

EVENING SITTING

SECOND READINGS

Bill No. 81 — An Act respecting Rural Municipalities

Hon. Mr. Hardy: — Thank you, Mr. Speaker. I am pleased to rise today to move second readings of The Rural Municipality Act, 1989. This is the first time in about 40 years that this Act has been revised to catch up to the years where changes were made in farming practices, in ways we collect taxes, and the way the taxes are assessed.

In 1985, the rural law review committee was established by order of the minister of Rural Development. The committee consisted of individuals appointed by the minister, the Department of Rural Development, the Saskatchewan Association of Rural Municipalities, the rural municipal administrators' association, the southern rural municipalities, and the northern rural municipalities.

The terms of reference for the committee were as follows: to study the existing statutes which had reference to the rural municipal system of Saskatchewan; to investigate and make recommendations regarding consolidation and updating existing statutes; and such other matters as they felt was needed. Through consultation with the R.M.s, and administrators, and SARM (Saskatchewan Association of Rural Municipalities), that's how they were to proceed. And they were also to prepare a draft of the new Rural Municipality Act, with the changes recommended by this committee.

In August of 1986, after a year of extensive consultation, the committee on rural law reform presented the report, "Options for Rural Law Reform" to the government. The recommendations put forward by that report, along with the recommendations from a great number of rural municipalities and individual councillors and administrators, have resulted in the Bill that you see here today.

In the new statute, many obsolete or little used provisions of the former Act have been deleted, and where appropriate the statute has been made congruent with the provisions of The Urban Municipality Act, 1984. For example, this Act allows for rural municipalities to control dangerous dogs in the same manners as provided in The Urban Municipality Act.

A significant theme throughout the new Act is increased local autonomy. In the past, municipalities were required in many cases to submit by-laws for departmental approval and, for example, by-laws passed by municipal council to refund, cancel, or rebate taxes on a parcel of property had no force or effect until it received the approval of the department or the minister. In this statute, a council will not be required to obtain the approval of the department on by-laws passed pursuant to this Act.

Under the old Act, municipalities were required to obtain the approval of the Saskatchewan Municipal Board on all long-term loans. This Bill will empower municipalities to

borrow an amount of up to 5 per cent of their taxable assessment without obtaining approval from the Saskatchewan Municipal Board. If the amount is to be repayable within the three following years, no debentures are issued as security for the amount.

Another section of the existing Rural Municipality Act has caused a great deal of conflict and confusion. That is the question of when a residence is to be granted an exemption from taxation. The old Act provided that if the main source of the occupant's income was derived from farming, the resident was exempt from taxation. This attempt to define farmers by the chief source of their income has become increasingly difficult and perhaps counter-productive. Farmers faced with circumstances such as the recent drought and the fluctuation in grain prices seek off-farm income, thus making it more difficult to determine a taxpayers' main source of income. We wish to encourage, not discourage diversification of our rural economies.

Therefore, Mr. Speaker, on the question of tax exemptions, this Bill reflects the recommendations of the rural law review committee and the vast majorities of all rural municipalities. Under this Bill, the tax exemption provisions will include the following: all agriculture related improvements other than residence will be totally exempt from taxation; residence will be assessed, but the assessment of the residence will be reduced by the total assessment of all land owned or leased by the occupant in that municipality or adjoining municipality — in other words, rural residents will be taxed on the excess value of their land or the dwelling, whichever is greater.

Mr. Speaker, this Bill is progressive and responsive: progressive in that there are now provisions which permit rural municipalities to become full partners in economic development and diversification; responsive in that it reflects the needs of the people it serves. This Bill reflects the policy of this government to extend and expand upon local autonomy. Many, many hours have been expended by members of the general public, municipal councils, R.M. administrators, government officials, to ensure that this Act will address the needs of rural Saskatchewan for the next decade and more.

Each and every part of this new Act has been approved by many R.M.s, by SARM, by the rural administrators' association, and by farmers and by ratepayers at many meetings that's been held. Changes in this Act has been asked for and proposed by many different farm organizations, all the way from the wheat pool to the stockgrowers. No Act is perfect, Mr. Speaker, but this Act has had a great deal of input from many and will certainly . . . well-knowledged and versatile people who understand rural Saskatchewan.

Mr. Speaker, with the support of these people, the need to have it in place for January 1, 1999 is there. I hope that this legislature passes this Bill as quickly as possible. It is an important Bill, Mr. Speaker. It will allow for the assistance of rural council to diversify their tax base and broaden it. It's a much needed Bill. It's been waited on for 40 years, and I ask this Assembly, if at all possible, to get it through this year.

Mr. Speaker, with that, I move second reading of The Rural Municipality Act, 1989.

Some Hon. Members: Hear, hear!

Mr. Koskie: — Thank you, Mr. Speaker. I want to have a closer look at those enlightening remarks and detail of the new legislation as proposed by the minister. I understand and I agree with him that a considerable amount of work has been done; that the Bill itself was guided by the recommendations of the rural law review committee, and that there was input throughout the province by many of the R.M.s and the R.M. associations.

There are a number of changes in the particular legislation that, not all of which I'll mention tonight, that we have some concern. But the present Act exempts from property tax property owned and occupied by a school division. In this Act it goes further, to exempt land and improvements owned and occupied by registered independent schools as defined by The Education Act. This is, I think, a recognition of private schools, a thing that has been promoted — with some consternation by the public — promoted by the members opposite. I note also that, not of any major change but it does permit penalties for late payment of property taxes, are increased slightly, and allows a discount for payment of taxes that are paid early.

I guess the other significant indication here is that under the Act . . . The existing Act permitted the R.M. council to become a member of a co-operative association, and under the new bill, it extends the jurisdiction of the R.M. to include non-profit corporation and a business corporation. And I notice in the headlines where the minister was talking to a group of about 50 SARM representatives indicating what this legislation held. The headline that came from that discussion is that, "Rural legislation will allow R.M.s into privatization plan." So their quest for privatization onslaught is continuing and is evidenced in the new legislation.

I want to take a look at the comments of the minister. We have a couple of concerns in respect to the Bill and, having done that, we will indicate our support or otherwise in respect to it. Thank you. I would move to adjourn the debate.

Debate adjourned.

Bill No. 86 — An Act respecting Co-operatives

Hon. Mr. Meiklejohn: — Thank you, Mr. Speaker. It's with pleasure that I rise at this time to give second reading to a new Co-operatives Act. The Co-operatives Act provides enabling legislation for the development of co-operative enterprises in Saskatchewan. There are more than 80 types of co-operatives in Saskatchewan made up of some 1,200 individual co-operative organizations. I would also add, Mr. Speaker, that many new co-operatives have been registered during the last year, some 46 in number.

I take this opportunity to salute the remarkable range of co-operative enterprises which exist and prosper here.

Some of the economic giants in this province are co-operatives. The Saskatchewan Wheat Pool is number one among Saskatchewan's top 100 revenue producing companies, and has been for half a dozen years. Federated Co-operatives, a Saskatchewan retail giant, is number two, and they, Mr. Speaker, have just celebrated 60 years of service to Saskatchewan people.

Just as important to many residents are the smaller co-operatives you will find everywhere in the province. You will find very successful large urban credit unions and equally successful small rural credit unions serving their respective markets. You can also look to the co-operative model for services which would just not be available to Saskatchewan residents otherwise, from services like child and day-care co-operatives and fire protection services to tree planting co-ops.

The importance of the co-operative sector is well known to Saskatchewan residents, and in many ways the history of Saskatchewan is a history of co-operation. The co-op way is also an important way of the future, as recognized in the throne speech, which refers to the government's commitment to building on this co-operative foundation to ensure our future prosperity and to continue to meet the needs of our citizens.

The new legislation will, Mr. Speaker, set the stage for the important role which co-operatives will play as Saskatchewan takes its place in the world. A modern co-operatives Act will ensure that we are fully able to take advantage of the global trade and other opportunities which are presented. The old Act required periodic updating to reflect changes in the market-place and rapidly expanding technology. Essentially, the proposed Act will clarify existing practices, provide better options and greater flexibility, and make the Act more consistent with other provincial legislation.

Hon. members will perhaps recall that the former Act came into force in 1983. At that time a major revision of three co-operative Acts was done. This Bill continues that consolidation and streamlining process with a view to further reducing the administrative burdens of both the government and co-operatives. This new Act, Mr. Speaker, does not affect the civil rights of Saskatchewan citizens and will also reduce administrative costs to some extent. I will be pleased to discuss specific provisions of the Bill in greater detail during Committee of the Whole. And at this time, Mr. Speaker, I move second reading of The Co-operatives Act, 1989.

(1915)

Mr. Trew: — Thank you, Mr. Speaker. I'm pleased to respond to the minister's statement regarding this bill No. 86, An Act respecting Co-operatives.

Co-operatives in Saskatchewan have long been one of three engines for growth. The Leader of the Opposition, the member for Riversdale, has stated that publicly in every major public address he has made since long before he became Leader of the New Democratic Party. And I know from private consultations with that member that it is not simply something that he espouses publicly; it is something that he very deeply believes. He sees our

provincial economy in a state of crisis. He sees a right-wing government that is so ideologically hidebound on privatization that they seem to ignore the other two engines of growth.

It's interesting that for the first time in Saskatchewan's history we have got a minister of privatization and we do not have a minister of co-operatives and co-operative development. I was somewhat interested to hear the minister responsible for this Bill, for seeing it through the House, talking about there being some administrative burdens of government that will be reduced through this bill. And of course that is consistent with everything you have done with the department of co-operatives, and I see in the 1988-89 estimates the co-operatives branch has a grand total of \$681,300 to vote. That is roughly one-quarter of what it was in 1982 when your administration took over as the governing body of Saskatchewan — one-quarter.

In that ensuing time since 1982, we have seen two complete down-sizings of the department of co-ops. And the third one saw it eliminated as a department of its own, and it's now folded in with a number of other departments — a little bit hived off here, a little bit hived off there. And it's creating a huge amount of confusion, a huge amount of confusion with non-aligned co-ops, then on-aligned co-ops being, I think, the co-operatives that have the biggest potential for growth. The biggest potential for new co-operatives is in non-aligned.

