker. I doubt very much whether any other government anywhere has got 5 per cent interest rate, Mr. Speaker. I strongly suggest that there is a good deal. It is a good . . . They have to pay us anyway. That is their hook. That's not our hook. That's what you don't understand, Mr. Speaker.

He simply doesn't understand how the investment of moneys and the placement of moneys through the investment houses works. If he was under the mistaken assumption that we don't get the money because they couldn't sell the bonds, he's wrong. The fact is that we got this at a very preferred interest rate. I have indicated 41 basis points below what the Government of Canada can borrow. I suggest that's an indication, Mr. Speaker, to everyone, of the reputation and the ability of this province and this government to raise funds.

Some Hon. Members: Hear, hear!

Mr. Tchorzewski: — Supplementary, Mr. Speaker. Mr. Minister, I want to ask you this, and I think the taxpayers deserve a clear answer to it. Can you assure us that the decision by Wood Gundy to eat this bond issue is not going to result in the Government of Saskatchewan somehow having to bail them out with higher underwriting fees, or some other arrangement, on future Government of Saskatchewan's bond issues? Will you make that clear to this House, Mr. Minister?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — Well certainly. We put the borrowings out for proposals, and we get the best deal at each case that we possibly can for the taxpayer of the province; as a

matter of fact, Mr. Speaker, the transaction that looks like may well enhance the reputation of the province because it looks, to the bond markets and those looking at the market opportunities, that his province saved millions and millions of dollars as a result of this issue, Mr. Speaker.

Some Hon. Members: Hear, hear!

Television Advertising Campaign

Mr. Shillington: — Thank you very much, Mr. Speaker. My question is to the Minister of Economic Development and Trade. Friday you took notice of a question saying that you would answer at the next sitting. You took notice of a question with respect to the cost of some television ads that are patently nothing more than an attempt to bail out the floundering Progressive Conservative Party.

My question, Mr. Minister is: what is the cost of those television ads?

Some Hon. Members: Hear, hear!

Hon. Mr. Andrew: — I don't have that information with me today. I'll undertake to have it tomorrow. I will undertake to have it tomorrow, and I will stand up in the House tomorrow and give you that information.

Mr. Shillington: — Mr. Minister, it's difficult to believe . . . A new question, Mr. Speaker. Mr. Minister, it's difficult to believe that you would authorize an expenditure of this magnitude on such a frivolous purpose, and it is frivolous, without any idea of what those ads are going to cost you.

Are you telling this Assembly that you don't know what the ads cost you; you didn't bother to find out before you commissioned them. It was good for . . . What is good for the PC party is good for the province of Saskatchewan — is that your motto?

Some Hon. Members: Hear, hear!

Hon. Mr. Andrew: — Mr. Speaker, I indicated to the hon. member last question period that I did not want to give him the information unless it was absolutely correct and specific. Okay? And I will undertake to get that information.

Usually when they ask a question, they carp on our case when we stand up to answer it. I will . . . And that's usually three to four days later. I will get the information, and I'll bring it to the House.

Cost of Furniture in New York Trade Office

Mr. Lautermilch: — Thank you, Mr. Speaker. My question is to the Minister of Economic Development and Trade. While your government, Mr. Minister, is preaching restraint to everyone else, it continues to squander the taxpayers' dollars.

Last week it was millions of dollars on television ads which were little more than PC propaganda, and now we've got this cabinet order dated October 14, which authorizes your department to spend \$25,000 to buy

furniture for your New York trade office.

Can you explain why, Mr. Minister, in a period of restraint, you approved the expenditure of \$25,000 to buy furniture for a trade office that we don't need?

Some Hon. Members: Hear, hear!

Hon. Mr. Andrew: — Well, Mr. Speaker, I disagree with the hon. member, and I disagree with him to a great extent, that we do not need a presence in New York, or that we do not need a presence in Japan or in Hong Kong or in Europe.

The members opposite sit and carp on their case that we should not make a deal with the United States, that we should walk away from the United States, and that we should deal with other countries of the world, or we should be specific with where we sell stuff.

Now you cannot sell stuff by simply staying in Saskatchewan, remaining in Saskatchewan, and have everybody else come here, because other people are not coming here.

Today the Premier of Manitoba, along with four of his cabinet colleagues are in Japan. And they are going to go into Japan and into Hong Kong and into China and other places. We must do that as well as Manitoba, as well as Alberta, as well as British Columbia.

Mr. Speaker, it's important, it's important that we have a presence in the United States and in other trading areas of the world. That's how we're going to trade; that's the way the world is trading today. And if we don't trade, that means our industries in this province don't flourish, and that means there's no jobs created. I apologize for none of that.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Supplementary, Mr. Minister, perhaps you didn't understand my question. And you may think that \$25,000 is a pittance, but I'm telling you that that's as much money as a lot of families have to live on.

And what I want to say is that they've got a right to know how their tax dollars are being spent and how they're being wasted. And I want to ask you again: why would you approve an expenditure of \$25,000 to furnish a trade office in a period of severe restraint, and an office that we don't need? You're duplicating a service.

Hon. Mr. Andrew: — Mr. Speaker, we have a presence in New York, and that covers the eastern seaboard. And I'm sure the hon. member would not suggest that we have a wooden chair and a home-made desk and an abacus to add stuff with and an old-fashioned typewriter.

The reality is that a modern office takes money to furnish, whether it's in the province of Saskatchewan, in New York City, in Ottawa, or any other place. I dare say if you looked at your office in the Legislative Building or in your office back in Prince Albert, you've got a fair amount of money in furniture and equipment to furnish that, and

you should have. The modern world is that way, and that's exactly the way you have to do it.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — New question to the same minister. Mr. Minister, even though this office has been open for a number of weeks now, we've asked you questions regarding the costs of operating this, and you pretend not to know the full cost of that trade office.

Can the minister tell us today: how much of the Saskatchewan taxpayers' dollars are being spent to rent or lease space for this trade office in New York city? and I want to know how many staff people you've hired to work there.

Some Hon. Members: Hear, hear!

Hon. Mr. Andrew: — Mr. Speaker, I would refer the hon. member back to the estimates, where a lot of those questions were asked and a lot of those questions were answered, Mr. Speaker. So I would refer him back to the estimates of about a month ago, and that's where he would find that.

But let me say this to the hon. member, coming from Prince Albert as you do, the New York trade office has been very successful in selling into the U.S. market, wild rice. Now wild rice is produced in northern Saskatchewan. I would have thought that you supported that.

The New York office will be of assistance in producing and in selling paper that is being produced out of a Prince Albert new paper mill. And I thought that the member opposite might like to see that, Mr. Speaker, where we can take our product . . .

And the New York office is involved now in the sale of pork — processed pork and processed beef. And the member up there has people in his own riding that grow hogs and grow beef, and I thought that the member opposite would like to see that being sold into the U.S. markets. I don't think he should be always criticizing when we want to do something like that.

Some Hon. Members: Hear, hear!

Tax on Propane Gas Supplies

Mr. Solomon: — Thank you, Mr. Speaker. My question is to the Minister of Finance. Last Thursday, in your absence, the Deputy Premier took notice of a question about the collection of the 32 cent-a-gallon tax on propane. Effective yesterday your department requires propane wholesalers to collect a 32 cent-a-gallon tax on all the propane they sell to retailers, even though propane used for lighting, heating, and cooking is exempt from the tax.

To get their money back, retailers have to keep track of how much propane they sell for non-taxable purposes, then claim a credit from the wholesaler. Can the minister explain how this change is designed to reduce the red tape burden for small-business people who sell propane?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — Mr. Speaker, as the Assembly and the press gallery knows, this was the same questions asked the other night in estimates by the hon. member, further evidence . . . I believe it's the third time, Mr. Speaker. And the answers were fully given in estimates the other night that this proposal was at the request of the Canadian propane gas association, Mr. Speaker, and worked out in conjunction with them.

Mr. Solomon: — Supplementary, Mr. Speaker. The minister refused to answer the questions in estimates, and he refuses to answer the question in question period.

Some Hon. Members: Hear, hear!

Mr. Solomon: — The minister may wish to down play the red tape created by this propane tax collection system, but the propane retailers disagree very strongly.

As one of them told the news media, it's clear this change was designed by someone who doesn't know the first thing about how the propane business works. Will the minister at least sit down with the small-business people who sell propane in this province, and not the suppliers alone, listen to their concerns and revise this red tape nightmare you have created?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — Well as I indicated on several occasions during estimates the other evening, when the same question was asked by the hon. member, that my officials in Finance did sit down with the industry, Mr. Speaker, and it was of the view that the industry's Saskatchewan branch, that this was the way that they wanted it done. It was with the approval of the industry in the province of Saskatchewan, after consultation, Mr. Speaker. And they advised me that their retailers are on 30-day terms so that they shouldn't be out of pocket as a result, and that it was in conjunction with the propane industry that this was done, Mr. Speaker. It wasn't done in isolation or unilaterally by the government; it was done with consultation.

Mr. Solomon: — New question, Mr. Speaker. Mr. Minister, the retailers that I have spoken to have not been consulted about this nightmare. Between 50 per cent and three-quarters of the propane sold in this province is non-taxable . . . sold for non-taxable purposes.

And I want to know, Mr. Minister, under this procedure the propane retailers who are paying a 32 cent a gallon tax on non-taxable items such as these, why they have to apply for a rebate of tax that they shouldn't have paid in the first place? And can the minister explain the legal foundation for the collection of a tax on a non-taxable item, and is this a legal foundation or principle that you plan to apply elsewhere in other areas?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — Well I can only repeat for the third time to the hon. member what I've repeated, I think, seven or

eight times the other night in estimates, that this proposal was done . . . I gather there were many retailers that were not collecting the tax, even on taxable items, and there was dissatisfaction within the retailers because some were collecting the tax and some were not. And so a workable system that was worked out in conjunction with the propane industry, Saskatchewan branch, Mr. Speaker, was worked out, and that resulted in the notice that went out to them.

If the hon. member has some retailer that is not a member of the association, perhaps he would be prepared to give us the information, and we will give him the explanation and see if there's a particular difficulty.

But, Mr. Speaker, this was worked out in consultation and in conjunction with the industry.

Mr. Solomon: — New question, Mr. Speaker. First of all, the retailers are not members of this association. They're the ones that have to carry the red tape burden for this government. Secondly, most of the retailers in this province, Mr. Minister, are on a load for load basis, or a COD basis, or they pay on a weekly basis. Very few of them have a net 30 days.

What I want to ask the minister is that the red tape industry in this province is the only growth industry under your government. No wonder your department officials forecast right in the budget that fully one-third of the people eligible to claim rebates on this gas tax would not apply for rebates. You've made it confusing enough for the customers and the small-business people trying to serve them, that there are bound to be many people who just throw up their hands in disgust and refuse to apply.

Is that what this red tape nightmare was designed to do, to discourage people from claiming rebates?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — Mr. Speaker, we can't, and I don't think the public expects the government to, make people apply for rebates, Mr. Speaker, that's what the hon. member advocates.

Again, and I can only repeat now for the, I believe fourth time this afternoon, and I think it was five times the other night — for the ninth time, Mr. Speaker — that this was done in conjunction with the industry, Saskatchewan branch, and they advised us that most of the retailers, if not all of them, were on 30 days, Mr. Speaker.

If the hon. member has a specific example of someone who is not a member of the association, then we're prepared, as we have done, Mr. Speaker, with other retailers with regard to fuel tax, to assist them around the province, as we have done with bulk fuel dealers around the province to assist them. Mr. Speaker, we are more than prepared to meet with them and try and address their needs, but we have met with the industry and this was done with the approval of the industry.

Some Hon. Members: Hear, hear!

Request for Returns to Questions

Mr. Kowalsky: — My question is to the House Leader, and it deals with your arrogant refusal, Mr. House Leader, and your government, to detail the spending of your government. Now, last year, almost a year ago, my colleagues and I put a series of written questions asking you to detail how you spend money on out-of-province travel, on polling, advertising, and patronage appointments. That's information that any well-managed government should have on its fingertips. And here we are, almost a year since we asked for these questions, and there's been no answer.

My question is: will you table this information this week, or will we have to wait till spring?

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Mr. Speaker, the member is right. They did have, oh, probably, 5 or 600 questions on the order paper for the period of several months. And I believe that it was maybe two months ago, possibly three at the very outside . . .

An Hon. Member: — A month and a half.

Hon. Mr. Berntson: — I'm told a month and a half by my colleague — that those returns were actually ordered, Mr. Speaker. And the information naturally couldn't even begin to be gathered until the form of the order was final, and as we all know, as we all know there were very major amendments to those orders for return. They were different than they first showed up on the order paper when they were finally ordered. And, Mr. Speaker, the answer quite simply is that they will be tabled in due course, Mr. Speaker, as they are ready.

Mr. Kowalsky: — Supplementary, Mr. Speaker. Well, Mr. Minister, two months to answer the questions is, I think, ample and I would like to have a more specific answer. I believe your government is stalling, and with your record of incompetence and mismanagement and patronage, I can see why.

How can you justify keeping this information from the public, Mr. Minister?

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Well, Mr. Speaker, here we are in day 109, I believe, of the Legislative Assembly . . .

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

Hon. Mr. Berntson: — . . . in day 109 of the Legislative Assembly. During this period we've had officials sitting in this House, hour after hour after hour, answering questions for the members opposite, repetition after repetition after repetition, when they could have well been over in the departments digging up some of the answers that they've put on the order paper, asked for on the order paper, that in most cases they've already go through estimates, Mr. Speaker.

And if we're sitting now on day 108 when we've got issues like trade, bilateral and multilateral trade, and the

finance situation with our agricultural community, and the potash situation, and the list goes on; and that is the most compelling question, Mr. Speaker, that they can come up with; I wonder what we're doing here on day 108 or 109.

Some Hon. Members: Hear, hear!

Mr. Kowalsky: — Supplementary, Mr. Speaker. Mr. Minister, I too am wondering what we're doing here at day 109, because we have asked for these questions. We have asked you these questions in estimates, we have asked for these questions on the order paper, and we ask for them now in question period, and we still don't get it.

Some Hon. Members: Hear, hear!

Mr. Kowalsky: — Are you ashamed to tell the people of Saskatchewan how much you're spending on out-of-province trips, how much you're spending on patronage, how much you're spending on advertising, and how much you're spending on polling? I want to know: are you willing to tell the public about how much you're spending to hire people like Paul Schoenhals and Tim Embury and George Hill?

Mr. Minister, why are you stalling? Why are you stalling and not willing to give us a specific date on when these things are going to come?

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Mr. Speaker, I think maybe what we should do to save the members opposite from their daily embarrassment is to send some questions over to them and make them look a little better than they look. It's apparent to everyone that is watching, Mr. Speaker, that they've simply run out of steam. There's nothing new over there — there's nothing new over there. We're still . . . I mean . . . and I can understand that because we have been here for 108 or 109 days — 108 or 109 days, Mr. Speaker, and I can appreciate that they'll be running out of original material.

But, Mr. Speaker, to answer the question, those returns will be tabled in the ordinary course of events.

Some Hon. Members: Hear, hear!

Environmental Pollution at Old Wives Lake

Mr. Goodale: — Thank you, Mr. Speaker. My question is for the Minister of the Environment and minister responsible for the Saskatchewan Water Corporation. The minister will know from media reports, and most particularly from inquiries which I made of him some weeks ago, that a serious environmental problem has developed in the Mossbank district of southern Saskatchewan with the drying out of Old Wives lake and the resultant creation of a huge salt flat and the blowing alkali salt that comes off of that flat, literally covering farms and communities and farm lands for many miles around.

I would like to ask the minister if he can give us today a very up-to-date status report on that serious situation,

including how it came into existence and what specifically is being done by the government on a day by day basis to monitor the situation to determine exactly the kind of environmental damage that that very serious situation is creating.

Hon. Mr. Swan: — Mr. Speaker, the question that the hon. member is asking is a serious question in the area near Old Wives Lake. I believe that the answers that I gave the hon. member about two weeks ago should have answered his question. However, I will go through it again, and perhaps even a look at today's paper would be beneficial for you.

We've been in a drought period since approximately 1981, and Old Wives Lake has been steadily declining in its water level from that time until now. We're looking at a lake that covers something like 115,000 hectares. That's a very large water body. But when we have low rainfall, then eventually the lake goes dry. This cycle has repeated itself throughout history in our province. We're at the lowest ebb that the lake has been now for about 20 years. Likely as the rainfall pattern change, the lake will again get water.

The complaint that we're hearing, that the Ducks Unlimited project and the mine at Chaplin is taking away a large amount of the water, is not exactly accurate. Those two projects would take less than 1 inch of water from that lake area in any given year.

Some Hon. Members: Hear, hear!

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

ORDERS OF THE DAY

GOVERNMENT ORDERS

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Berntson that Bill No. 55 — **An Act to provide for the Division of Saskatchewan into Constituencies for the Election of Members of the Legislative Assembly** be now read a second time.

Mr. Shillington: — Thank you very much, Mr. Speaker. I have a few words that I want to address on this legislation. Mr. Speaker, it's the last refuge of every government that gets itself into serious difficulty to try to rewrite the rules so that, notwithstanding the lack of popular support, they'll still be government anyway. And that's what this government has done. You know, when a government's in serious trouble, when they're floundering . . .

Mr. Speaker: — Order, please. Order, please. I'd ask hon. members to please lower the noise level so we could hear the member from Regina Centre.

Mr. Shillington: — It's the last refuge of a government that's in trouble to try to rewrite the rules. And that's precisely what this government is doing. There's no, I think effort made to justify some of these changes. Some

of them are a straight attempt to give the members opposite a leg up. I say to members opposite that I think it's all for nought.

I think the day is long since past when the public will tolerate abuse of office by a gerrymander. I do not think the public in this day and age will tolerate it. I don't know if they ever did, but they certainly don't today.

Mr. Speaker, within the period of time in which I was active in politics, there was one other gerrymander. In 1970 the Liberal government under the leadership of Ross Thatcher was, as you are, way down in the polls. It looked hopeless. So he gerrymandered — brought in a set of boundaries which suited his government. I think most fair-minded observers, including many Liberals who got swamped under the tide of the Allan Blakeney NDP, did so . . . I think many Liberals admitted that the gerrymander was a factor in their defeat. It was the only thing that no Liberal could justify. Standing up in the town hall in Southey or Saskatoon, if someone asked you to justify it, there is no justification for it, and you can't do it. It's the one where you have to say, well, and you shrug your shoulders in the time-honoured Canadian fashion. so it's what members opposite are going to be doing. They're going to be shrugging their shoulders without any defence to this.

Now I want to go over the . . . I want to spend some time — I want to spend a few moments, rather, going over the way in which this gerrymander has taken place. It's worth while recalling how the commission heretofore was set up.

As a result of the public distaste over the gerrymander in 1970, the new government passed a Bill, called The Constituency Boundaries Commission (Act), which remained virtually unchanged from its passage in 1972 until today. That Bill was the epitome of fairness. It set up that, in section 6, the chairman was a judge either of the Court of Appeal or Queen's Bench court in Saskatchewan, appointed by the chief justice. The Clerk of the Legislative Assembly was the second member, and Mr. Speaker appointed the third. The latter, I recall, caused some questioning when it was done, it was wondered how . . . if the Speaker would maintain this independence. There were no female Speakers during that period. However, they did; the system worked very well. The Speakers of the day, which one is in the Assembly now, exercised their discretion with a good deal of fairness, and there were no complaints from a partisan opposition.

What do we have in place of that? Well we have in place of that a judge — and the government has given themselves the option of appointing a judge or a supernumerary, so the government gets to choose the judge.

As I read this legislation, it's in the discretion of the government whether they appoint the judge or give the chief justice the option of doing it. But they retain unto themselves the option of appointing the judge which is one member.

The second member — and I want to spend a few

moments commenting on this — the second member is appointed by the chief justice of the provincial court. Mr. Speaker, I was — if not shocked, I don't think anything that the member from Qu'Appelle-Lumsden would do would ever shock me. But I was disagreeably surprised when he appointed his own executive assistant as chief justice of the province court. It would have been a highly questionable appointment if he'd simply been a judge of the provincial court, but to make his own executive assistant, Pat Carey, the chief justice of the provincial court was a gross abuse of the power which the Justice minister has to appoint judges.

Mr. Speaker, that individual went into that office, that all-important office, seriously compromised. He now further compromises the office in this legislation because that, his former executive assistant — he's now chief justice — chooses the second member. I think anyone with a passing familiarity with the facts would expect that that will be someone who will view things the way the government does. It's most unlikely that a judge appointed prior to 1982 will find his or her way on to the commission.

The third member is a straight political operator; it's the chief electoral office. In other provinces and in Canada the chief electoral office is an independent office. It has never been so here — not under the Liberals, not under the NDP, not under the Conservatives. The Chief Electoral Officer is a political operator. It's the equivalent of the member from Souris-Cannington appointing his own executive assistant. That's the political equivalent of appointing the Chief Electoral Officer. The office has no tradition of independence, and indeed the tradition is precisely the opposite. The Chief Electoral Officer in this province is a political operator. That is your commission. That, I think, gives no one who isn't a conservative any sense of fairness.

Clearly, the members of the commission were appointed so that they would be responsive to the government's wishes. What does the government want them to do? Well, we find that out in a subsequent section . . . (inaudible interjection) . . . That may well be. But I don't have . . . One of my colleagues says the map's already drawn. That may well be, but I don't have any hard evidence of that.

What I do have hard evidence of is the scope for abuse. In the former legislation, which as I say no one has criticized as being unfair, I've never hear that argument made that that legislation was unfair to anyone. In that legislation ridings could vary by up to 15 per cent to take into account growth areas or other circumstances. In this case, that difference has been increased to 25 per cent, and the result can be fairly startling.

Mr. Speaker, the area I represent has been sending CCF and NDP members to this Legislative Assembly for over five decades.

Some Hon. Members: Hear, hear!

An Hon. Member: — Anyone can get elected there.

Mr. Shillington: — That's right. That's right, virtually

anyone, so the member says, can get elected.

One might expect that the area represented by the member from Regina South, which has a very different history, will be 25 per cent smaller, the area . . . the part of town I come from will be 25 per cent larger. The difference in the two ridings will be 50 per cent, because you can vary them 25 per cent down and 25 per cent up, but the total is 50 per cent. It can mean a gross difference in the ridings. It's a gerrymander. It is nothing but a gerrymander. It's nothing but an attempt to draw the map without any sense of fairness than in a fashion with suits the government members best.

The third item I want to refer to is the differential which exists between rural and urban areas.

Mr. Speaker, the principle of one person, one vote, is recognized throughout democracies on several different continents — one person, one vote. That's not what this government has done. In rural areas the rural ridings are statutorily defined to be smaller. I'll be interested in hearing what the minister's calculations are, but I did some calculations. Rural ridings start, when the map is drawn, they'll be 13 per cent smaller. On the basis of the 1986 election . . . of the 1986 electors, they'll be 13 per cent smaller.

Mr. Speaker, it has been a phenomenon in Saskatchewan for several decades, the declining rural population. Every government has come into office promising to bring it to a halt, and nobody's found out a way to do it. But it's continued relentlessly at a more or less steady pace.

The current boundaries were drawn up in 1977, if I recall correctly. At that point in time the boundaries . . . the rural and urban ridings all had the same number of people. By 1982 urban ridings on the same boundaries were 13 per cent larger . . . were 18 per cent larger. Between 1982 and 1986 the margin increased, so that in 1986 the urban ridings were 25 per cent larger. You're going to exacerbate that problem by starting with urban ridings which, by my calculations, start out at 13 per cent smaller. Imagine how grossly out of proportion they're going to be if there's no redistribution done for another 10 years.