By way of explanation of what I mean, I'm not by that saying that the Saskatchewan Wheat Pool, my former employer, is even remotely a has-been company, nor is Federated Co-op a has-been company. That's not at all what I'm saying.

But the facts are that the Saskatchewan Wheat Pool has elevator and farm supply facilities — virtually every place they are ever going to have them, they have them now. They are dealing with a shrinking network as there is . . . the economic pressures are brought to bear to close non-economic units.

And of course we have some natural disasters that speed the cause along, such as the recent tornado that damaged the Peebles elevator, the elevator that incidentally I drove by on Sunday and I can see some phenomenally extensive damage there. But that hastened the closing of Peebles. I'm not sure whether it hastened it by one or two years. The point is the pool is contracting its number of locations. It's not contracting its total dollar volume, but it's contracting the number of locations where it can provide the physical services to its members.

The co-operatives, Federated Co-op and those aligned co-ops, are also shrinking and they're shrinking because we see . . . Under your government's administration, we see rural Saskatchewan depopulating at a rate of nearly 90 per cent per year in the small towns. And this shrinking of the rural population, of course, means that co-ops, that the aligned co-operatives with Federated Co-op, the hardware stores, the grocery stores, have fewer and fewer and fewer people to serve, and ultimately it means they have to close their doors in the smallest of economic units. They have to close either doors earlier rather than

later.

The Speaker: — Order, order.

Hon. Mr. Maxwell: — Mr. Speaker, I wonder if by leave of the Assembly and with the consent of the member who's speaking I might have leave to introduce some guests.

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Maxwell: — Thank you, Mr. Speaker. I thank the hon. member who's on his feet, and naturally, will be allowed to continue as soon as I've finished. Thank you.

Mr. Speaker, it's my pleasure to introduce to you and through you to all members of the Assembly four tourists who are with us this evening. They're from Toronto, Ontario. They're seated in your gallery, sir. They are Larry and Kathie Trimble, and Dick and Cindy Ott who are visiting our province.

We bid you welcome to Saskatchewan, to Regina, to the legislature. We trust you will have a pleasant stay in Saskatchewan, and when you go back to Ontario, you will take very happy memories of our province with you. Welcome to the Assembly.

Hon. Members: Hear, hear!

Mr. Trew: — Thank you, Mr. Speaker. On behalf of the New Democrats on this side of the legislature, we also want to welcome you to Saskatchewan, and particularly to the Legislative Assembly. Hope you enjoy the proceedings this evening for as long as you're able to stay, and safe trip home.

Hon. Members: Hear, hear!

SECOND READINGS

Bill No. 86 (continued)

Mr. Trew: — As I was saying before that happy interruption, the aligned co-operatives tend to be shrinking, not in every case, but tend to be shrinking particularly in rural Saskatchewan where we see the major result of the population exodus of Saskatchewan. It's much more visible when a family moves out of a small village or a hamlet than it is when a family moves out of a city, particularly if the city happens to be Regina or Saskatoon. I'm not saying it's good when families move out of the big city, but it's devastating when they move out of a hamlet or a small village and it just slows the economic benefits that that community has had.

An Hon. Member: — Are you going to support the Bill?

Mr. Trew: — The member is busy asking whether we're going to support the bill. And just to assure the member for Regina south, who is shouting from his seat, it is our intention to support this bill. This Bill is, if you like, this Bill tends to be a result of your government's lack of ability to write the Bill properly when it had its first stab at

it in 1983. And in fact, that time you bungled it so badly that this time you said, well let's just start all fresh. But in looking at the Bill, it doesn't significantly affect co-operatives significantly from what co-operatives expected from your government six months ago.

But we've got some concerns about the department of co-ops because the department of co-ops is no more. Up until recent years there has been a registrar of co-operatives in Saskatchewan, that co-ops could look to that registrar to defend their interests, to speak out for them, to see that they were looked after.

Now the registrar of co-operatives is also the registrar of companies, and we see a direct problem with that in that the credit union system, as you are aware, is in some difficulty over the types of insurance services it can provide. And there is no department of co-ops to defend them, and there is no registrar of co-ops to defend them, because the registrar of co-ops is also the registrar of companies, of corporations, and therefore that registrar is torn between who they should be looking after.

The minister that has brought this Bill forward says, not at all. Well you can tell me that and you can tell the people that. But the credit unions and the co-operatives see, by your government's actions, your lack of commitment to co-operatives throughout Saskatchewan, the co-ops that have built to a large extent the Saskatchewan as we know it today.

You can go to very few villages or hamlets where you don't see co-operatives being very much in the front and centre of the economic wheels of those places.

It is unfortunate, Mr. Speaker, that one of the most profound reasons the minister could give for the passage of this Bill is because it will reduce some of the government's administrative burdens. What a shame that that should be the overarching reason for this Act respecting co-operatives. It's, as I say, very unfortunate for co-operatives that they don't have a minister to speak up on their behalf and a minister to defend them.

Instead we see a government that is just simply so hidebound in its privatization. As I mentioned earlier, there's a minister responsible for privatization and there's not a minister responsible for co-operatives and co-operative development, and that is a shame. That, I think, you will find co-operative minded people throughout the province reacting to. I am hoping that they want to make that something of an election issue when the time comes, because I can tell you, Mr. Speaker, that the Leader of the Opposition wants to see a new, revived, enhanced department of co-operation and co-operative development with some new and exciting ideas, some new ways to help non-aligned and non-traditional co-ops come into being, to help the Saskatchewan people work together, to make Saskatchewan a province that we can once again be proud of.

As I mentioned, Mr. Speaker, we will be supporting this Bill but the reservations that we have on this side of the House is, it's simply a piece of paper and the government's actions show that they don't give a hoot about co-operatives — and that is a shame. Thank you.

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

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Lane that **Bill No. 62 — An Act to amend The Stock Savings Tax Credit Act** be now read a second time.

Mr. Kowalsky: — Mr. Speaker, we are prepared to allow this to go to the committee stage now. There are some technical items in this Bill that we'll want to ask some questions about. It pertains to some minor amendments to the stock savings taxes, so we will be asking the minister some questions on it in committee.

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. McLeod that **Bill No. 77 — An Act respecting the Licensing and Operation of Medical laboratories** be now read a second time.

Ms. Simard: — Thank you, Mr. Speaker. Mr. Speaker, what this legislation does — I'll just capsuleize basically what it does — is establish medical laboratory licensing and quality assurance program. Apparently the board will be appointed by the Lieutenant Governor and will have the power to issue, license, and enforce standards and regulations under the Act.

And of course we support the quality assurance with respect to medical labs; however, there are aspects of this legislation that cause us a great deal of concern and I want to put these concerns on record tonight so that the minister will have an opportunity to consider the concerns that we've raised and be prepared in Committee of the Whole to answer questions we may have with regard to that.

(1930)

the first aspect of this bill that causes us concerns is the fact that it may mean the closure of small labs in rural Saskatchewan, most notably in rural hospitals. Now I understand . . . I have been advised that the minister will be taking some action to prevent that from happening, or to slow down the process by hiring some staff who may go out and upgrade some of the personnel that's out in rural Saskatchewan to make sure that the labs meet quality control standards under the new legislation. However, I fear that that will only be a temporary remedy to the problem, and I fear very strongly that what it will mean in the long term is closure of rural hospital labs. And if it means the closure of rural hospital labs, it's another blow to rural Saskatchewan, Mr. Speaker, and it's another blow to the people living there. And we may very well see people moving more so into city hospitals as opposed to going to their own local hospitals because the lab won't be there in the future. That is the concern I have.

Another concern that has been brought to my attention and raised with respect to this is the fact that some out-of-province large medical labs, large corporations, have come into Saskatchewan and are buying up small labs because . . . And I understand the small labs are selling because they feel they will not be able to meet the standards that will be set under this new legislation. And I have been advised that two of those companies are Metro-McNair is one and Island Medical Laboratories is another, and that they have come into Saskatchewan and in Regina in particular and bought up a number of small labs.

So we're seeing an amalgamation of labs in the province, and I have no way of knowing just how extensive this is, Mr. Speaker, or how far this is going to go, but what we're seeing is an amalgamation of small labs in the province under a large corporate, out-of-province corporation.

Now this is being done on the grounds that it will improve the quality, but we also know that in Saskatchewan lab fees are lower than they are in many other provinces, and we also know that these labs, or we can feel quite, quite certain that these labs will be asking for an increase in fees in the future. So I believe what it will mean is an increase in cost to the health care system because we're importing out-of-province labs to buy up our small labs in Saskatchewan. That causes me concern not just because of the increase in costs, but because I then ask myself the question, why wouldn't the government take the increase in costs and use it to improve the provincial lab in Saskatchewan and create our own made-in-Saskatchewan provincial lab that can do the sort of quality and high-tech work that some of these big out-of-province corporations can do?

Now I have also been advised that this doesn't necessarily mean a deterioration of the function of the provincial lab because the provincial lab will act as a monitoring agency. It will be the lab of last resort where the testing will be done, the sample testing.

But I also have to ask myself whether, over a long period of time, over a longer period of time, when these out-of-province labs get firmly rooted in the province, when these larger corporations get more firmly rooted in the province and start doing more services, whether or not this will detract from the provincial lab and they will then start taking over some of the functions of the provincial lab, and thereby, in the long run, undermine and phase out the provincial lab.

In other words, what I'm saying, Mr. Speaker, is this Bill could be a masterpiece of privatization with respect to medical labs in Saskatchewan in that we end up with a situation where the provincial lab is only doing very minimal amounts of work. And that causes me concern.

Now I will be asking the minister questions on this in Committee of the Whole just to see how prevalent this move is in Saskatchewan. But those are the long-term possible outcomes.

Another concern that I have — and I will be asking the minister this question — is who is going to be performing highly confidential tests such as Pap smears and AIDS

(acquired immune deficiency syndrome) virus testing. Will it be these out-of-province corporations or will this continue to be done by the provincial lab? And I hope, of course, that it's the latter. But I hope that the minister will be able to answer that question during Committee of the Whole.

So in conclusion then, Mr. Speaker, my major concerns are the fact that it may mean closure of rural hospital labs in the long term. I understand the Department of Health is taking measures in the short term to prevent that, but in the long term it may mean that.

I'm also concerned that it may mean a reduction in the function and the role of the provincial lab in Saskatchewan, a reduction in that role in favour of out-of-province corporations or big corporations that have bought up small labs in Saskatchewan.

So I'll be looking forward to Committee of the Whole on this and what the minister has to say in response to that. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

The Speaker: — Is the Assembly ready for the question? The question before the Assembly, then, is a motion, moved by the Minister of Health, that Bill No. 77, An Act respecting the Licensing and Operation of Medical laboratories, be now read a second time. Is it the pleasure of the Assembly, including the member for Regina North West . . .

An Hon. Member: — Pardon me.

The Speaker: — Exactly. Pardon me. Please do not interfere when I'm reading the Bill.

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. McLeod that **Bill No. 79 — An Act to amend The Medical Profession Act, 1981** be now read a second time.

Ms. Simard: — Thank you, Mr. Speaker. When I last spoke on this Bill, Mr. Speaker, I had raised some concerns that the SMA (Saskatchewan Medical Association) had raised with me, and I brought them to the attention of the minister. I believe those are on record at this time.

Very generally then, what The Medical Profession Act does, Mr. Speaker, is it provides a self-governing mechanism for the medical profession. It sets up disciplinary bodies for the medical profession so that when doctors are not performing their responsibilities in the manner that the medical profession thinks is professional or competent, the medical profession can take remedial actions against the doctor. So the Bill is generally that and the amendments generally pertain to those provisions in the legislation.

When I spoke last time I'd indicated to the minister that I had wanted to speak to other people, that I was

communicating with other people with respect to the legislation. And I've now heard back from these individuals, and a number of other concerns have been raised with me, which I want to put on the record for the minister to consider and we can discuss in more detail in Committee of the Whole.

The first concern that was raised with me, and probably the most important one that I'm going to talk about tonight, is the fact that when the medical profession is allowed to register doctors under . . . And I'm not dealing with specific sections now other than to just bring the area to the attention of the minister because the Act is very complicated. But when the council registers and issues a provisional licence to a person, there are certain provisions, certain specific criteria that the council has to look at which is found in section 28(d) and (e) in particular.

Now with respect to registering and issuing a provisional licence to a person, the powers have been broadened inasmuch as, rather than the specific criteria being there, the council has general discretion to issue a licence whenever it sees fit. The logical extension of that is this, is that the Court of Appeal can review a decision on behalf of the College of Physicians and Surgeons not to issue a licence, and the Court of Appeal would review it within the bounds of the specific criteria that is now in the present Act. With a general discretion there, the review powers of the Court of Appeal become not quite as broad, Mr. Speaker, because the council has the discretion so there's less opportunity for the court to review.

So what that means, in effect, is that if the council wants to close the door to a registrant, it may very well be easier to close the door under the new provision. So what that means in the long run is that if the council does not want to register foreign doctors because they feel it doesn't meet the standards and because of the broad discretion, that these doctors may very well not be registered, and the Court of Appeal may have very little review capacity, or ability to review that.

Now if that's the case, the conclusion is that it may limit doctors to rural Saskatchewan because most of the doctors in rural Saskatchewan are foreign doctors, Mr. Speaker. And if we open up the legislation so that it gets easier to preclude foreign doctors from coming in, then we have a crisis situation as far as rural Saskatchewan is concerned, Mr. Speaker.

Now I'm not suggesting that that is what the council is going to do, or that is what the college intends to do, or that is what the government intends. I am saying that I am concerned, the way the provision is drafted, that that could be an end result somewhere down the line. And I think that's a major concern and I hope that the government will take a close look at it before Committee of the Whole.

Another concern that has been raised with me is the fact that the executive committee is given the power to make a temporary suspension up to 90 days. Formerly powers for temporary suspension were only 30 days. I understand the council meets about every 60 days, so the obvious question is: why do you need a 90-day temporary

suspension? Because it would occur to me that the council, when it meets, should be considering that matter because it is a temporary suspension and the person has not yet been proclaimed guilty. The council meets and the person's still suspended for another 30 days by this temporary suspension And I believe it's correct that the council meets approximately every 60 days. So I'm very concerned about this 90-day temporary suspension.

Another concern that has been raised is the fact that the registrar has been given the power to suspend for a period of seven days. And this has nothing to do with the registrar personally, but it has everything to do with the fact that the registrar could go to the executive committee, because there are powers in the legislation for the executive committee to suspend. The point has been made to me that, why wouldn't the executive committee do this? And if it's a question of notice, if it's a question of notice, that notice could be waived with respect to the executive committee in the same way the legislation purports to waive that notice with respect to the registrar. But it was felt that the power should not be located in the hands of one person in that fashion.

The other concern that was raised with me is the amendments that allow the discipline committee, in the middle of a hearing, to stop the hearing and amend the charges and charge the doctor with whatever charge the evidence appears to substantiate. The problem with that, of course, is when a doctor gets on a stand and gives evidence that may tend to incriminate him or her, the committee could then turn around and amend the charge that the doctor may have incriminated himself or herself on. So in other words, if I was a lawyer advising that doctor, I'd say, don't get on the stand and say a thing. So it doesn't help towards the resolution of the original problem.

Now I have also been told that this section may be found in other pieces of professional legislation, but I haven't had an opportunity check that out in detail, and I hope that the minister will be able to advise me on that.

So those are the major concerns that have been put forward in addition to the ones I put on record from the SMA the last time I spoke. The major concern of course, Mr. Minister, and Mr. Speaker, is the fact that the section that we are concerned about may lead to closing the door, it may lead to closing the door to some applicants who could otherwise, under the present legislation, obtain registration in Saskatchewan, and what ramifications that may have with respect to doctors in rural Saskatchewan. And I'm going to ask the minister to take a very close look at that and come forward with an amendment that may alleviate that concern. Thank you.

Some Hon. Members: Hear, hear!

(1945)

Hon. Mr. McLeod: — Mr. Speaker, I'll be very short in this, but I want to just say to the hon. member . . .

The Speaker: — Order, order. I must, prior to the minister speaking, bring to the attention that the minister is about to close debate and anybody else who wishes to speak, I

ask them to do so now.

Hon. Mr. McLeod: — Thank you, Mr. Speaker. In closing debate, I don't want to get into any detail at all, Mr. Speaker, but I want to say to the hon. member, the critic for Health across the way, that I've listened carefully to her remarks on this Bill and on the one just previous, have made some notes, and we will certainly get into those detailed discussions in Committee of the Whole, and I'll come prepared with the information that you require. So I'm sure we can pass this Bill with no problems at all.

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Swan that **Bill No. 51 — An Act to amend the Uniform Building and Accessibility Standards Act** be now read a second time.

Mr. Tchorzewski: — Thank you, Mr. Speaker. I was not here the day when the minister moved this Bill so I was not able to make my remarks at that time and I want to do that here today, the Bill having been adjourned when it was introduced. I don't have many comments that I want to make but I want to point out some inadequacies that I think exist in the Bill, because I think more could have been done, although there are some improvements. I want to be the first to admit to that.

These are very mild and minor changes. There's nothing dramatic here. The existing statute is not going to be greatly altered if these amendments pass, and I see no reason why they won't pass. We're not going to stand in the way of that. But it's unfortunate because there exists in this province, as I know in other places, but particularly in Saskatchewan — I know more about the situation here than I do in other provinces — there is indeed a very great need to make our public and private buildings more accessible to all Saskatchewan citizens.

There has been progress in some isolated cases, but we have a great deal more to do and much farther to go than what we have done under any government. And regretfully, this particular Bill does not get the job done and does not go near far enough.

Members of the House may recall something that happened here in Regina earlier this summer when two members of the Regina city council, I believe they were Alderman Gray and Alderman McKeown, accepted a challenge by a group of disabled city residents who were appearing before city council on exactly this kind of an issue. I think that that challenge which they accepted, and what they did in the process, was very revealing. The press was very good to report, sort of, one could say, blow by blow on what was happening and the experiences that they had.

They took one whole day in a wheelchair and they found out, as they indicated in the reports that they gave, that it is far more difficult a life that handicapped people have to lead because of inadequate accessibility than most of us who don't have that kind of a difficulty to face realize. They couldn't open doors, even, at the City hall, with any great ease. They had difficulty entering places that are just

the kind of places you would think anybody should be able to get into easily, because they are facilities in which they have to do important work — personal kind of things, pay bills, get information, and so on.

So I don't think we can, in this province, as was discovered in this city, take a great deal of pride about such things as equal opportunity and universal access to services. And so, Mr. Speaker, this Bill, I say again as I said when I began, could have gone a good deal farther than it does towards ensuring genuine accessibility to all of our citizens. And as I read through the Bill, which I did some time ago, Bill 51, the changes it will make, I think, can be outlined as follows.

The first one, the Saskatchewan Building and Accessibility Standards Appeal Board, is expanded from six to eight people. That really does nothing other than add another two people to the appeal board, which the minister can then appoint and maybe reward a couple of friends or of either the minister or some friends of the government.

Local authorities, whether they're towns or cities or whatever, but local authorities will be able to pass by-laws dealing with building standards, in addition to the provincial regulations. These by-laws must be filed with the minister, who can then disallow them. I don't find any great disagreement with that provision, providing that this provision does not get used to such an extent that it makes the whole intent of this legislation null and void in the practice.

Local governments will be able to hire inspectors and pay them to look into compliance with the Act, another financial burden that the government is putting on local municipalities without providing any kinds of additional funding so that they're able to do these kinds of things.

It's fine to say, we're going to give you the authority to do this, this, and that and something else, and in some cases, as we find in other legislations, we're going to make you these things, and then also at the same time talk about local autonomy. But I remind you, Mr. Speaker, and the members of this House, that local autonomy, by just saying it, is meaningless if there aren't the resources by which one can implement the decisions that local authorities would choose to make from time to time.