Mr. Speaker, in three important ways, both by appointing a commission which are government appointments favourable to the government, support the government and will do the government's bidding; by a 25 per cent differential which is far too large — far too large, unnecessarily large; and by making rural ridings smaller, this government is gerrymandering. They are drawing up the rules to suit themselves. They violate every sense of fair play and justice that exists.

Mr. Speaker, there's a number of other comments which can and should be made about this legislation. I, therefore, beg leave to adjourn the debate.

Some Hon. Members: Hear, hear!

Debate adjourned.

(1445)

SECOND READINGS

Bill No. 56 — An Act to amend The Litter Control Act

Hon. Mr. Swan: — Mr. Speaker, I rise today to move second reading of the amendments to The Litter Control Act. The amendment to this Act that we are considering today will enable implementation of a new beverage container policy in the province. This new policy will respond to public demand for greater flexibility in beverage container use by allowing non-refillable containers on the market. At the same time it will reduce litter and waste by ensuring that these non-refillable containers are recycled to the greatest extent possible.

The principal objectives of the proposed amendments are to: (a) provide the authority for approved non-refillable containers; (b) provide the authority to withdraw container approval; (c) provide the authority to require container handling and record keeping that could benefit recycling and allow evaluation of recycling performance, and enable effective enforcement of the Act by removing the requirement that the minister approve each beverage container offence prosecution, and provide enforcement officers with the protection of the criminal code in administering and enforcing the law. In addition, amendments are proposed that will clarify wording and correct minor deficiencies in the Act.

Carbonated soft drink and beer containers are regulated under The Litter Control Act and regulations. Each container must be approved before it is used in the province. Until now only refillable glass bottles have been approved. However, the use of unapproved containers has increased dramatically in recent months. Unfortunately, a litter problem is being created.

My department is completing the development of a plan that will rectify the current chaotic beverage container situation in the province. The basic thrust of the plan is to allow non-refillable containers, while ensuring that these containers are recycled to the greatest degree possible. Aluminum cans are expected to be the first non-refillable container approved, because they have a high scrap value, and as such, form the basis for a recycling system.

In closing, let me emphasize that the new beverage container policy will respond to a strong public demand for non-refillable containers, principally the aluminum can; reduce litter by controlling the use of non-refillable containers; and reduce waste by encouraging recycling and non-refillable containers.

The amendments proposed The Litter Control Act are necessary to implement this policy and then develop appropriate regulations. I invite the support of all members for these amendments.

Mr. Speaker, I move second reading of An Act to amend The Litter Control Act.

Mr. Lyons: — Thank you very much, Mr. Speaker. Mr. Speaker, and Mr. Minister, I rise today to make some comments on this Bill and its effect on two particularly important aspects for the people of this province.

The first aspect I would like to speak about, in fact, is the effect of this Bill. Now while there are certainly many improvements in this Bill over the present Litter Control Act, and which I'll acknowledge, there are certain provisions that we think, in fact, could enhance the powers of the minister when it comes to dealing with litter control.

There are two major side-effects of this Bill that, in fact, we think will pose some very serious and grave problems to the people of this province. The first of these problems, Mr. Speaker, I'd like to deal with is the whole question of jobs and what happens to those people who work in the bottling industry in this province, both the soft drink bottling industry and also the brewery industry, the makers of beer products.

One of our concerns, one of our major concerns in dealing with this new Act, Mr. Speaker, is the question of what is going to happen to those people who work in those industries in the province when in fact this Bill will be passed, as it will, and the introduction of cans and the introduction of beverages contained in those cans comes to Saskatchewan. There is nothing in this Bill, Mr. Speaker, there is nothing in this Bill which addresses that problem.

Now the minister knows very well that there are probably in the neighbourhood of a thousand jobs, direct and indirect, in this province which depends on the brewery industry, and on the canning industry, and on the trucking industry which delivers those cans or, pardon me, delivers those bottles and distributes those products here in Saskatchewan that rely on that particular industry. The minister, in this Bill, has made absolutely no . . . a suggestion, has introduced no amendment, or has introduced no method of dealing with the jobs which will be lost here in Saskatchewan through the introduction of this Bill. He has made absolutely no attempt to deal with that very serious question.

And when this Bill is passed, which it shall be, what then will the minister have to say to the brewery workers in Regina or the soft drink workers in Saskatoon or in Prince Albert or in Swift Current or in Yorkton or in those towns, North Battleford, those places where people are employed in the soft drink industry? What will he say to them when their jobs are abolished, when their jobs disappear by the importation from other provinces of soft drinks?

I'll give you an example, Mr. Speaker. Already, the person who owned the soft drink . . . major soft drink bottling operation in the city of Prince Albert has divested himself of that ownership to a person from Winnipeg in anticipation that, with the passage of this Bill, cans of soda pop will be shipped from Winnipeg into the Prince Albert area, and the jobs in Prince Albert will be lost.

The same thing can be said of every other bottling and bottling operation in the soft drink and brewery industry, but primarily at this point in time in the soft drink industry in this province. There is nothing in this Bill, and there is nothing been done by the government opposite to suggest that the problems of the displacement of those workers — i.e. those workers who will lose their jobs — the

government has said nothing about what they will do with those workers. They have said nothing, absolutely nothing at all, have not given them one guarantee or shred of evidence that in fact that they, those workers, will be maintained at the standard of living to which they're accustomed, or that they will be retrained in another occupation, or they will be provided with some financial compensation for the loss of their jobs — not one thing has that government said. And this Bill, Mr. Speaker, says nothing in that direction either.

The second issue that's before us, raised by this Bill, is the whole question of litter control and the whole question of environmental damage that the introduction of cans will bring about in this province. The minister has said, and I listened very carefully to his statement, he has said nothing about the recycling of these cans, with one little exception —he said that hopefully there will be some recycling activity undertaken as a result of this Bill.

It seems to me that that question, in terms of the minister . . . coming from the Minister of the Environment, that what he should be laying before this House is some kind of plan of action to deal with the question of recycling of the cans. If he, as he wishes to win the support of each and every member of the Assembly, it seems to me he owes that to the Assembly, that he puts forward either by way of regulation or in his statement that, in fact, there will be some kind of plan of action set up in this province to do with what the minister has already admitted has become a problem — and that is the problem of littering of cans.

And as the minister knows that problem is not, and will not be, confined to Saskatchewan. The problem of littering of cans, in fact, is a problem that we find throughout this continent whenever cans have been introduced, and various jurisdictions have made greater or lesser progress in dealing with that kind of litter problem. But the minister in his wisdom has not laid out any plan of action, to deal with what he knows to be that problem, before us.

And just on that for a minute, Mr. Speaker, the minister said, well we've developed a problem because there's been a major importation of cans. Well, if, in fact, if, in fact that is a problem — and the minister said it's a problem — it's a problem of his own making. He has the power to tell the Minister of Justice to go ahead and prosecute those who, in fact, were breaking the law on this matter, and he decided not to. And he decided not to, because he had it in his mind that, in fact, he was going to introduce canned beverages in this province, and so he decided to allow those who flouted the law just to go ahead and flout the law. It does not seem to me to be a very responsible action on the part of the Minister of the Crown.

Be that as it may, Mr. Speaker, be that as it may, I want to see from the Minister of the Environment before I would support this Bill some plan to do two things. One, what is your method of operation to develop a recycling process for canned beverage in this province? And secondly, what is the government's plan to deal with those workers who have lost their jobs as a result of this bill? And until those two criteria are met, Mr. Speaker, I certainly am not going to give any kind of carte blanche, or blank cheque,

to the minister to pass this Bill. It seems to me it's incumbent upon him to satisfy those two very serious questions before this Bill becomes law of this province.

Mr. Lautermilch: — Thank you very much, Mr. Speaker. As I rise to speak to this Bill, I would like to indicate to the minister that in my consultations with the business community and members of my constituency, I find that the desire to have allowed in this province soft drink containers and other beverage containers in the can form to be very much acceptable. I'm sure the business community supports it. I would want to indicate that I personally support it, and I have a couple of reasons why I would like to see this legislation enacted. I know, number one, it would take a lot of burden off of the small-business community. In terms of handling containers, glass containers, it's a bit of a nuisance, and I know that the business community would welcome the removal of glass containers. I think, as well, the fact that we're losing some sales to other jurisdictions is deemed to be a problem by the business community as well.

But I have to indicate, as did my colleague from Regina Rosemont, that the minister has allowed some flaws, one of those flaws being that the possibility of job loss has not been addressed in this Bill. And I would want to say, Mr. Minister, that as legislators I think we all would understand we have a responsibility to protect people and to protect the jobs of the hundreds of people who work in the bottling industry in this province. I don't see any protection in this legislation for them.

The other aspect that I have problems with is the fact that although you have spoken about litter control, nothing in Bill 56 can I see that will prevent a problem with litter from these containers. And I ask, Mr. Minister, what method of recycling have you proposed in this Bill? I've seen none in here, and you may have some ideas. But I have to say, Mr. Minister, that we don't know what they are. And in order to support this kind of legislation I think it's your responsibility to address that issue before we put it to a vote.

And I mentioned before that I didn't see anything in this Bill that would protect the jobs of the people that work in the bottling industry. My colleague has already indicated that in my home town in Prince Albert one of our major bottlers has been sold to a Manitoba company, and I believe it was sold in anticipation of this legislation.

And it would be my fear that Prince Albert, who has already . . . the community of Prince Albert, that has already been suffering under the hands of this administration, will find further pain because of job losses from that community. And I say, Mr. Minister, if you have any ideas or if you have any way of protecting the Saskatchewan people from job loss through this legislation, we would like to know what it is.

I would find it hard to endorse legislation that would in fact put more and more people out of work. I would think you would understand, as I said before, that it's your responsibility when you're enacting legislation to protect the people in this province. I said before that we can understand that the implementing of canned beverages in

this province is widely accepted by the people of the province.

And another issue I would want to say is that I believe it's safer in the North in terms of forest fires and controlling damage through that environment. I think we all know what broken glass will do. A reflection from sunlight has caused many thousands and thousands of jobs and many thousands of dollars worth of damage to our forests in the North, and so I see this to be a very positive move in that regard. But I say again, Mr. Minister, you haven't addressed the issue of the jobs.

I will be waiting for your remarks and your response to our remarks, in anticipation of some kind of answers to the questions that we have posed. And as I say again, we have been consulting and I've been consulting with people of the business community, and those are the concerns that they have addressed to me.

And so I will ask, Mr. Minister, that you respond to those two issues, and it would make it an awful lot easier for members on this side of the House to endorse and support this legislation.

Thank you very much, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — Thank you, Mr. Speaker. I just wanted to participate briefly in the debate and indicate that I understand why the member from Regina/Riversdale is not with us. But it's one of those where I think the press, I know, will be interested to note that the division in the New Democratic Party as to their position on this particular Bill, and I intend to watch the member from Regina Rosemont with a great deal of interest, as he opposed the Bill during his speech, and what he's going to do in the vote.

(1509)

Motion agreed to on the following recorded division.

Yeas — 46

Muller	Martens
Duncan	Baker
Andrew	Gleim
Berntson	Saxinger
Lane	Britton
Taylor	Blakeney
Smith	Brockelbank
Swan	Shillington
Muirhead	Koskie
Maxwell	Tchorzewski
Hodgins	Rolfes
Gerich	Simard
Hepworth	Solomon
Hardy	Kowalsky
Klein	Anguish
Meiklejohn	Goulet
Pickering	Hagel
Martin	Lyons
Sauder	Calvert
Johnson	Lautermilch

Hopfner
Petersen
Swenson

Trew
Smart
Van Mulligen

Nays — 00

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

Bill No. 57 — An Act to repeal The Scrap Vehicles Act

Hon. Mr. Swan: — Mr. Speaker, I rise this afternoon to move second reading of The Scrap Vehicles Repeal Act.