Another provision in the Bill provides for exemptions for local authorities so that they will no longer be . . . The exemptions will no longer be available. But I find it of some interest that, at the same time as that change affecting mainly public buildings is made, there is another loophole open for this government's friends in the private sector who don't want to comply with accessibility standards.

I don't know why we wouldn't apply the same standards to Climax, Saskatchewan, or Regina, Saskatchewan, as you would apply to Saskoil. Something there, Mr. Speaker, kind of flies in the face of the sincerity with which this particular legislation comes.

I note in the Bill that building owners are granted more leeway in complying with the regulations than they are

able to have now. And where "it is impractical" for a building owner to comply with accessibility standards, a permit can be issued by the chief inspector exempting the owner.

Of course this chief inspector can be hired privately. And if this is applied to some degree strictly, that's fine. But it most certainly opens the door for some favouritism. If you happen to be a person who owns a particular building and you have friends in the right places and can make a persuasive argument, it gives you an opportunity to be able to get that exemption. I hope that this in fact doesn't happen in many cases, but I think that opening the door this wide in this way certainly provides that opportunity.

Now also, as if the government hasn't learned anything from attempts to privatize SaskPower or the marketing of oats or the potash corporation or SGI, there's also in this Bill, once again, as there seems to be in every Bill this government brings forward, some privatization provisions. Because in here, clause 5 provides very specifically for private companies to become involved in inspection services.

No longer are we interested, it seems, in providing standard inspection services that will be applied uniformly in a central way, co-ordinated way. Now we're going to fragment those kinds of services and you're going to find that those kinds of enforcement procedures and inspection procedures are not going to be provided in a standard form from one end of the province to the other. And I think it's going to lead to some considerable difficulty.

So all in all, I think it's fair to say these are minor change and of little consequence to the disabled citizens of this province who deserve better than these kinds of feeble amendments. I think it's fair to say that the passage of this Bill will not result in any practical improvement in accessibility to buildings at all and I regret that very much, and so should we all.

Now Bill 51 contains some small changes that both strengthen and elsewhere weaken the existing Act, and it is a worthwhile question to ask just why it is that the government couldn't have done better than what I consider a deficient effort.

But I want to now turn to another difficulty I see in the process that has led up to this Bill, and I raise this because time after time after time we hear the Minister of the Environment, the Minister of Health, the Minister of Urban Affairs, all of the ministers put a heavy emphasis on the need of consultation. They talk about how they consult everyone. Well talk is cheap but it doesn't mean very much when in practical sense it ends with the talk and does not take place in reality. Some of the greatest deficiencies in this Bill, Mr. Speaker, is the fact that there was almost no consultation directly with groups who are going to be affected by the legislation or the lack of provisions in the legislation.

I want to relate to you some of the things that happened. The day after this Bill was introduced, my office staff and I either telephoned or visited in person a number of the organizations representing disabled people to ask them if

they had managed to get everything they wanted in the new Bill. We did that. And do you know, we were extremely surprised to find that a long list of groups and individuals either representing or providing services to or doing rehabilitative work with the disabled had not even heard of the government's intention to introduce this legislation. So much for consultation. There was none.

These are the people who are going to be affected, but nobody bothered to ask them, nobody bothered to send them a copy of the Bill. Nobody bothered to say to them, we're going to introduce some legislation; do you have any suggestions? They had not even been given the courtesy of the most preliminary type of consultation — not even a mention to a board member or the permanent staff at The Voice of the Handicapped. Can you imagine that?

Now the Canadian Paraplegic Association offices in both Regina and Saskatoon had not heard of this Bill or any of its content at the time that it was introduced. The Canadian National Institute for the Blind, which does rehabilitation work for blind and sight-impaired people, had not been asked for any input at all. And neither had the Canadian Council for the Blind nor the white cane club of Regina. Neither had the disabled persons employment centre, just to give you some examples.

Now what is even more . . . well, I don't want to use too strong a language, but more disappointing, is that even a member of the recently named advisory council that the minister has appointed sheepishly admitted to my office staff that he had never been consulted. This is a member of the advisory council and he had never been consulted and knew nothing about the Bill. He was unaware of what was in the Bill. So I say that perhaps the minister could now — and maybe he's done since, after the fact — provide to this person and other members of the advisory council with information about the effect of these amendments. I suspect they're not going to object because they're quite innocent other than what I raised, the problem of the way the inspections are now going to be run.

(2000)

And so I simply wanted to take part in this debate to raise those points because I think whether it's this government or whether it will be our government some day or whether it's some other government, the most important thing that we must always remember is that we are here for one purpose and one purpose only, to serve the people of this province. And we really don't serve them very well if we do not take the time, when we are the legislators, to find out from them whether the legislation we're dealing with is appropriate for them.

This isn't a big Bill, and it's not one that I would want to stand up for an hour and carry on a big prolonged debate. But the fact that these people were not consulted, I think, is a very big issue. They were concerned . . .

An Hon. Member: — They were consulted.

Mr. Tchorzewski: — Oh they were consulted, yes. Well sure they were. The member from Shaunavon says they

were consulted. I'm sure he knows whether they were consulted or not. The fact of the matter is that when we contacted them, they said they had not been consulted, they didn't know what the content of the Bill was. They weren't even informed that the Bill was introduced by the minister or by the government.

So I simply say, Mr. Speaker, having set out those things, that we're not going to stand in the way of this legislation. We're going to allow it to pass because it has some minor improvements. There are some danger signals that I wanted to raise for the record.

I suspect there's reason to believe that it won't be too long before there is an election in this province and things will change, and we're going to have some realistic legislation on these kinds of issues such as accessibility, as well as many other things, and being to recognize the fact that, simply because those of us who are able to comfortably get around in a place like this, are not the only people in our communities and our society.

There are many others who find it more difficult to get around. They should be provided the same kind of opportunities as we are able to avail ourselves of. And those are the kinds of changes, I can say without any reservation, that we are committed to bringing about when there is an election and when there is a change in government, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Swan: — Mr. Speaker, I want to close debate.

The Speaker: — The Minister of the Environment is indicating he wishes to close debate. If somebody wishes to speak, let them do so now.

Hon. Mr. Swan: — Mr. Speaker, I will only take a few minutes in closing debate on this Bill. The member has been up speaking and making a lot of accusations that I think need response.

He indicates that all of these different groups in society have not been contacted. If he had studied the Bill he would find that the Bill is a very narrow Bill that deals with R.M.s and the inspection of buildings.

The only reason that the Bill came forward is because in last year's Bill and the regulations, there was a clause that exempt . . . that people could opt out and not do the inspections. That simply doesn't work very well in Saskatchewan with a province that the . . . sparsely populated province that we have.

We have contacted the R.M.s and SUMA (Saskatchewan Urban Municipalities Association) and indicated to them the problem that we were having and the need that we saw to introduce this Bill, to make the regulations that were put in last year operate properly. That was the only purpose for the Bill. All of the groups that the member is criticizing me for not contacting had worked with the department for almost two years to put in place the Act that was passed last year, plus the regulations that were passed. They are perhaps the most forward looking Bill

and regulations . . .

The Speaker: — Order, order.

Hon. Mr. Swan: — The legislation in the Bill this year, and the regulations, give us perhaps the most forward looking, forward operating methods of building accessibility of any province in Canada. And I'm very proud of the Bill and I'm proud of the way that our government and our department has worked with the public of Saskatchewan to be sure that the concerns of all of the different segments in our society have been met. Mr. Speaker, I move second reading of the Bill.

Some Hon. Members: Hear, hear!

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Hepworth that **Bill No. 53 — An Act to amend The Public Libraries Act, 1984** be now read a second time.

Ms. Smart: — Thank you, Mr. Speaker. I'm pleased to speak on this second reading tonight to the Act to amend The Public Libraries Act of 1984. This piece of legislation is to establish the Northern Library Office. There has been a library in the North operating for some years out of La Ronge and this amendment to The Public Libraries Act creates the library office with its own board and means of operating out of northern Saskatchewan.

My main concern, of course, would be that the government fund the public library properly in northern Saskatchewan. This piece of legislation sets out a very ambitious program for northern Saskatchewan. I assume that the office will be operating out of La Ronge, although I'm not certain of that. But it will have to operate out of some community that can reach a very vast area of the province, and in order to do that, it's going to have to be very adequately funded.

The record of this government in funding public libraries is not good. The funding has not maintained the level to keep up the good service that we've had in the past in Saskatchewan, when people were coming from all over North America to see the regional library systems that have been developed here, the total library system co-ordinated out of the provincial library office.

The provincial library office has now been subsumed into the Department of Education, and this library in the North will be separated and established out there on its own with a lot of tasks to do. And my main concern as a librarian would be that the staff be hired to do the work that's required by this piece of legislation, including providing bibliographic services and a lot of advisory services to the small communities.

This piece of legislation incorporates the school libraries with the regional college libraries and the public library system. It's a different approach than what we have in the rest of Saskatchewan because in the rest of Saskatchewan the public library system is quite separate from the school system. I can see the reasons for integrating the two and

hope that that will lead to a strong library service for northern Saskatchewan.

It is a very important service to be developed and will be dependent totally on government grants, I'm sure. I don't know how the North with its already desperate situation in terms of revenue will be able to raise money from any other source. So the board will have a terrific responsibility and it's very important that the government provide them with the funds to do so.

The board is going to be able to hire a chief librarian, and in order to do that they will have to have a qualified person with professional training. Again, that's going to mean money. Again, I worry about the level of financial support that the library will have because, as I say, this government opposite has been reducing the funds to the public library system in the rest of Saskatchewan.

Some Hon. Members: Hear, hear!

Ms. Smart: — In fact, the minister responsible for the libraries has made much all the time of fostering the knowledge-based economy, etc., and going into the year 2000 with the information age, and yet at the same time he's been very destructive of the library system in not maintaining it and not providing it with the funds it's needed.

A library system is a very complex unit. It involves books, obviously, but now it's much broader. It involves video services and other resources, films, records, reference materials that are very expensive, periodicals. All this material — and a data base, the computer connections — these are all dimensions of the library as well as the staff, and I've already mentioned the need to have trained people there and enough staff to do a good job. It's a big area to cover and a tremendous demand for materials, I would think not only in English but also materials in the languages of the North, in Chipewyan and Cree, and that those should be provided as well.

It will be quite a challenge to reach the communities up there and a very good opportunity to provide a learning resource that can be used by all members in the community, not just the children in school and not just the children in the . . . or adults in the community colleges, but people of all ages to be able to use a library to get the information that they need and to have the reading materials that are important to them, and the information materials because, as I said, it's gone beyond books — it's gone into all sorts of other kinds of materials. And service to people who are closed in in their communities, especially in the winter-time, will be a real challenge.

I can think that the problems, even of transportation, will be tremendous. And this is a government that has cut the food subsidies to northern Saskatchewan, will not provide adequate food for the North, and here they are setting up the Northern Library Office. I don't, frankly, trust them to fund it enough to make it a strong library service. I urge them to. It is very important to have this resource.

And I think in Committee of the Whole we will be asking

some more questions about how this library system is going to work. I hope it will include native people. I understand it's going to have representatives from the Indian bands in the area, but I hope that the definition of people in the North will put an affirmative action policy in place in terms of making those northern people native people, because they're the ones that are in the small communities and they're the ones that know the resources that they need in all the small communities in northern Saskatchewan, from more than people who have been living and settled just in La Ronge or wherever this library is going to operate out of. I don't think there's anything in the legislation that designates La Ronge as the place for the Northern Library Office, but since most of library development has been done in La Ronge, I assume that that's where it's going to be.

It is a tremendous responsibility to operate a library like this. One of the problems with having school libraries integrated with public libraries is whether or not there will be censorship of the materials that are in the library. In the southern part of the province, the reason why we keep the two system separate is so that materials that are in the school system that are designated just for children will be kept that way, and that in the public library people can have freer access to information and to resources from wide points of view that some people try to keep away from children. I assume that with this integrated service in northern Saskatchewan that there will not be censorship, that there will be open purchasing of materials and making as broad a number of resources available to the people as possible.

So to reiterate then, I guess my main concern is that this government fund the library that they're proposing with this legislation, and that it not just die on the books as a piece of paper, a piece of legislation that they will give a lot of public relations to and say, oh well now we've established a library in the North; here we have in the legislation coming through.

But without the funding the library will not exist, and it will not have the strength that it needs, any more than the libraries in any other part of this province will have the strength that they need in order to be the resources that we need in order to continue to be part of the information age in the world. So the important point is to fund it. And we will be watching very closely to see how strong this library will be.

It's a challenge to the government opposite. And as I say, it's a government that's reduced the food subsidies, cut out the food subsidies to northern Saskatchewan so that food now is much more expensive up there. Now they're proposing to build a library system up there which I frankly don't trust them to fund to the level that it needs to be funded in order to be the strong library system that it needs to be. I urge them to be very careful to maintain a tremendous involvement of native people in the development of this library, and I also emphasize again that an integrated library like this must be a library that is open and provides a wide variety of resources.

(2015)

The funds must be available for qualified staff, including

the chief librarian, who should have at least a master's degree, and other qualified staff with librarianship training. Sometimes when people don't understand libraries, Mr. Speaker, they think that a library can just be run by somebody who likes books. But because it's a very complex system, it needs people who've been trained in running it and organizing it and in collecting the materials.

I hope that there will be money for the transportation of those resources across the North in the dead of winter — very expensive but it will be important to keep the resources circulating and going out from the Northern Library Office to those smaller communities. That's a tremendous challenge and I wish you well in it. I hope that you will do it well. I don't see, from past experience with the government opposite in terms of their care for libraries, that they will do that, but this piece of legislation challenges you and it challenges you strongly to provide good service to northern Saskatchewan.

We will have more to say, I think, in Committee of the Whole. We will not be opposing this legislation. We just urge that the libraries be strong and be good. Thank you.

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Hodgins that **Bill No. 71 — An Act to amend The Renewable Resources, Recreation and Culture Act** be now read a second time.

Mr. Thompson: — We have a number of concerns about this Bill, Mr. Speaker, but for now we are prepared to let it go into committee and when we get in it clause by clause we will be asking the questions pertaining to this Bill. So for now, Mr. Speaker, we will let it go into committee.

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Lane that **Bill No. 63 — An Act to amend The Revenue and Financial Services Act** be now read a second time.

Mr. Kowalsky: — Mr. Speaker, this Bill stipulates how a government proposes to deal with small-business people across this province as it goes about to collect its ill-conceived lottery tax from these people. We will be opposing this Bill in the strongest manner possible, Mr. Speaker.

We have stated our opposition to the hospitals tax repeatedly in this House and will continue to represent the people of Saskatchewan who have voiced their opinion in many ways through the press against this ill-conceived concept, this tax on lotteries which is somewhat of a threat to business people. It's certainly a threat to those who are the benefactors of the money raised through the lottery schemes. I want to, in my remarks today, mention and indicate to the government members opposite just how this Bill does affect small business; in what ways and why it is that they are so concerned about it.

If you contact any small-business men who have a lottery kiosk or is a vendor, they will have told you that they appreciated vending these tickets over the last few years for a couple of reasons. There was a bit of revenue in it — not much. Most of them were not doing it for the revenue with the exception of the speciality shops in the big malls. More importantly, they were using it as a drawing card. Most of them were put into small shops that stayed open and did business with small items like chocolate bars or small meals or magazine sales. In some cases in small towns they were community organizations that were involved in the sales.

And they're finding that suddenly the effect of the tax has been to take their revenue and decrease it in two ways — the revenue that they're getting from the sales themselves, from selling the lotteries because they're selling less, far less; and secondly, just the other material that they used to be able to sell as people came into their stores — the milk cartons and the cigarettes and candies and magazines and so on, that they would ordinarily sell.

Now their remarks are, first of all, that this tax is a nuisance. To them as business people it's a nuisance, because you have to collect a tax, an extra 10 per cent tax on material that . . . on these tickets, whereas any other tax they've ever had to collect was only the existing 5 per cent tax. So first, it's a nuisance from that respect.

The other reason it was a nuisance is because they found that they're having to take a lot of abuse now on the part of the government, abuse coming through them which really should be coming to the members of this government for implementing this tax. In fact, one lady was indicating that she had a person that actually tossed the money at her, tossed the tax money at her and stated how distasteful it was and what abuse she had to take just because of the implementation of this ill-conceived tax.

All business people are telling us that the message that they're getting from the people who purchase the tickets is that this government is too busy selling and too busy taxing and not paying enough attention to ordinary management of affairs of a government as it should. They're calling it the sell and tax government. This government sells and then it taxes.

They see the government selling and privatizing, selling off everything, and then the money is wasted; it's given to the larger corporations rather than circulated in the province. And then in return, what the people of Saskatchewan have to do, the residents of Saskatchewan get tossed one tax after another. And this one seems to have been the last straw.

The business people whom this particular Bill affects mostly, finding in many cases that doing that extra calculation at month end is time-consuming — and even in some cases where they've had small shops where you're just perhaps selling gasoline, and you get a person coming in to buy gas once every half hour in a small town, or once an hour, and the person that sells the gasoline might be a mechanic, or skilled person that might be paid in the vicinity of 10 to \$16 an hour — they find it very difficult to rationalize in their minds why they should be

getting this person running from the back to sell a ticket and then do the calculation of the tax and spending all this time making change, when what they're getting is a maximum of \$21 a month for collecting the tax if they collect up to \$700 worth of tax, and after that it's 1 per cent. That's not very much. They're prepared to do it because it's the law, but they're telling us what kind of a nuisance it really is.

The people who have some small operations have had difficulties with tills, and I want to repeat that to the member from Regina South in particular, who found that very amusing. I thought that perhaps he ought to understand a little bit about tills, so I'm going to spend a moment once again to explain it to him.

The difficulty that some small-business people found themselves with, Mr. Speaker, was that in many tills they're programmed, or some tills are small enough they might only have one or two buttons for doing the tax calculation on. So if it only has the 5 per cent button on it, then they would just simply have to do the calculation by hand after work, and it can take him an hour or two to calculate their tax collected from lotteries.

In other cases, people have had to commit themselves to an expense of \$50, which seems to be the average price for reprogramming their tills in order to collect this tax so that their tills would accommodate the new tax. Some places have gone to the expense of purchasing new tills, which can result, which has resulted in expense of 3,000 to \$5,000, and that again can be . . . It'll take them a long time to get that money repaid.

So I close my remarks with that summary, Mr. Speaker, of why it is that small people in small businesses, why it is that vendors and kiosk operators are so opposed to this tax from the business point of view, from the business point of view. They ask that this tax be dropped as soon as possible. They would prefer it would never have been implemented. They wish they had been consulted. They see that with the drop in sales they are seeing, that there's no way that the sales are going to produce enough revenue and taxation to be able to make up for the loss that the lottery corporation and Sask Sport Inc., who operates the lotteries, will lose because of the implementation of this tax. We will be voting against this motion.

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Klein that **Bill No. 60 — An Act to amend The Northern Municipalities Act** be now read a second time.

Mr. Goulet: — The Minister of Urban Affairs, the member from Regina South, of course, stood up and yapped from his seat as usual.

The Speaker: — Order, order. I'm sure hon. members don't wish to get into the habit of using that type of language in reference to another member, in reference to another member, and I would just like to draw that to the

hon. member's attention.

Mr. Goulet: — Thank you, Mr. Speaker. In regards to language use in the House, I'll respect your ruling.

I would say that the member from Regina South must have suspected there was something wrong with this Bill, because he said, don't get angry about the Bill. He knew, of course, that there's a lot of issues relating to northern municipalities that are not addressed within this particular Act.