The Scrap Vehicles Repeal Act, which we are considering today, will repeal the existing Scrap Vehicles Act of 1973. You will recall that on June 8, 1987, I announced that the provincial government would phase out the operation recycle program and turn it over to the private sector to operate. Repealing The Scrap Vehicles Act is required to make these changes possible.

By allowing the private sector to totally run this program, our government will be saving about 350,000 of the taxpayers' money annually. At the same time this change will ensure that our environment is still protected. The program . . .

Mr. Speaker: — Order. Order, please. Order. Order. The noise level is so high in the House that the Minister of the Environment couldn't even hear me call for order. I ask all hon. members to please allow him to continue.

Hon. Mr. Swan: — The program, which began in 1972, is designed to collect old, abandoned automobiles from the environment and recycle the metal scrap at Ipsco in Regina. Ipsco has indicated that the scrap metal is still needed and the company is willing to make arrangements directly with a private contractor to bring this scrap to the steel mill. Consequently we see no further need for government involvement in this program.

I move second reading for The Scrap Vehicles Repeal Act.

Mr. Lyons: — Thank you very much, Mr. Speaker. Mr. Speaker, this Act represents the kind of idiotic lack of planning that one has come to expect from the members of the government opposite — absolutely no forethought, Mr. Speaker, as to what happens if and when Ipsco or the private contractors or those, who he says, in the private sector are going to look after scrap vehicles, don't.

(1515)

What this Act does is repeal The Scrap Vehicles Act. It does not replace it with anything. And let me tell you, Mr. Speaker, if I may, what that means.

The Scrap Vehicle Act sets out in its provisions that it will be the provincial government or another body designated by the provincial government, such as a municipality, which will have control over the disposal of scrap vehicles. With the repeal of this Act, nobody, nobody of any level at all, in terms of elected officials in this

province, will have any control as to the disposition of scrap vehicles — not a person.

Who does the minister think will then be responsible for looking after scrap vehicles, if, in fact, the arrangement between Ipsco and the private contractors breaks down? If the private sector finds that it's not profitable for them to take away the scrap vehicles, if the private sector finds that maybe this isn't such a good idea after all and they don't want to be involved in the collection of scrap vehicles, who then — who then — becomes responsible for the littering of our landscape by rusted-out, old hulks of vehicles?

Is it going to be the municipalities? No, they're not going to be able to take responsibility for that. Is it going to be the provincial level of government? No, because there's no Act, no mandate which gives them the right to deal with scrap vehicles. Is it going to be the federal government? No, because in order to have the federal government involved in some kind of collection process like that, there has to be joint co-operation between the federal and provincial government. And with the provincial government not having a mandate in that area, then the federal government will not have the jurisdiction to try to deal with this problem.

As I said, Mr. Speaker, it shows the kind of non-planning — the lack of planning, the lack of foresight in terms of dealing with problems as they arise. The introduction of The Scrap Vehicles Act was caused by the fact that there were no collection of scrap vehicles and that at one time it was up to the private sector to try and go around and collect them if they saw that, in fact, it was profitable for them to do so.

And they didn't, they didn't see it was profitable for them to do so, so they didn't collect the scrap vehicles and consequently the Government of Saskatchewan, in a forward . . . and I may say that it was an NDP government, in a forward-looking move, said that the littering of our countryside is not acceptable to the majority of citizens in this province and that we're going to have to deal with it, and come in and deal with scrap vehicles and their littering of the landscape.

The minister in his statement, failed, failed to answer the important question: if the private sector doesn't deal with it who's going to? And why, and why, if it's not the provincial government, then who? Will the municipalities be then expected to deal with it? Will it be the municipalities who will then be expected to pick up the costs of taking away the junk cars?

Well you know, Mr. Speaker, I think that that's precisely what this government intends to do. If their so-called . . . allowing the private sector to deal with scrap automobiles doesn't work they will then turn to the municipalities, put the cost for the collection of those scrap vehicles and the onus for their collection on the backs of those same municipalities.

Because of this kind of ill-advised, ill-planned, mismanaged piece of legislation, Mr. Speaker, I won't be voting for it.

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

Bill No. 62 — An Act respecting the Saskatchewan Property Management Corporation

Hon. Mr. Taylor: — Mr. Speaker, the Assembly, as you know, dealt with the property management corporation in Committee of Finance just a few days ago, so I think the discussion is quite . . . what took place is familiar to all in the House. So I just want to briefly elaborate on the activities and the mandate of the new corporation. Therefore, Mr. Speaker, I plan to keep my remarks brief for this reason.

The legislation before us is required to formalize the corporation and ensure its activities are conducted with proper authorities. Mr. Speaker, there has been very little change from the former Department of Supply and Services. The organization, functions, mandate, and operating principles are primarily as they were under Supply and Services. The corporation still has the mandate to centrally provide accommodation and other required services to departments, boards, agencies, and commissions.

The corporation will also have the mandate to provide funding, financial and management services for third party construction projects. As well, the corporation will provide, upon request from third parties, actual design, construction, and delivery services on a fee-for-service basis.

The property management corporation, as a centralized provider of space and necessary services to government departments and agencies, will introduce greater cost efficiency and effectiveness than was provided by the Department of Supply and Services. The property management corporation will charge for services, allowing for increased utility and accountability by departments.

And, after all, Mr. Speaker, as you know, when you pay for something rather than getting it free, you watch how much you use it and what it costs you. This process was not previously happening to the extent we would like to have seen it.

It will permit reduced costs of construction and enhance maintenance of facilities. The property experts in the corporation, whose job is facility management, will be responsible to make this happen. These people are not delivering other government programs. They are facility managers, and their accountability is therefore also increased.

It will allow for the rationalization of the capital construction process by naming the government to pay for the cost of projects over the life of the facilities.

It will provide a banker role for third party capital construction. This will enhance the ability for increased cost control and third party accountability.

It will demonstrate to the public and industry that the

government is taking a common sense, business-like approach to the delivery of government capital projects, space, and services.

Therefore, Mr. Speaker, it is with pleasure I move second reading of The Saskatchewan Property Management Corporation Act.

Mr. Brockelbank: — Mr. Speaker, it's long recognized that second reading of a Bill is an opportunity to discuss the important principles of the Bill so that all members may acquaint themselves with what is being proposed. It's very interesting to note that the minister's comments in support of this Bill are rather threadbare.

We're in this particular Bill, 62, to create the Saskatchewan Property Management Corporation. We're not dealing with some nickel and dime operation, Mr. Speaker; we're dealing this year, in this current year, with a budget of \$151 million — \$151 million. We're dealing with what this government has done — namely to shift \$69.8 million of debt out of the Consolidated Fund into the property management corporation. So they have the cosmetic effect, within the public, that the Consolidated Fund debt is \$69.8 million lower than it actually is. Now the auditor dealt with this question at some length in the auditor's report this year, so it's unnecessary for me to go into it further.

In the proposal of going to the property management corporation, some time ago the Minister of Finance in the budget address of March 1986, said that this was a necessary move and that it was modelled on a number of other jurisdictions, being British Columbia, Manitoba and Quebec. And I'm quoting directly from the budget address of March, 1986, Mr. Speaker, and it mentions Manitoba.

At another time in this House I compared the province of Manitoba and how it handles this operation in Manitoba compared to the province of Saskatchewan. It happens that the equivalent organization with regard to funding in the province of Manitoba is the Manitoba Properties Incorporated. And it says that the government, through its 100 per cent ownership of Manitoba Properties Management Incorporated and Manitoba's Property Leasing Incorporated, has complete control of Manitoba Properties Incorporated and the buildings which have been transferred to it.

The entire administration of Manitoba Properties Incorporated is provided by the government through the Department of Finance. So what in effect occurs in the province of Manitoba is merely a transaction in Minister of Finance's office, and it's not what the Government of Saskatchewan proposes to do here in this legislation.

If you look at the annual report of the government services department in Manitoba, you'll see what kind of functions are carried out in the Department of Government Services, and they are as follows: under administration they have finance, budgets, personnel, management support system, EMO (Emergency Measures Organization), internal audit. Under supply and services, Mr. Speaker, they have fleet vehicles — that would be equivalent to our central vehicle agency;

purchasing — equivalent to our purchasing agency in Saskatchewan; material supply, office equipment services — equivalent to a similar function in Saskatchewan; telecommunications and postal services, equivalent to what was in the Department of Supply and Services in Saskatchewan.

Under project services they have such functions as land acquisition; design — architect, engineering, interior design; project management, project managers, planning, leasing, construction, contracts, and project control.

Under property management, Mr. Speaker, they have physical plant; they have the four districts of Manitoba; they have grounds, life safety and health, property support, security, employee housing, contract services, lease properties, and so forth and so on.

All of these functions are there in the annual report of the province of Manitoba, government services, for the public to see and observe and understand. None of that is provided in the proposal that the minister puts forward in this House to create the Saskatchewan Property Management Corporation.

Now, Mr. Speaker, something else that is missing in consideration of this particular Bill is the timely provision of information. That's a prerogative of the Legislative Assembly of any province, and Saskatchewan is not excluded from this, the provision of timely information to the members of the Assembly in order for them to understand what the government is doing and examine the financial operations as well.

This particular government has not brought forward an annual report for the Department of Supply and Services for the province of Saskatchewan for 1986-87. There's no report — no report, and the department was still operating. This government has not brought forward a report, a Crown corporation report, for the Saskatchewan Property Management Corporation, which has been operating in this period of time.

(1530)

Now the minister said that the first report will be brought forward and will deal with a year and one day — a year and . . . oh, pardon me, a year and five days of operation of the Saskatchewan Property Management Corporation.

But the facts of the matter are that the Saskatchewan Property Management Corporation's year end cut-off is March 31, and therefore the report for the last five days in 1986 and the first part of 1987 is due and should be tabled in this Assembly if the minister means what he says in the Bill, that the year end of the corporation is March 31. That information is not before the public. It's not before the public.

The minister did not elaborate on why the enabling order in council could not accommodate that which was necessary to accommodate. It appears to me, Mr. Speaker, that there is an unusual haste to begin this particular operation, so much so that the government brought in an order in council which the property

management has existed under since 1986. It appears that that order in council does not satisfy the government as to the powers that are required for the property management corporation.

And the question arises in my mind, why did it take this government so long to bring forward Bill No. 62 which creates, by legislative basis, the Saskatchewan Property Management Corporation? Well I suspect the government was mapping out its plan, and I think that these actions, Mr. Speaker, dovetail with one of the professed goals of this government, is privatization.

Now it would appear to me, Mr. Speaker, this government has said some time ago that they didn't want to create Crown corporations; they wanted to get rid of them. Well I believe it is convenient for this government to create Crown corporations, at the same time to pursue their goal to get rid of Crown corporations. We've seen that in a number of instances up to this point, and I suspect when this legislature concludes its business we will see some more moves in this area to privatize Crown corporations.

What are the powers that are attributed to this particular Crown corporation by Bill 62 which were not present and evident in the Saskatchewan Supply and Services department. Well there's a number of things. The Saskatchewan Property Management Corporation can create its own corporations to perhaps facilitate the sale of parcels of land or contracting out. It has borrowing powers for the corporation which are very extensive, very extensive, Mr. Speaker. They may sell bonds, they may raise funds, they can sell these bonds anywhere in the world, Mr. Speaker. The Saskatchewan Property Management Corporation may charge rent for all other services.

There's a function in the Bill to provide borrowing for the Saskatchewan Property Management Corporation — this will allow all public institutions, as long as the obligations to repay is not conditional upon the payment by the Crown. The Saskatchewan Property Management Corporation may act somewhat as a bank. Transfers of Crown interests and rights — the minister didn't say anything at all about that particular section of the Bill, and I'll certainly have some questions for him in the committee on this particular Bill.

These expansive powers to incorporate, to borrow, to lend, to sell shares, to expropriate, to transfer Crown interests and rights are a great expansion of the powers that was available to this government under the Saskatchewan Department of Supply and Services, which the province of Manitoba, the minister cites as an example, retains in, within the government as a government department. But here the minister says it must be a Crown corporation.

We suspect, Mr. Speaker, that what the government will do is to pursue its goal of hiding from the public many of its transactions in this area which deals with a lot of money and a lot of property, over \$150 million in this year. A good example of that, Mr. Speaker, was the recent disclosure of the government upon questioning in estimates, and at that time it was disclosed that the

property management corporation has increased the cabinet office size in Saskatoon by 50 per cent. They've ceased advertising that they've got a cabinet office there. They've ceased telling the public that the minister of property management corporation or the Minister of Finance or the Deputy Premier will be in Saskatoon, but they need a 50 per cent larger office to do that in. At the same time this government is telling the people over and over again that tough times are before us and everybody has to sacrifice, except the Premier and the cabinet office.

So as you can see, Mr. Speaker, the principle of the Bill and what will be accomplished by this particular Bill were not dealt with very extensively by the minister in his presentation. That is unfortunate, but that is not unusual because the minister has been very hesitant to bring forward information of any kind about the Saskatchewan Property Management Corporation. He continues to not make information available to the opposition, and thereby to the public.

And obviously, Mr. Speaker, when the time comes we will oppose the imposition of this Bill and the consequential Act on the people of Saskatchewan because we think it contributes toward secret government, it contributes towards more power for the government in a Crown corporation, and we know not at this time what the ultimate effect of this Saskatchewan Property Management Corporation will be as regards privatization.

And until such time as the minister provides suitable explanations, we are going to have to oppose this legislation, Mr. Speaker.

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

Bill No. 77 — An Act to amend The Power Corporation Act

Hon. Mr. Berntson: — Mr. Speaker, I'd like to speak to the amendment to The Power Corporation Act, and more specifically, the intentions and the benefits that will arise from the amendments proposed.

The first point I would like to address is the adoption of the abbreviated name, Sask Power, to legally represent the Saskatchewan Power Corporation. The name Sask Power has been generally applied by the people of the province for a number of years and was taken and was the most commonly used form of reference in a survey undertaken a few years ago. We are therefore proposing that this name be adopted as legally meaning the full name of the corporation.

The next few points I would like to address, Mr. Speaker, are in reference to section 8; the amendments deal with the powers of the corporation.

We are asking that the corporation be granted the authority to purchase electricity for use when required. Currently the corporation only has authority to sell electricity, necessitating cumbersome arrangements to obtain electricity when urgent need arises. This

amendment will help streamline business operations for the corporation and will assist in guaranteeing electricity for the people of Saskatchewan.

Another amendment, Mr. Speaker, deals with the limitations placed on the corporation's ability to react to unforeseen circumstances. We are proposing that the corporation be given the ability to react to certain circumstances such as technological breakthroughs or changes in the way that the business community conducts its transactions. Unforeseen circumstances such as these could affect the corporation's operation in a major way, Mr. Speaker, and we feel that the corporation needs that flexibility to react.

We are also proposing that the corporation be responsible for setting various rates pertinent to their operation, subject to the approval of the Lieutenant Government in Council.

Continuing, Mr. Speaker, we are proposing a new subsection which will give Sask Power the authority to perform gas and electrical inspections presently carried out by the Department of Environment and Public Safety. A Bill to change this responsibility . . . change the responsibility for this inspection process has already been tabled or introduced by my colleague, the Minister of Environment.

Mr. Speaker, we are also proposing that Sask Power be given authority to arrange financing with a lending agency rather than requiring the vendor to be responsible for the guarantor's arrangements as is now the case under current legislation. This change will simplify the purchasing transactions undertaken by the corporation which require financing, thus saving time and money in the day to day operations of their business.

The next point I would like to speak to, Mr. Speaker, in this amendment, has specific . . . pardon me, is in reference to section 6. This amendment has no specific intention other than to bring the corporation's Act up to date with that of other corporations. This change, Mr. Speaker, will allow Sask Power to operate like any other business in the community and should help the corporation realize its potential.

Section 9 deals with the subject of surcharges. In the amendment for this section, we are suggesting that an exemption be granted for industries when requested by the industry from cabinet. This would include such companies as Saskatoon Chemicals and Ipsco, which will be specifically mentioned in this legislation, and other similar industries as may come up from time to time.

And this legislation, or this particular part of the legislation, has been around for a long time, and there's already been some discussion between the players, the cities, and the Leader of the Opposition and myself in a previous legislature.

This exemption would allow the industries to deal directly with the municipalities for taxation. The flexibility would assist in stimulating industry in the municipalities and would encourage expansion, development, and job creation in a fashion similar to the

expansion undertaken by Inland Cement Limited as a result of the gas deregulation.

The next amendment I speak to, Mr. Speaker, falls under section 10. As a result of deregulation in the gas system, Sask Power has undertaken the responsibility of transporting natural gas, as well as distribution and sales. This added responsibility needs to be recognized through legislation, and the conditions of operation need to be clarified.

Continuing, Mr. Speaker, the following section you will find that we are proposing legislation be changed to allow Sask Power to take advantage of longer terms on borrowing. Current legislation has restrictions on time which have eliminated the opportunity use long-term money at preferred rates. We are suggesting that this change would help the corporation relieve some of its current financing burden and help to build a stronger financial base form which it can operate.

In addition, Mr. Speaker, to those amendments, there are two new sections. The first new section deals with a redefining of the term "energy" which will be left restrictive in reference to the corporation's operations; the second deals with a situation already recognized by SaskTel as being in need of specific legislation, that of underground distribution lines — in Sask Power's case, both for electrical and gas. I won't go into detail on those two points; perhaps they're best dealt with in committee.

Mr. Speaker, suffice it to say that this legislation is based on the legislation passed by SaskTel under section 45 of The Saskatchewan Telecommunications Act, and that it outlines specific responsibilities of the parties involved.

I would like to conclude my remarks on the amendments to The Power Corporation Act by saying that the changes already mentioned, along with some of the more basic housekeeping changes which I did not mention, are intended to assist Sask Power in becoming a more efficient and more viable Crown corporation. These changes will help the corporation to conduct their business with the people of Saskatchewan in a better and a more efficient way, and to continue the quality of service that has been given in the past. Mr. Speaker, I move second reading of a Bill to amend The Sask Power Corporation Act.

(1545)

Ms. Simard: — Thank you, Mr. Speaker. Mr. Speaker, Bill 77 is a very important piece of legislation. It's a fairly major piece of legislation, and I must say that I am rather surprised that a government who complains about the length of the session would bring in a Bill of this nature at such a late date.

The copies of this legislation were available for MLAs for the first time on Saturday and, I must say, that for a government that wants to expedite matters in this legislature and move quickly on things, for them to have mismanaged this House in such a fashion that this legislation is not forthcoming until now says something about the way they run their operations.

Some Hon. Members: Hear, hear!

Ms. Simard: — In taking a look at this legislation, Mr. Speaker, which is entitled The Power Corporation Amendment Act, 1987, I would like to point out that this is a misnomer for this particular Bill, Mr. Speaker. I think we should rename it as "The Weyerhaeuser Welfare Bill."

Some Hon. Members: Hear, hear!

Ms. Simard: — Mr. Speaker, what this legislation does is, it says that large users of electrical energy will no longer have to pay the 5 per cent or 10 per cent tax on the electrical bills, which amounted to a payment to the municipalities as a grant in lieu of taxes. It was, in effect, the government's way of compensating for facilities, for the use of facilities.

And what this piece of legislation says, Mr. Speaker, is that Weyerhaeuser, for example, will no longer have to pay that 5 or 10 per cent. And I say that's a very substantial give-away to the Weyerhaeuser corporation, and it's a further erosion of the tax base for municipalities, a further erosion of the tax base.

And I will be very interested in seeing, Mr. Speaker, whether or not agreements will, in effect, be made between the government and the municipalities to compensate them for any loss of revenue that this may mean to the municipalities. And I will also want to know just what it means in terms of lost revenue for municipalities; I will want to know what it means in terms of lost revenue.

But earlier on in the fiscal year there was quite a flurry because the president of the Saskatchewan Power Corporation, Mr. George Hill, had indicated that Saskatchewan Power Corporation may be doing away with grants in lieu of taxes, or made statements that created this impression in people's minds, Mr. Speaker. And there was quite a flurry over that.

And in Crown corporations I asked the minister whether this was going to happen; and the minister told me that, not in the foreseeable future. But what is happening, what is happening now is they're attempting to come in through the back door, Mr. Speaker, by giving a corporation like Weyerhaeuser a relief from this particular section.

And in terms of dollars and cents, there hasn't been time for us to calculate it, but I will be asking the minister in Committee of the Whole what this means to municipalities, and I will expect him to have the figures available at that time.

There are a number of other provisions in the Bill that causes us some concern, and we will certainly want to look into it further. For example, the borrowing power of the corporation is increased from 3.5 billion to \$5 billion, Mr. Speaker. And this is the corporation that already has a \$2.5 billion deficit — a deficit that jumped some 104 per cent, 1.1 billion, I believe, to 2.5 billion, from '81 to 1986. And so we will want to know why they are increasing the amount that they're going to borrow, Mr. Speaker. We'll be asking questions to that effect.

They've also given themselves the power to borrow, or given the corporation the power to borrow, over an unlimited period, an indefinite period. There had been a limitation of 30 years before. Now the minister has said that that will open up different avenues, and there'll be more flexibility in borrowing. I would like to point out that that will also allow them to amortize the debt over a much more substantial period of time, which will make their books look a little better for the time being.

There are a number of other problems, Mr. Speaker, that I have with this Bill, but because of the short period of time under which we've had to look at, I'm going to beg leave to adjourn debate so that we can look into these matters further. I'd like to move to adjourn the debate, please.

Some Hon. Members: Hear, hear!

Debate adjourned.

Bill No. 53 — An Act to amend The Uniform Building and Accessibility Standards Act

Hon. Mr. Swan: — Mr. Speaker, The Uniform Building and Accessibility Standards Act was given Royal Assent in 1984 and provided for the adoption and enforcement of standards for building construction in this province. It provided for the administration of these standards through local authorities who were given powers to appoint building inspectors, and for a number of other related matters.

During the development of the regulations for this Act a number of deficiencies in the Act came to light. The most notable was that the Act did not provide the proper authority for the writing of regulations as was intended. Furthermore, if regulations had been written without the needed amendments to the Act, they would have been of limited scope. This Bill, therefore, provides the proper authority for the writing of regulations and the needed scope for all fields of building construction.

Relating to the development of the regulations, a large number of interest groups including the Saskatchewan Association of Architects were contacted. From these consultations the regulations have moved to the point where they will soon be considered by government committees.

This Bill also provides for the inclusion of the operations of repair, renovation, demolition, relocation, removal, and change in occupancy in the accessibility standards. These are fields of operation covered by the national building code of Canada which we are adopting provincially and which is in use across the country and in nearly all medium to large centres in this province.

Change of occupancy is a term used and defined in the national building code. Occupancies are divided into distinct categories ranging from assembling occupancies such as schools, to industrial occupancies. An example of change of occupancy is the conversion of a warehouse to an apartment building, which would be a change from the industrial to the residential category.

The Bill further permits the exemption of certain buildings, or classes of buildings, by regulation, to allow for special cases which may develop and which cannot be foreseen at this time. Flexibility in this area is needed to avoid placing any undue hardship upon the public.