I must say that this Act is generally one that brings the proper amendments in line with The Urban Municipality Act and that indeed most of the things that were introduced, such as the issue of dangerous dogs and animals, were the ones that have been introduced in the amendments for The Northern Municipalities Act in Bill 60.

(2030)

We also look at the issue of fiscal responsibility and also the area of development corporations and so on. I might add on that point, Mr. Speaker, that a lot of the communities did have regional development corporations that they had worked on over the past two or three years on both the west side and east side of northern Saskatchewan. So this Act does not introduce anything new to them in that aspect except that this is one that goes on particularly at a different level.

So the Act also looks at certain things like requesting that administrative offices be put in for communities that have at least 500 population. The old standard was 1,000. It also says that they need to have . . . The acting clerks in these communities will require certification. I have really no problem with that goal except that in certain particular instances there will be people who need training. I recognize there's a grandfathering in regards to that, but there's always people in the smaller communities that just make it in, that may have a tough time meeting that particular aspect of the legislation. And of course exceptions are always made in that regard and I hope that that will be done in particular instances that that has happened. In most cases communities are always, in their own goals, wanting to ask the best certified person in the . . . the best qualified person in the community, but sometimes they are not ones who are certified.

But I must agree, Mr. Speaker, that it is indeed a good goal and something that needs to be worked on by every single community in northern Saskatchewan. The thing that's very . . . So I must say in general, Mr. Speaker, that there's a lot of things in this Act that are very regular, that need to have been brought in and I commend the minister, you know, for doing so.

But the two major points that I really found objectionable in the North were related to store hours and the independent schools. Now we don't have too many Superstores in northern Saskatchewan and we don't have the large-scale stores that we do have in the larger cities here in Regina from whence, you know, the contradictions to this problems rose. We do have a Hudson's Bay Company in the North and so on and other

stores, but the whole issue of store hours is not something that I have heard many mayors talk about, many councillors bring about. It just really hasn't been a major issue.

Most of the people will talk to me about the unemployment rates of their citizens and so on, and the fact that this government is just not living up to the hiring rates at the mines, and also the fact that they said that look, the big companies up there which the minister is supporting down South, the big stores and the big companies, well they're making lots of money. The big mines are making lots of money. They made \$700 million for example in uranium last year. And this particular government saw fit to give them an extra \$7 million as a royalty tax holiday.

And these are the types of issues people talk about. What they're saying is this. Why doesn't the minister provide us with a lot of dollars to train our people to become certified clerks and to make sure that we have enough money to help the smaller communities who simply don't have the numbers to provide for a decent level. And these are the issues that people are really, really talking about in northern Saskatchewan. So this idea of introducing the big business buddy strategy up in northern Saskatchewan, it really wasn't one of the hot issues of the North. So I must remind, you know, that minister about that.

The other thing is independent schools. I really haven't heard much mention about independent schools in the North, but really the underlying theme behind this . . . and I see the same thing occurring in the debates between independent schools, private schools, and also the whole debate about public schooling. And I do know a little bit about that history on the debates, you know, that were taking place not only in North America a hundred years ago, but in England.

And most places a long time ago simply only had private schools or independent schools as the minister states in here. And I might add that during that time only the people who were very rich could afford to send their children to the private schools. And a lot of the ordinary people were never able to do that.

I might add on that point that a lot of people would have wanted . . . of a Roman Catholic tradition in northern Saskatchewan wanted to come down to school in many cases to the South, but they never did have the money to be able to afford it. And that's why a lot of the people did change their mind to have a greater support for the public school system, and because the tax base that is provided at the local level and at the provincial level was very important in supporting our public school system.

And this exemption from taxation for the independent schools is a round about way in providing the long-term strategy of privatization by this province.

We are seeing that in the resource sector, we are seeing that in the services sector where the potash corporation of course is now privatized. We'll be seeing that in SaskEnergy and we see that in privatization of dental care in the South already. So the privatization strategy of the

government is essentially at the root basis of this clause in there. They know that they want to establish more privatized schools in the adult education sector and more likely in other sectors of schooling as time goes on. This is only an introductory phase of the privatization of schooling. So I see the exemption of taxation in that regard.

But the minister also knows that SUMA has stated very clearly that they oppose such a thing basically because they lose about, I forget, something in the range of 200,000 or so. I forget the exact figures, but it's a lot of money for the towns. And in regards to the North, of course there really isn't a tremendous amount that comes from independent schooling and taxation as such.

But who knows, in a 15- or 20-year period as we look into the future the North is going to be one of the only places in the province that's going to be developing. We have the mineral resources that are up there, the forestry resources, providing that we don't give them away to all the private corporations of the world, that indeed we could have good development occurring in the North.

And as we look at this legislation, therefore, I might say that because of the two questions, the store hours issue and the independent schools, we will be opposing this legislation and raising more questions at committee.

Some Hon. Members: Hear, hear!

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Klein that **Bill No. 26 — An Act to amend The Planning and Development Act, 1983** be now read a second time.

Mr. Van Mulligen: — Thank you, Mr. Deputy Speaker. In speaking to the Bill I just want to briefly review some of the provisions of the Bill, make some few brief comments.

Upon review, the Bill seems to have three major areas. One is a series of technical amendments, and I might say highly technical amendments which would do things such as allow local development appeal boards more latitude in scheduling their meetings, clarifying the jurisdiction of appeal boards, streamlining the subdivisions approval process, provide greater flexibility in meeting public reserve requirements, waiving the requirement of ministerial approval of amendments to municipal zoning by-laws, and improving intermunicipal planning.

The second major area deals with the matter of ownership of public reserve land. And it's proposed that ownership of public reserve lands, which are set aside as parks and buffer strips as a result of a subdivision approval process, will now be transferred to municipalities. I should point out that municipalities have historically maintained these public reserves, but have not had ownership to them. So it's proposed that ownership be now transferred to the municipalities.

The third area deals with recreation cottage subdivisions in northern Saskatchewan, and the amendments are intended to deal with about 15 recreational cottage subdivisions in northern Saskatchewan in the northern administration district. It does not apply to any of the existing northern municipalities as such. It used to be that cottagers were allowed only to lease lots from the government, and given the change in policy as a result of the government, cottagers may now purchase the land on which their cottage sits.

The orderly development of these recreational subdivisions used to be controlled through provisions in the leases. That is to say, a lease could stipulate that your cottage, given the land that you're occupying, your cottage must be situated in a certain way, face in a certain direction, have a certain kind of set-back, must provide for a certain access on the part of the public, say from part of the area to the lake front, and the like.

But since this type of control can no longer be exercised now that the leases have been eliminated, the amendments make provisions for these subdivisions to be designated as planning areas for the enactment of land use plans and development controls. And they would now be subjected to the same type of planning and development process which now exists to regulate planning and development in our cities, towns and villages.

Many of the amendments that are before us have been requested by municipalities and respond to their concerns, and I feel that they should be supported. The amendments concerning northern Saskatchewan I believe are a necessary step towards establishing land use controls in the northern Saskatchewan administration district. We have some questions about the process of planning, questions that we will raise in Committee of the Whole.

But I want the minister to consider between now and then the question of public input. That is to say in most instances in Saskatchewan where you have the public planning process, communities are small enough so that the councils that are making the decisions are very much aware of the issues, because the communities are small enough that all members are familiar with the issues and are familiar with the properties and are familiar with the concerns that might be raised with people in the community about any planning initiative.

In our larger communities, it's more than likely that you will have citizens appointed to planning boards to give advice to the council; planning boards that will have representation from geographical areas in the cities and also representation from various interest groups in the cities that might have something to add to the planning proposals that a council needs to consider. So the council then relies on planning boards comprised of citizens to give it advice.

(2045)

Now there is no such provision, no such provision in this Act. This is simply a matter of bureaucrats doing the work to determine whether or not a planning proposal is sound

and should be supported by the minister who will have the right to issue the necessary permits. And I want the minister to consider the fact that here he is located in Regina. And some hundreds of miles distant you have a proposal for planning that he's going to say yes or no, but based solely on the input from bureaucrats.

And I want the minister to consider whether or not it might be in the best interest of all concerned for him to appoint some citizens' advisory board that might provide some input along the way as to whether or not a particular planning proposal makes sense, not only for the recreational cottage subdivisions, but also makes sense from the point of view of the interest of the people in the North, and also might make sense from the viewpoint of the minister himself as the person who must ultimately provide the permit or give his approval.

Those are my comments, Mr. Deputy Speaker. We certainly will support this Bill on second reading. As I indicated, we will have some questions in committee and look forward to that stage of the Bill. Thank you.

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Klein that **Bill No. 87 — An act to amend The Urban Municipality Act, 1984** be now read a second time.

The Deputy Speaker: — Why is the member on his feet?

Hon. Mr. Klein: — Before my critic gets going on his remarks I'd like leave to introduce a guest if I might.

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Klein: — Thank you, Mr. Deputy Speaker. I'd like to thank my critic because the guest that I am introducing to you and through you to the Assembly will be of interest to my critic. I have with me my colleague from Manitoba, the Hon. Gerry Ducharme. He is the Minister of Urban Affairs as well as the minister of housing in the province of Manitoba.

And he comes with a wealth of experience, having served for a half a dozen years as alderman in the large city of Winnipeg. And I'm sure that he will listen to my critic's remarks with interest, and I would like everybody to acknowledge his presence this evening.

Hon. Members: Hear, hear!

ADJOURNED DEBATES

SECOND READINGS

Bill No. 87 (continued)

Mr. Van Mulligen: — Thank you, Mr. Deputy Speaker. I might say that Mr. Ducharme's reputation precedes him. He's well-known for his time on Winnipeg city council, and we too would welcome here to the Assembly.

The Bill that we are now discussing, Mr. Deputy Speaker, has a number of amendments to The Urban Municipality Act, but the amendments break down into two major areas, one area that we can support, another one that we have very strong misgivings, and I guess more appropriately, I would say that we would have very strong opposition to.