The Bill also clarifies and delineates the powers of a building inspector to write orders requiring compliance with the building regulations. As well, it clarifies the responsibilities of an owner regarding compliance with such written orders, together with his obligation to provide the needed building plans and material test results where appropriate. Authorization is also now provided for building inspectors to order the elimination of an unsafe condition in a building or a safety hazard that develops.

Much of the material in this Bill was originally intended to be replaced in the regulations, but a decision was made by this government for its inclusion in the Act to ensure more appropriate limitation of powers by regulation.

Other amendments contained in this Bill are primarily housekeeping matters. Much of the material embodied in this Bill is now covered by local building by-laws that will be repealed when this Bill comes into force.

Furthermore, not all local authorities have building regulations in place, and provincial building regulations are needed to protect the interests of the public in the design, construction, and the materials used in buildings.

Mr. Speaker, I move second reading of this Bill.

Mr. Lyons: — Thank you very much, Mr. Speaker. I rise today in somewhat of a perplexed state in terms of dealing with this Bill — in terms of dealing with this Bill.

Despite the Minister of Education's constant chirping from the back of the hall over there, the matters that the Minister of Environment is raising are some serious matters when it deals to accessibility to buildings for those who need those accessibility requirements — those handicapped people who for so long in our society have been denied accessibility to a whole wide range of buildings.

As the handicap organizations throughout this province have said time and time again, there is a need. There is a need for government leadership in this area that will force the builders of classes of building, to use the language of the Bill itself, to force those owners and constructors to comply with what are reasonable requirements for access to those buildings by handicapped, by those who are confined to chairs or other ambulatory devices.

Mr. Speaker, I am not — given this government's record, given this government's lack of progress, given this government's refusal to deal with questions such as accessibility and given this government's record on plain, straight and narrow human rights — I don't know precisely what to make of this Bill. Because it's an enabling piece of legislation, those things which will affect the everyday life of people who come under the jurisdiction of this Bill, those things will be contained in the regulations.

Mr. Speaker, I'm not ready to give *carte blanche* or write a blank cheque to the Minister of Environment on this Bill until we see the regulations that he has promulgated in respect to this Bill. And when it comes to a clause-by-clause reading of this Bill in the committee of the House, I expect the minister to grant the courtesy to this House to put forward those regulations which are already prepared. Because those regulations, Mr. Speaker, are the heart of the matter. Those regulations will determine whether those with handicaps in our province have, in reality, a new vehicle for accessibility to those buildings for which they have, for so long, demanded.

Until, Mr. Speaker, this Bill is dealt with by committee and until those regulations are presented to this House, I have no further items to comment.

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

(1600)

COMMITTEE OF THE WHOLE

Bill No. 51 — An Act to Provide for the Imposition of Taxes on and the Collection of Taxes from Certain Purchasers of Certain Fuels and to Provide for Rebates of Taxes to Certain Purchasers

Clause 1

Hon. Mr. Lane: — I have with me, Mr. Chairman, Jack Vicq, acting deputy minister of Finance, Len Rog, executive director, revenue division, and Doug Lambert, director of fuel tax, Department of Finance.

Mr. Solomon: — Thank you, Mr. Chairman. I'm pleased once again to have an opportunity talk about the most ludicrous tax that's been placed on the people of this province since the inception of Saskatchewan in 1905 as a province.

We see here, Mr. Chairman, this gas tax, Bill 51 — An Act to provide for the imposition of Taxes on and the Collection of Taxes from Certain Purchasers of Certain Fuels and to Provide for Rebates of Taxes to Certain Purchasers. It's a gas tax. It's a tax, Mr. Chairman, that the Premier indicated very clearly in May of 1982 that as long as there was a Conservative government in this province that they would never reimpose this gas tax.

They went around the province and they said that the gas tax is totally unfair and we will never have a gas tax in this province again. Well there's a new definition of "never." Never is never, never is now — four short years later. That's the definition of the conservative's word "never." And what we have seen, Mr. Chairman, is not only a laying on of tax of 6, 7 cents a litre, but in fact we see it as an increase. It used to be 6 cents a litre, 28 cents a gallon; the Conservatives have jacked it up from 6 cents to 7 cents a litre or 32 cents a gallon.

And it wouldn't be so bad, Mr. Chairman, if the revenues that were earned from this tax were used to inject money

into our economy, to provide for a decent drug plan, to provide for a dental plan which helped young people in this province, or indeed, even made some efforts to use that money to create jobs so people could work and could afford to pay taxes that this government has increased.

It's also part of the largest tax grab in the history of this province, along with the E&H tax — a 40 per cent increase from 5 per cent to 7 per cent. We see an increase in the flat tax which in total is a 28 per cent increase in personal income tax. But when you look at that, Mr. Chairman, we have seen since 1982 in the personal income tax range, not an increase of 28 per cent, but an increase of 47 per cent of personal income taxes just on the personal and flat income tax rate alone — 47 per cent increase.

On top of this big tax grab in this budget, Mr. Chairman, we see a major increase in tobacco tax, a major increase in the corporation capital tax, and other hidden taxes. A total of \$300 per person, \$1,000 per family of our; that's about \$250 per person of tax increase at the provincial level in this budget alone. That's \$1,000 this year alone in tax increases for a family of four living in this province.

And I don't think the people of this province would be as wildly upset about that as they are, if that money was used for constructive purposes — for creating jobs, for providing decent health care services in this province. What we've seen this government do is squander the money that the people of this province have contributed to the treasury. They have mismanaged our economy. We have the fastest growing debt in North America, the fastest growing deficit in North America.

This is the legacy the Conservatives leave, along with their new definition of the word "never" to reimpose the gas tax on the people of this province.

We have seen all the rhetoric. We've seen the rhetoric from the Conservatives saying they will do away with patronage. But what we've seen from this government is a patronage system that is second to none. We have seen friends of the Conservative Party and members of the Conservative Party digging deep in that delicious pork-barrel of patronage. And what we have seen, Mr. Chairman, is the people of this province paying for this patronage, this incompetence, this mismanagement.

They promised fiscal responsibility. We have seen the most irresponsible government with respect to finances in Canada. They've gone on, Mr. Chairman, and they've promised all these wonderful things. They've promised — and you will recall this — conservatives throughout the land have promised that we will cut through this bureaucratic red tape nightmare of government and ensure that small businesses and ensure that individuals have less red tape when they deal with this government.

And this Bill 51, with the consequential Bill 52, Mr. Chairman, provides the most phenomenal growth in red tape that any government has laid on the backs of taxpayers in this country. Six hundred and forty-one thousand licensed vehicle operators in this province will generate on average, if they purchase gas once a week, 34 million gas receipts — 34 million gas receipts. The red

tape of including 641,000 more individuals in this government bureaucratic nightmare is just incredible. This is a government of efficiency; this is a government that they believe that they're efficient; they believe they do away with red tape.

Whatever they promise, Mr. Chairman, they totally disregard. And I think the people of this province have had enough. I think they're fed up with regards to this government's failed commitments, the double-crosses on the people of this province.

We have seen as well, Mr. Chairman, an indecent move by this government with respect to the gas tax by applying taxes, extra taxes, to taxpayers as well through school board, increased costs for buses, transportation. We have seen as well a passing on of a tax increase through this system to residents in urban centres that have urban transportation facilities.

And we have seen, I think, an unfair request of this government through this Bill, to the people of this province, that they want the taxpayers to carry \$100 million in debt up front so that the government can get interest free, \$100 million, approximately, this year alone. And who's going to pay for this? Well ultimately the taxpayer of this province pays for this incompetent move.

An Hon. Member: — And they're taking money and paying no interest.

Mr. Solomon: — They take money from the taxpayers of this province, \$100 million . . .

An Hon. Member: — Use it.

Mr. Solomon: — . . . use it for their purposes of patronage and mismanagement and all sorts of other things that are questionable, and they hand the bill to the taxpayers. I think that's an indecent form of government — very indecent.

Mr. Chairman, what we have here is a very unfair tax, one that is wide open to abuse. Anybody that has had any kind of experience with gas tax receipts will tell you that this is one of the most loosely run programs, that gas receipts are floating around this province. There's no planning on the part of the government.

We've had comments from propane operators and gas station operators and small-business people that deal with this tax that would burn the ears of the government. They are disgusted with the way this red tape nightmare has been forced upon them.

And I could go on, Mr. Chairman, for a long time about what this government has done, but I want to ask a few questions of this government; I've got 40 or 50, and I'm sure that they're anxious to stand up . . . the minister's anxious to stand up in this House and deny the fact that this Tory government has been the authors of the most expensive patronage system in this country.

I know he wants to get up and say that, no, no, this is not a massive bureaucratic red tape nightmare. I know he

wants to say that, and I'm interested to know what his explanation is that, no, 641,000 licensed vehicle operators who will generate 34 or 35 million gas receipts over this fiscal year is not a bureaucratic nightmare. I want to get him on record on that.

And I want to know as well what some of the costs involved are, so perhaps I'll start by giving the Minister of Finance an opportunity to explain to the people of this province whose idea was this.

Hon. Mr. Lane: — Mr. Speaker, the NDP have repeated the arguments several times, and unfortunately all I can do is repeat what I have said probably 25 times in this session since June, except that I will bring some new information to the hon. members' attention, and that is if the NDP gas tax had of remained on over the last five or six years, it would be up to 8.3 cents per litre, Mr. Chairman, or 37.7 cents per gallon.

Secondly, if the NDP's sliding scale gas tax had of remained in, it would be 11.6 cents per litre on diesel or 52.7 cents per gallon, Mr. Chairman. So the hon. members seem to want to forget that. The hon. members seem to want to forget that they didn't have just a gasoline tax, Mr. Speaker, they had one that went up, a sliding, ever-increasing gasoline tax.

Mr. Chairman, the hon. member doesn't listen, as we've indicated, how the process will work. The process will work that people will be getting a form early in the new year, and they will be . . . the form will have a deadline on it whereby the public can submit their gasoline receipts. And I've indicated that that deadline will give people ample opportunity to be able to get their receipts in. The only reason for the deadline is we want to be able to use summer students, that we would normally be using anyway, Mr. Speaker, during the course of the summer, to process the claims.

For some reason the hon. members don't like the concept, Mr. Speaker. I would like to see the hon. members, if they were fully committed to opposing the gas tax rebate, to stand up in their place and say, I undertake, Mr. Minister of Finance, not to submit an application for a rebate. If you're really, really sincere, really sincere in opposing the rebate because you think it's too much bureaucracy, I would suggest that the NDP put their money where their mouth is.

And I know as well, Mr. Speaker, that if they don't stand up in the House and say that, that the public will expect me, Mr. Speaker, the public will expect me to report back as to how many NDP have applied for the gas tax rebate. I hope that they're going to give me permission to do that, Mr. Speaker, because we will find out how sincere the NDP really are.

Mr. Speaker, the . . . yes, there is a rebate. But the hon. member again didn't listen to what I said the other night. He has taken two positions. He said, one, we're not taxing business high enough. And then he objects to the gas tax with a rebate because it's business that primarily pays that tax. So he can't have it both ways. Then the other night he says, but you're taxing business with your corporate capital tax, and of course your corporation tax is too high

because business is just going to pass it back to the consumer.

That's exactly what the member from Regina North West said. So on the one hand, on the one hand he says, don't tax business because they're going to pass it on to the consumer. On the other hand he says, you're not taxing business high enough, and you're putting too much tax on the individuals. Now that's the conflicting position that the hon. member has taken.

Having said that, I've indicated how the process will work. We estimate the cost of recovery will be in the range of about \$2 million, and we have indicated that before. And again, it's quite easy to pull out from the process those that are above what the average rate would be for someone using a vehicle for personal use. So I suggest to the hon. member that it's not anywhere near as difficult as the hon. members have indicated, and we're quite confident that it will be done over the course of the summer, as we've said since June 17.

(1615)

Mr. Solomon: — Well it seems, Mr. Chairman, that when the Minister of Finance has nothing to say, he misinterprets remarks of the members of the opposition.