The first aspect of the Bill deals with providing for a ceiling on tax discounts. The Act now enables municipalities to pay discounts to taxpayers who promptly pay their property taxes. Now some resort villages have abused this particular provision as a way for their property taxpayers to avoid paying all of their fair share of the education tax, or the education portion of the property tax, the taxes that should be going to the local school boards.

Many cottage owners over the years have taken the position that for them to pay property taxes that go to school boards for their cottages represents a system of double taxation. They point out that they have properties, same as cities and towns and villages of Saskatchewan on which they pay property tax, part of which goes to the municipality for municipal services, but also a part of which, perhaps half, might go the local school boards to support the educational opportunities, to support the educational system in their local community.

But in terms of their cottages not only are they expected to pay, and rightfully so and there's no argument about this, taxes to the local municipality, to the resort village for the maintenance and improvement of local municipal services that they all enjoy, but they're also expected to pay taxes to the local school boards even though they don't necessarily live in these cottages year round, even though there's no or very little likelihood that any of them will ever avail themselves to the educational services in those municipalities, in those school boards. So therefore over the years they have resented paying this additional tax, or what they see as an additional tax.

Now whatever merits there may be for changing the system that we have and the system that they supposedly chafe under, whatever merits there may be a major decision about changing financing, local government financing, needs wide consultation and discussion and must involve the provincial government. If there is to be a change it should result from a conscious and informed decision.

As a result of the loophole that exists now in The Urban Municipality Act, we have some resort villages trying to do through the back door what they cannot achieve through the front door. And in the process I believe they are setting the stage for disputes between local governments, between resort villages and the rural municipalities, between resort villages and local school boards.

For when a resort village reduces through measures such as this the amount of tax revenue flowing to a local school board it has two effects. One, it will create problems for the school board which must rely on those revenues. And the amount can be significant. It can reach into the many

thousands of dollars — in excess of \$100,000. So therefore it's significant for some school boards.

Secondly, the taxpayers who comprise the other municipalities served by the school board are then forced into the position of having to pay more to pick up for the fact that the resort villages are reducing their tax revenues to the school board and therefore other taxpayers in the area must assume a greater tax burden. We support the measures in the Bill because we believe as does the minister, that they will be successful ultimately in resolving this problem.

But again I want to go back to the fact that resort villagers, cottage owners, do have this concern. And at some point we as legislators, certainly you as the government, or anyone as a government for that matter, must encourage public discussions and public debate on the issue. Whether or not there is some amicable resolution, there needs to be public discussion so that it's something that's understood by all, and ultimately the position of the government is clear. Because if we don't do that, I think that we will again see resort villagers using their imagination to take ad hoc action.

So I think that we need to encourage full and open discussions to make it clear where the government and ultimately where society stands on this very vexing problem. And one can certainly understand their point of view.

But there are other points of view. Those also need to be aired; those also need to be discussed to make it clear just where everyone stands, and to hopefully avoid the kind of situation that we've experienced this last year in Saskatchewan.

The second aspect of the Bill that I want to address and is the source of concern for us is the provisions of the Bill which would exempt private schools from property taxation. And I might say that there's a further provision to exempt the Canadian National Institute for the Blind from property taxation, but I understand that that follows on the heels of actions by local councils in the case of Regina and Saskatoon, who have taken the position that they agree with the CNIB (Canadian National Institute for the Blind), that in the case of that particular institution that property taxes should be abated.

And whatever feelings I might have on it, and when I was on Regina city council I made my position known on that subject, whatever feelings we may have on it, I want to respect the fact that local councils have made a decision and this is something that they're saying with respect to that institution. So therefore, whatever personal feelings I might have, I want to respect the decisions of local councils.

The aspect of the Bill that really concerns us, though, is the question of private schools. And I think there are many good reasons why we should avoid extending the exemption from property tax to private schools and to extending it to institutions where local governments and people locally have not requested that to take place. And I want to deal with some of the reasons that were advanced by the Local Government Finance Commission in their

final report as to why exemptions from the property tax should not be extended.

And I would just want to paraphrase for the minister, because in my discussions with him over the years, I fear that he simply has not had the opportunity — given the fact that he's so busy—has not had an opportunity to read this final report, and therefore I want to take this opportunity alert him to what it is that the finance commission is saying about property tax exemptions. And I want to paraphrase their report.

Firstly, one of the arguments that they put up is that exemptions reduce the local tax base thereby increasing the taxation on non-exempt property. And that's certainly true. I mean if your assessment, for the sake of argument, is 100,000, and you propose to . . . the assessment is 100,000 and you exempt someone from that assessment, then the assessment is reduced, and in terms of generating the same amount of tax revenue, others must pick up more. They must assume a greater tax burden.

Secondly they point out that most exemptions arise because of the provisions of the constitution or Acts of the provincial legislature and certainly that's the case here. It's an Act of the provincial legislature. It is the tax basis of local governments which are being affected by exemptions, yet local governments are not the bodies which make such decisions. And that's certainly the case here.

In case of the CNIB, whatever fumings I might have, I'm prepared to support the request of municipalities, prepared to support the actions of municipalities because they've been able to debate the question of giving an exemption to that institution, and I'm prepared to support that kind of local autonomy.

But in this case, this is a case of an Act of the provincial legislature, something which is not being debated by local councils, and something which is not being decided upon by local councils. I mean this is not a matter of Regina city council or Moose Jaw city council or Grenfell town council debating whether or not they want to give an exemption to a private school that may or may not exist within their boundaries at this point, and to extend that kind of exemption. They're not being provided with that privilege and this is an Act of the legislature which does an end run around local autonomy. I think for that reason this bill should be opposed.

The finance commission also point out that the proportion of property exempt from taxation varies from community to community, meaning that there are disproportionate burdens created for those who pay taxes on the non-exempt property in those respective communities. For example, exempt provincial government property is normally concentrated in the capital city.

Now that may or may not be the case with private schools. They may or may not concentrate in our larger communities. I suspect that will be the case that they will be more concentrated there even though the services may extend to other areas. So therefore the effect will be greater on some communities than it will be on others,

and again without those communities having had any role in the decision making.

They point out, the finance commission points out because of the fact that exemptions are subsidies which are usually not visible to the public, the democratic principle of accountability is correspondingly impaired. It's one thing for a local council or for the provincial legislature, Mr. Speaker, to get involved in discussions about whether or not funding should go on an annual basis to private schools or to others who are requesting tax exemptions.

(2100)

And it's one thing for the provincial government to say that we want to give money to private schools on an annual basis and to have that debated and to have that questioned in public accounts, but it's another thing to provide for a property tax exemption, because this is really the only one opportunity that we will have to debate this matter. From here on in the government need not report on the exemptions that it is providing. The councils will not be in a position to . . . or want to be debating every year something which they need not vote any funds for, something that doesn't require any approval on their part.

The finance commission also points out that the value of the benefit provided through a tax exemption may bear little relationship to the level of public assistance which is required by the organization, or which is warranted by virtue of the level of services provided to the community by the organization.

The Bill as it stands, Mr. Speaker, the Bill as it stands means that someone could develop a private school for the well-to-do. We could have in Saskatoon or in Regina our own version of Upper Canada College. And no one would argue that Upper Canada College or any school of that nature needs any public support.

Yet a tax exemption means that some benefit is flowing to some organization potentially where they simply don't need it and the people who support those institutions have the wherewithal to pay the taxes. They also point out that exemptions once established are difficult to terminate regardless of their merit. And further, the role or services provided by the benefiting organization may change over time and exemption may no longer be seen as appropriate.

I think that certainly will be true. I think once exemptions are granted to public schools, it will be that much more difficult for some future government to change the rules of the game again. Some organizations will see this measure as an encouragement to establish private schools, that on the basis that these tax exemptions are being provided, will in fact develop private schools. To change that after the fact they may see, as a provincial government, even though the parties in power may change, that the fact that the province is being vicarious in its approach, and therefore great opposition will arise. And I have to admit that it will be problematical for some future government to change this provision. The barn door is open.

Finally it is pointed out that the owners or occupants of non-exempt property must bear the tax load not borne by the exempt property, and services provided by the organization which owns or occupies the exempt property on the other hand may accrue to those who are beyond the boundaries of the municipality in which the exemption is provided.

And we could very well see private schools in the city of Regina being exempt from taxation, a burden which then must be picked up by taxpayers in the city of Regina. Yet people from White City, Balgonie, Lumsden, or any other of the surrounding municipalities may well be taking advantage of those private schools and be bussing their children in to receive their education in those schools.

Yet you're asking the people of Regina to pick up the tax burden on their behalf. And again, that's one of the arguments that the Local Government Finance Commission has used to recommend against any further extension of the property tax. And I must say that they did make that recommendation. They said that they believed that the theoretical arguments against exemptions are substantially stronger than the arguments in favour of exemption, and therefore recommended against it.

In that context, Mr. Deputy Speaker, I want to review for the Assembly a letter from . . . or an article in *The New Urban Voice*, which is a publication of the Saskatchewan Urban Municipalities Association. And in that, this is the May 1989 issue, and in that publication it stated that:

President Ted Cholid, on behalf of the SUMA Board of Directors, sent the following letter to Urban Affairs Minister Jack Klein after the Board reviewed upcoming legislative changes at their meeting of April 22.

I just want to paraphrase some of the provisions of that letter. And they say that:

While the Board was pleased to note that proposed amendments to . . . (a number of Acts such as) The Planning and Development Act all appear to respond to SUMA concerns . . . this is not the case with the two amendments concerning tax exemptions under The Urban Municipality Act . . .

As already expressed in our news release of July 22, 1988, SUMA remains strongly opposed to the further extension of property . . . exemptions through provincial statute.

And I want to emphasize that — through provincial statute. They're not saying that municipalities shouldn't have the right to make their own decisions about whether exemptions should be extended but rather they argue against the provincial legislature, the provincial government extending that provision without there having been local discussion.

In any event, Mr. Cholid goes on to say:

The loss of local government tax revenue from the exemption to be granted for independent school property not previously exempted will amount to

some \$200,000 per year, for which municipalities will be compensated only in the first two years. (and he goes on to state that) you will recall that the Local Government Finance Commission in 1986 made a clear recommendation . . . (in this regard, and I've already covered that matter.)