The minister has a very serious credibility problem. This same minister is the one who signed a personal guarantee that said, when we become the Conservative government, we will do away with the prescription drug plan deterrent fees. He didn't probably read it or remember it, but what he's done, he's done away with the whole program. He's privatized it. That's credibility?

He's a member of the same government that promised in 1982 to never reimpose the gas tax. That's credibility? And what do we see here? The new definition of the word "never." Four years — that's the new definition of never.

He's a member of the same government who promised to do away with the E&H tax — do away, to eliminate. What does that mean? Increased 40 per cent, from 5 per cent to 7 per cent.

He's a member of this government who made a commitment to cut personal income taxes by 10 per cent. What do we have now in Saskatchewan in the last five years? We have a personal income tax of 47 per cent increase from 1982 — 47 per cent more taxes are collected from individuals in this province than before 1982. That's credibility? That's garbage. The guy's full of garbage when he's talking about credibility. I can't believe this. Then he expects people to believe anything that he says.

I don't know if I believe the \$2 million figure. I don't know what he's going to say when I ask him the next question. Is it going to be relevant to the truth? But I'd like to ask him, Mr. Chairman, could he please break down the \$2 million for us, and what he's going to spend it on?

Hon. Mr. Lane: — Well I've indicated what we estimate the cost will be. Obviously we're going to be hiring summer students, and we look upon that being the

biggest cost.

Mr. Solomon: — Can you please give us a breakdown of how much you're going to spend on labour, how much you're going to spend on additional bureaucratic red tape like paper and files and all that sort of thing, office expenses? Could you also give us an indication as to what your postage cost is going to be? And can you give us an indication of how many students you're going to hire, for what duration? And I've got other questions I'll ask you, if you can answer any of those.

Hon. Mr. Lane: — We estimate roughly 500,000 in terms of paper, postage, systems development, and the balance would be in salaries.

Mr. Solomon: — Can you give us a breakdown on the number of people you're going to hire, for what duration, and at what rate, roughly?

Hon. Mr. Lane: — Well obviously this is next year's budget. The hon. member doesn't understand this . . . (inaudible interjection) . . . No, it's not. It is not. The hon. member knows full well that the cost of the program going to next year's budget, the rebates, after April of next year. Now surely that doesn't take a genius, obviously — I know there's none over there — to figure that out.

But having said that to the hon. member, we've given you the estimate. One of the things that we are considering, an option we are considering, is a proposal to the private sector — and I know you don't like privatization — to manage and deliver the program. So that proposal could be going out if we make the decision to go with the private sector for delivery of the program.

An Hon. Member: — So you don't know what the cost is going to be.

Hon. Mr. Lane: — I've given you what the estimate of the program is. Now you've . . .

Mr. Chairman: — Order! Order. Order. Order. I'd ask members, if they have questions . . . everyone can enter the debate. I would ask them to stand and be recognized, so they ask their questions and so they're recorded.

Hon. Mr. Lane: — I've asked . . . I've indicated to the hon. member on several occasions already what we estimate the cost of the administration of the program will be, and I've given you that. You can dispute those; you can argue those till you're blue in the face. The fact is, those are the estimates that we have, and we expect to meet the objectives.

Mr. Solomon: — Mr. Chairman, Mr. Minister, this is another clear indication of the total lack of planning that this government has, the total inefficiency with respect to taxpayers' money and programs and services which affect the people of this province. We want some answers on this side of the House, Mr. Minister.

Can you please give us what you can plan at this moment, or at least try and sell to the people of this province? What is the plan? Can you take us through the scenario of when the applications can be received; who is going to be

doing all this; whether it's going to be government or whether you're going to have D-Mail do it, or Dome Advertising, or one of your other political operations; and what the costs are going to be? You must have some idea of the process. I'd like to have some answers with respect to that process, please.

Hon. Mr. Lane: — And I've now repeated it now for the seventh time. I have indicated on seven different occasions that applications will be going out in the new year to the people of Saskatchewan. The application form will encourage them to include their receipts with the requisite information on it. Once those are in, by a determined time, then we will have summer students begin to process the applications, Mr. Speaker.

That summer-time is a time of the year, the hon. members may not know, often the sun is shining and it's warm. And if you're specifically asking me when summer-time is, I think your questions . . . You're not listening to the answers to the hon. member. And during the course of the summer we will have the summer students process and get the rebates out to the people of the province.

An Hon. Member: — Will you do it, or the private sector?

Hon. Mr. Lane: — Now the hon. member from Regina North East asks, are we going to do it or is the private sector going to do it. We are considering the option of the private sector doing it. The private sector proposal would include the use of summer students doing it over the course of the summer. And we haven't decided whether or not we're going to do it in-house or with the private sector. Now you may object to the private sector, but we are considering the option.

Mr. Solomon: — What we're hearing here is absolutely amazing. We hear a minister who's trying to put this Bill through the House with respect to the fuel tax increase, and he doesn't have a grip on how the program is going to work. Does the minister understand what he's saying?

If he says he's going to privatize it, to whom in the private sector are you going to give the names and addresses and all the other pertinent information from the health services cards so they can check against those that are there? So you're now going to be turning confidential government statistics and information, which has been confidential since it's been accumulated, to a private sector corporation. how do you explain that one?

Hon. Mr. Lane: — That's one of the areas that is of some concern as to whether we use the private sector. No, no, but there is an option to deal with that, and that option is whether the application form for the rebate will include a waiver of the pertinent information for the purposes of the fuel rebate, so the . . . (inaudible interjection) . . . The hon. member says you can't do that. The fact is you can waive the information and the right to access the information. So you ask how it can be done? That's precisely how it can be done.

Mr. Solomon: — Well, this is becoming more incredible as the story unfolds. The minister is standing up here designing a program off the top of his head, like he designed the budget. It's the same process. Grab some

figures here, throw them in there, grab some figures from over there and plug them in another spot. And who cares if they balance, or who cares if he's within \$848 million of his projection? If he's that far off on this one, there's going to be some very serious financial implications to respond to.

But I want to ask the minister. You're talking about transferring this program now to the private sector. The private sector is going to have information on each of the 641,000 licensed vehicle operators, if they all happen to apply, with all kinds of tracking information with respect to where they buy their gas, when they buy their gas, and they're going to have access to a confidential list of health services plan.

Which is it? Is there going to be a program that people can have confidence in, or is it another one of your instant programs that has not been thought out?

Hon. Mr. Lane: — Well again the hon. member doesn't understand that all that the health services file is to confirm the name, address, and whether they're a Saskatchewan resident. Okay? So that's the only relationship with the health services file.

So you ask whether or not the private sector can do it in confidentiality. We foresee no difficulty on that in that whoever is successful, if that's the way we go, would obviously have to maintain what limited confidentiality there is, although we don't see it as a particularly big problem.

And to argue that the private sector can't keep confidences . . . Obviously doctors out in the private sector and many others do. So to argue that there is any great difficulty with that proposal; again I think the hon. member is not listening.

Mr. Solomon: — Well I'm listening, and I'm shocked at what you're saying with respect to how this program's being administered. How can you make available a confidential list that is controlled by the Government of Saskatchewan? Under what regulation and law can you do this? And how often have you done this in the past? I want to know to whom you've given those lists already.

Hon. Mr. Lane: — Understand that the information being requested is the name and the address. And we want to make sure as well that the rebate is going to Saskatchewan people; it's not designed for people out of province. And that information, I suggest to the hon. member, I think that most people applying for the rebate would have no difficulty accepting that there should be a confirmation that the individual is a Saskatchewan resident and that they are eligible to get the rebate.

Mr. Solomon: — Well the problem I've got, Minister, is: who is going to have access to this list? If it's going to be a private company — I'm sure there are companies and organizations in this country that would pay handsomely to have . . . especially in the auto parts after-market, to pay handsomely for a list of 641,000 licensed vehicle operators, with their addresses. I think that would be a delicious list to get if you were in that kind of business, and people would pay very, very high prices for that.

And so I want to know what the minister is getting at — please to tell us whether this has been the practice of the government to date with other programs. If so, I'd like to know where and to whom these lists were given and provided; and if not, please tell us as well. I'd like to know the answer to that.

Hon. Mr. Lane: — Well if the hon. member is saying that the public will not want to give that information — and remember the information that we've indicated, which is name and address — if they're not prepared to give that to prove that they are a Saskatchewan resident eligible for the tax, I'm frankly very surprised.

It's very interesting that it's all right for the public to have to give that waiver to access that information if they want the mortgage interest protection plan.

An Hon. Member: — To the government.

Hon. Mr. Lane: — Well if they want to get a mortgage interest protection plan. And . . . well they have to access that information.

(1630)

And so I suggest to the hon. member, and if now you're arguing that it's all right to administer it within government but it shouldn't be done in the private sector, again, again we suggest that — I have one — I have little doubt that those applying for the rebate will be quite prepared to identify their name, address, and residency, and, secondly, it's quite easy to obtain the confidentiality on those processing the forms.

Mr. Solomon: — Well I don't think people who are applying for the rebate would be concerned about waiving that information to a government agency that is protected by statute in terms of that information which is private and confidential.

The problem we have here is there may be some concerns, and I certainly would be concerned as an individual, about that kind of information getting out — 641,000 licensed vehicle operators and their addresses — to companies that we're not sure what they're all about. There's no legal protection there. And I think what you're doing here, if you're now making this up that they're going to have to sign a waiver, that the people that apply for these rebates sign a waiver to have that information provided to this private company. You're discouraging . . . Again putting another road-block and discouragement in front of people so they won't apply for these rebates, because there'll be some who don't want that information made public.

I think it's scurrilous to provide that kind of information, the health services plan information, to a private organization or company unless there's some valid reason. And I'd like to know why you would want to do that. Is there a problem with dealing with it from a government point of view, or is there some other reason we're not aware of?

Hon. Mr. Lane: — All that the applicant for the rebate will

have to do is that they have to declare that they are a Saskatchewan resident eligible for the rebate, as they do under MIRP (mortgage interest reduction program), and that the government or whomever can verify that they are, in fact, Saskatchewan residents on a . . . and the release of the information for that purpose.

So I would indicate to the hon. member, I doubt very much whether any one applying for the rebate would have any objection to a confirmation as to whether they're a Saskatchewan resident and eligible for the rebate. And that's all it does. And as I say, we do it for the mortgage interest reduction program, etc., etc., so it's not uncommon.

Mr. Solomon: — Will you then explain, Mr. Minister, who will be doing the verification? Will it be somebody in the government sector, or will it be somebody in the private sector?

Hon. Mr. Lane: — The government would be the one sending out the application forms.

Mr. Solomon: — So the government would send the application forms out. And who will verify that those people who are applying are on the health services plan — government or private sector?

Hon. Mr. Lane: — The government will.

Mr. Solomon: — This is again an incredulous situation. Here we have now a duplication in the name of privatization. You're going to have a private sector operation put all the information together and do what has to be done in terms of the confidential information of taxpayers of this province, then you're going to have government people hired to verify all the information that's been processed. Why? Will you please tell us why?

Hon. Mr. Lane: — We've already indicated that this is not an uncommon practice and that we do it for the mortgage interest reduction program. And I doubt very much, as I say, that any applicant for the rebate would have any objection to a verification that they are eligible. Now keep in mind . . . The hon. member on the one hand doesn't understand that there will be forms coming in, and those forms, once approved, will be processed, and that process will require, as we have indicated, the summer students, etc. So I mean, you can't have it both ways. On the one hand you talk about the volume, and then when you have a system to get up to deal with the volume, even if it may be private sector, you have some objection to it.

Mr. Solomon: — The mortgage interest reduction plan, I would venture to guess, and please correct me if I'm wrong, does not have 641,000 individuals applying and providing 34 million receipts attached to it. Can you confirm that?

Hon. Mr. Lane: — Well, of course, it's less.

Mr. Solomon: — Then what you're saying is a joke because you are providing confidential lists, that is the health services plan information, and you are proposing that you provide it to this private organization or

company to do the job that you've been saying all along the government's going to do. You know, what kind of consistency is that?

But what I'd like to ask you is — you think about that one for a second — what's the turn-around estimate from your officials in your best position from the time the letters are sent out to the licensed vehicle operators, to the time this organization receives the gas tax receipts, to the time the cheque is in the hands of the licensed vehicle operators who apply for the rebate?

Hon. Mr. Lane: — Well the objective is to use the summer students to reduce dramatically the need for permanent bureaucracy to do that, so we will try and have them done, and we expect to have them done, by the end of August.

Mr. Solomon: — So the letters are going to go out in the new year, the students will be hired, I'm assuming, after the university break — end of April, first part of May — and cheques will be in the hands of these licensed vehicle operators, all 641,000 or those that apply, by the end of August. Is that what you're saying, Minister?

Hon. Mr. Lane: — Those that are eligible.

Mr. Solomon: — It seems to me that you're either applying for a rebate or you're not; and you're either eligible as a citizen of this province and a licensed vehicle operator, and you've got the appropriate receipts, or you're not.

Hon. Mr. Lane: — You said that all 640-some thousand. I mean, one of the things we have to go through are the eligible, and that's one of the processes.

Now if . . . let me come at it this way. All of the ones who are eligible for the rebate, our objective is to have it all done by August, the end of August.

Mr. Solomon: — What is your estimate as to the numbers? I'm using a figure of 641,000 licensed vehicle operators in the province. I'm assuming that the majority of them will apply. What are your figures, please?

Hon. Mr. Lane: — We estimate somewhere around 350 to 400,000.

Mr. Solomon: — Three hundred and fifty thousand to 400,000 of the 641,000 licensed vehicle operators in the province — that's almost half. How much money (a) do you expect the program to raise in this fiscal year, gross; and (b) how much do you believe to be the rebate in the next fiscal year?

Hon. Mr. Lane: — If you check your tax expenditures at the back of the budget speech, we estimate this fiscal year to raise roughly 142 million; next year the rebate — keep in mind that the rebate will only be for half year — \$26.2 million. That's on page 58 of the tax expenditure accounts.

Mr. Solomon: — So you're going to raise 142 million, and the rebate will be around 26 or \$27 million. So the net effect is 117 million to the treasury. Can you estimate the

savings to the government as a result of this \$142 million interest-free loan from the taxpayers of this province?

Hon. Mr. Lane: — If the hon. member is talking that taxes are an interest-free loan to the people of Saskatchewan, then I suggest to the hon. member that that's never been a tenet that's been accepted by anyone.

Mr. Solomon: — Mr. Minister, you said in the advertisements that this was a saving to the taxpayers of Saskatchewan, not a tax. Can you tell us what the saving is? Could you define that, please?

Hon. Mr. Lane: — Of the 142 million that we estimate on fuel tax revenue, 59 million will come, in our estimate, from Saskatchewan private vehicles.

Mr. Solomon: — So you get \$59 million as a result of the 7 cent a litre, or 32 cent a gallon tax, up front from licensed vehicle operators that may be eligible in this province for a rebate. And you're rebating 26 million, 26.2 million? Is that correct?

Hon. Mr. Lane: — Yes for the half a year.

Mr. Solomon: — What you're saying now, Mr. Minister, is that you are rebating, and you are expecting through this complex system of tax rebate for the fuel, only half of what the taxpayers have provided. If you were going to raise \$59 million from Saskatchewan licensed vehicle operators, and you're going to rebate 26.2, that's less than half. So you have figured into your planning here, or you've guessed, one or the other, that you are going to keep, as a government, not just the 59 million interest-free, but you're only going to rebate less than half. That sounds like theft to me, not taxes.

Hon. Mr. Lane: — But the hon. member — if you did it on a full year basis, okay, instead of the half year, if you get 58 million on a full year basis and you rebate it 52, okay. I mean, the 26 million is because it's half a year.

Mr. Solomon: — Twenty-six is half a year, from June 21 to March 31 is half a year. That's almost \$848 million off your forecast of the budget deficit. That's a little more than half a year. Maybe the officials could help him with a calendar. I have a calendar he could borrow and count the months. That's more than half a year.

(1645)

Hon. Mr. Lane: — Keep in mind that the estimate we've given on the revenues, which we've set out, is for the period from the time the tax came in until the end of the fiscal year.

An Hon. Member: — March 31, '88.

Hon. Mr. Lane: — Right. So you've got January, February, March, three months in addition, whereas the rebate will start because it's going to be done on an annual basis. It will go through until December 31. The following year the rebate will then be for the full annual year.

Mr. Solomon: — So what you're saying, Minister, is that the end of the rebate system on an annual basis is

December 31, '87. People can claim starting in the new year, but they're not going to get their cheque till August which is eight months down the road, so some people will be carrying the government for up to 20 months. Do you think that's a fair system for the taxpayers of this province?

Hon. Mr. Lane: — Well the argument over the fairness of the tax, you have two questions to deal with. One, is a fuel tax fair? You obviously believed that it was — you put one in for some time. Secondly, whether a rebate system is fair is the question.

Now assuming that a rebate system is fair, then how do you administer a rebate system at the least cost? Our view that the least cost proposal is to do it in the manner we have set out, which is to send the forms out during the new year and early spring and to do the program rebate system over the course of the summer and use summer students. The alternative to do that so that your rebate becomes instantaneous is, of course, a fair number of people permanently hired to man the rebate system and do it directly — and it's a lot more costly.

Mr. Solomon: — You are saying that this is the least cost rebate system that you can possibly design. You're asking 641,000 licensed vehicle operators to send in each — in a total — 34 million gas receipts. That's going to cost these taxpayers somewhere around \$240,000 in postage — one way. It's going to cost you at least that amount to respond the first time. There's half a million dollars right there on the taxpayers' backs.

You're saying that it's going to be more efficient, and it's going to involve fewer people in a rebate system. You've got the most wide open, abused, bureaucratic, red tape nightmare that you can contemplate anywhere. You've designed it to discourage people from applying.

Have you been saving your gas receipts? I've got a file of gas receipts here. Since June 21 I've got 70-some receipts, and as I go through them . . . when you start looking at them, the gas station operators in 80 per cent of them haven't put my name, or my licence plate number on them. So now I'm going to go through this, as are the other 641,000 licensed vehicle operators, to go over their 50 or 100 receipts every year to reduce the cost and red tape. You start factoring in the hours spent doing this of each of the licensed vehicle operators, the cost is out of sight. I think your \$2 million estimate is way, way low.

But I want to ask the minister, you've been advertising this program as such a wonderful program around this province, could you please tell the taxpayers what you have spent advertising this wonderful program to date?

Hon. Mr. Lane: — The rebate advertising would be approximately \$250,000.

Mr. Solomon: — Is that part of the cost that you estimated, that \$2 million, or is that in addition to the \$2 million estimate?

Hon. Mr. Lane: — In addition.

Mr. Solomon: — Could you please tell us whether that

advertising contract was tendered or whether it was appointed, and to whom it was awarded?

Hon. Mr. Lane: — We found the best agency that we approached, and it was Dome Advertising.

Mr. Solomon: — You have just spent \$250,000 advertising to the people of this province what a wonderful program that you have with respect to the fuel tax — a quarter of a million dollars. This is the same attitude that you displayed last fall, that where in a three-week period, in the first three weeks in September, you spent through Dome Advertising, \$221,000 to advertise what a wonderful home program that you were having, that you were putting into place to help the Tories get re-elected.

Do you think this \$250,000 on the gas tax advertising is going to be of some benefit to your government? I don't think it will. What I'd like to ask the minister: what do you have proposed in the budget to spend on advertising for this program for this coming year?

Hon. Mr. Lane: — We don't expect any additional this year. Remember that the criticism the hon. member gave early in the session was that the government wouldn't tell anybody about the rebate program, trying to keep it secret. So we went out and advertised the program, and now you're criticizing us for advertising it. so I just refer the hon. member back to early in the session when he was strongly critical of the government keeping the program secret.

Mr. Solomon: — Well, Mr. Minister, you have clearly not thought out this program. You don't know how it's going to look or who's going to deliver it or who's going to have access to information. You don't really know what's going on with the program.

Now you're saying you're hiring Dome Advertising, which is the Conservative firm, contributes greatly, in terms of dollars, to the Conservative party. You've given them a \$250,000 contract to explain to the people and the taxpayers of this province what the fuel tax is all about. But you didn't explain how it works.

You didn't explain to all these gas station operators and their staff how to do the receipts. Because if you look at your own receipts, you'll find that probably half or more are not filled out completely. So you're passing on your incompetence and your inefficiency and your mismanaged attitude towards planning on business retailers, the gasoline retailers, onto the taxpayers and licensed vehicle operators in this province. I think it's disgusting.

I think you guys should get your act together. If you've got some students in mind in terms of running this program, you should maybe go out there now and hire them so they can help bail you out of this red tape nightmare that you've gotten everybody into. I think you should try and do that, and do it soon.

Hon. Mr. Lane: — Well the hon. member obviously isn't too concerned, because he is keeping his rebates. If he was that pessimistic about it, I'm sure that he wouldn't

have bothered.

Mr. Solomon: — Mr. Chairman, I would . . . because of the fact that the minister doesn't seem to know how the program operates or how it will function, I'd like to move . . . And he can't supply with this House and the people of this province with information regarding questions. He can't answer any of the questions with very much precision.

I move that we rise and report progress and ask for leave to sit again.

(1701)

Motion negatived on the following recorded division.

Yeas — 17

Blakeney	Kowalsky
Brockelbank	Anguish
Shillington	Goulet
Koskie	Lyons
Tchorzewski	Lautermilch
Rolfes	Trew
Mitchell	Smart
Upshall	Van Mulligen
Solomon	

Nays — 26

Duncan	Meiklejohn
Andrew	Martin
Berntson	Toth
Lane	Sauder
Taylor	Johnson
Smith	Hopfner
Swan	Petersen
Muirhead	Swenson
Maxwell	Martens
Hodgins	Baker
Gerich	Gleim
Hepworth	Saxinger
Klein	Britton

The Assembly recessed until 7 p.m.

Corrigendum

Due to a typesetter malfunction, a portion of the verbatim from the *Hansard* No. 108A, Saturday, October 31, 1987 was omitted at the end of page 3784. The following should be inserted:

. . . credit unions and people from across the country. We brought them together and said, could we explore these opportunities?

Now I don't know how you could knock that. You were interested enough to attend yourself. So you may give it credit by showing up and saying, well here's some good ideas; this wasn't; combinations of these may be helpful for some people. So that's why we do it and, I mean, that's how we initiated The Farm Land Security Act, the 6 per cent money, the deficiency payments, the drought payments, was go to the farmers and ask them.

So, Mr. Chairman, I'm saying that if we hold a symposium to provide new kinds of money to agriculture, the NDP's against a symposium. I don't know why you'd be against it. We had people there exploring all the possibilities. If we can get investment money, if we can get savings of other people, or retired farmers to invest in agriculture so that young people have less debt, and if they can get a reasonable return, that would be a good idea if there are ways to do that. We're trying to get new money into agriculture to replace the debt.

The NDP's against that because they're philosophically bound to the fact that it can only be banks. Well it doesn't have to be just banks. It could be people like you and me, other farmers, people in the community — invest in agriculture. Well, Mr. Chairman, we're prepared to look at those alternatives. And that's how we've come up with the other programs that are popular and useful, by talking to people. That's why we held the conference, that's why we'll hold hearings with farmers all across the province, to get their views and their suggestions how to design the programs.

(1200)

Mr. Upshall: — Mr. Minister, I think . . . (see top of page 3875)

[NOTE: The online version has been corrected.]