He goes on to say that:

Regardless of what arguments might be made for exempting independent schools from public school taxes, we cannot support a province-wide exemption of the municipal portion of property taxes on these institutions.

On behalf of the SUMA Board, I want to emphasize that our long-held position will continue to be that the goal should be to get rid of blanket property tax exemptions rather than expand the list of groups given tax exempt status.

We therefore are requesting that the two amendments noted be tabled or otherwise withdrawn from the legislative process until such time as further consultation and discussion can take place with interested parties, including SUMA.

That's the organization and that's the president of the organization that represents urban municipalities in Saskatchewan. I think that his position and their position is unequivocal in opposition to the extension of property tax exemptions to private schools, yet the government has not seen fit to heed the words of that organization.

You know it's take a hundred years, Mr. Speaker, in Canada, or more, to develop a public school system, and also in Saskatchewan, a public school system that works reasonably well. In Saskatchewan, for historical reasons, we have seen the evolution of a separate school system. Whatever feelings one might have about a separate school system, the fact is that it is there and it results from decisions that were made prior to 1905, and results from the politics of the day, and results from sensitivities that the federal government of the day had to the question of education for Catholic children.

And whatever feelings one might have and whatever suspicions one might have about a separate school system meaning or perhaps resulting in higher property taxes for education in some of our cities because of the duplication of facilities . . . and that's apparent to most people in our larger cities, certainly in the city that I'm most familiar with, Regina. It's not unusual to drive through the city, to see two elementary schools side by side — one a public school, another one an elementary school — and to see situations where populations have been declining in both school systems in those respective schools. One has to draw some conclusions that perhaps the cost to taxpayers as a whole are somewhat higher because we have duplication.

But nevertheless we have that system that has evolved, and I don't think that it's our objective to question that. That's part of our history that we don't want to go back on, but it's there. And the system works reasonably well, in

part because of the enlightened leadership that we have at the local level, but also because Saskatchewan people over the years have strongly supported education. They have seen education as being important.

Saskatchewan is a rural province, and for many farmers and people in rural Saskatchewan, education has been a corner-stone for young people who would not have opportunities to work on the farms or to work in rural Saskatchewan, but would be a corner-stone for advancement in a wider society.

So therefore Saskatchewan people have placed a high value on education, and I think that's been reflected in support for the public school system. That is, until now. Now the government proposes to increase the local tax burden to enable the development of private schools. There are many arguments that can be made, not just from the viewpoint of what effect it will have on local taxpayers, but also in terms of the effect that it will have on our future.

And I think we have to recognize, Mr. Speaker, that the future of Canada and the kind of Canada that we will have, and the future of Saskatchewan and the kind of Saskatchewan that we will see, is in part determined by the kind of education system that we provide now for our children. And we must recognize that a public school system has as part of its objective to bring people together, to bring people together of various races, religions, and creeds; to bring them together to provide all of them with the same opportunity for development and for education in our society. Separate school systems or private schools generally segregate children from each other on the basis of religion, race, or wealth and we can have different kinds of private schooling creating distinct problems.

First, if we segregate children from each other on the basis of religion and race, I think we create a potential for future social divisions in our country and in our province. And secondly, if we segregate children from each other on the basis of wealth, we destroy the equality of opportunity, and therefore we run the risk of creating a class system in Canada and in Saskatchewan if we provide more encouragement for the fact of public funds going to private school systems.

That's not to say that parents shouldn't be entitled to establish private schools if they want to do that. The question here is one of public funding for these private schools, because through public funding we give encouragement to these public schools and all the problems that this can create.

This seems to be very much a part of the government's privatization agenda, and again I just want to go back to say that if there are problems with our public school system and with the school system in Saskatchewan, that we should as a society look at those problems and begin to address them, not open up the door for an entirely different school system which will further tax the resources of the public school systems in Saskatchewan.

You know, Mr. Speaker, I as one who has a young child that will shortly be starting school, I have my own feelings

about improvements that can be made to school systems, and I think especially the whole question of parental involvement in our school systems. I think we have to recognize that times have changed, that as part of the division of labour in our communities we gave public school systems or we gave society and governments the right to control much of our education.

But now that parents, through improvements in labour laws, have more time on their hands than they might have had some years ago, now that parents are in the main better informed about the kinds of issues that affect their children . . . Many of the parents have had more access to education than might have been the case 30 or 40 years ago. Certainly all parents and all people in our society have much greater access to information on an ongoing basis to help them formulate the kinds of decisions that they need to make in their daily lives, and I would submit, as well, in education.

(2115)

So we have to think about involving parents more in our school system, but that does not necessarily need to translate into setting up your private school system. There are many ways or models that we can look at of involving parents in our public school system, but the government hasn't seen fit to do that. The government has simply seen fit to extend opportunities for private schools, and that's certainly one way to get more parental involvement in education, but I hope that it's not the only way that can be advanced by our society.

I think that it's high time that we examine that question. You know we have a Minister of Education in this province who prides himself of being aware of all the challenges facing us in the 21st century. He can't see beyond the end of his nose to recognize that parents have more time today to be able to dedicate towards the education of their children, to get involved in the educational process. He doesn't recognize that something like that should be done.

But finally, finally, Mr. Speaker, this whole question of extending public support, extending public support to private schools is just another aspect of the privatization agenda that this government set out in the Speech from the Throne this year — very much a part of the privatization agenda.

Some Hon. Members: Hear, hear!

Mr. Van Mulligen: — It is clear that the member from Indian Head-Wolseley, the minister for privatization, prevailed in cabinet in these discussions and was able to prevail over the Minister of Urban Affairs who could not put forward the arguments on behalf of urban municipalities in opposition to this kind of privatization. The minister of privatization prevailed. We now see the beginning of the privatization of the education system in Saskatchewan, something that we will oppose, Mr. Speaker.

Now, Mr. Speaker, I want to just emphasize that point, and I want to refer members to an article in the *Alberta Report*, dated November 30, 1987. And the article is

entitled, "The privatization of education," and the subheading says, "Follow the lead of Britain, says one expert." And the article starts off by saying:

You can privatize just about anything, says Dr. Oliver Letwin, assistant director of Britain's N.M. Rothschild and Sons bank, and that includes schools.

Dr. Oliver Letwin is no stranger to the people of Saskatchewan. Dr. Oliver Letwin is the British subject who was brought in by the Saskatchewan government at the rate of \$30,000 a month to advise it on its privatization agenda, a privatization agenda that we have seen come to fruition in this session, Mr. Speaker. Dr. Oliver Letwin obviously advised the Saskatchewan cabinet on how to go about privatizing our school system, and we are seeing the beginnings of that today.

Now he says that:

The contentious question of school privatization is not first on the list for Prime Minister Margaret Thatcher's Conservative government, he says, but plans for a form of it have been in the works for several years now.

We have seen in Britain lately, Mrs. Thatcher come out with a system which accelerates the privatization of the education system. Obviously this is the advice that Oliver Letwin has given to the Saskatchewan government, advice that the minister of privatization has been able to use in the cabinet to force his opinions, notwithstanding the opposition of urban municipalities in Saskatchewan, and I think the opposition of most people in Saskatchewan, people who have valued and cherished the educational opportunities that the education system in Saskatchewan has provided and a system which now, because of this Bill, I think will see an erosion of the opportunities, an erosion of the potential for many children in Saskatchewan.

Because it's not all children that will be able to participate in private schools. It's not all children, and especially in rural Saskatchewan, that will be able to send their children to participate in private schools. Yet the burden for them, the burden to support the public school system will be greater as a result of this Bill. And I would suspect if this government is given the opportunity, we will even see a further continuation of this trend to privatize education.

Mr. Speaker, the minister of privatization and Dr. Oliver Letwin got to the Minister of Urban Affairs. He wasn't able to prevail in cabinet with the common sense arguments which have been put forward by the government's own Local Government Finance Commission, the common sense arguments that are being put forward by urban municipalities, and the common sense that prevails on the part of most people in Saskatchewan who, I think, oppose this Bill because of those provisions very strongly. And therefore, we will also oppose it, Mr. Speaker.

Some Hon. Members: Hear, hear!

Motion agreed to on division, the Bill read a second time

and referred to a Committee of the Whole at the next sitting.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Andrew that **Bill No. 75 — An Act to amend The Saskatchewan Evidence Act** be now read a second time.

Some Hon. Members: Hear, hear!

Ms. Simard: — Thank you, Mr. Speaker. Mr. Speaker, I want to speak tonight to the first portion of this Bill. I will not be speaking to the latter portion, but the first portion of the Bill.

And what this part of the legislation purports to do is to set up a legislative privilege for medical review documentation that comes out of a review of procedures and practices in a hospital, and the legislation has the result of protecting the medical professionals and the hospital to the detriment of the general public and to the detriment of individual patients. So that is basically what the legislation does, Mr. Speaker.

The position to provide this sort of protection reflects, in my opinion, a lack of confidence in the integrity of the members of the profession to come forward and provide honest, truthful, forthright information when such a review is done. Because the argument is made that without this protection health care professionals will be unwilling to come forward and put their viewpoints forward. And I say that that is pure nonsense, Mr. Speaker. The profession has adequate integrity. The profession would be willing to come forward and speak to such a review committee when they were requested to do so. And I hardly think that that's an adequate reason for giving this documentation privilege, and giving it confidentiality, because that's what it does, it makes this document confidential.

These documents, this evidence, verbal evidence, any of the proceedings before a quality assurance committee to look at the things that are happening in a hospital, any of those proceedings become confidential to the extent that they cannot be used in another case, for example, in any legal proceeding. And if they can't be used in a legal proceeding, we will find them being kept confidential for virtually every other thing as well, Mr. Speaker.

I would submit that it's not in the public interest to do these investigations in secrecy; it's not in the public interest. Providing health care to patients and to the public in general is a public service paid for by taxpayers' dollars and taxpayers have the right to know what comes forth in these quality assurance reviews and in these quality assurance investigations, Mr. Speaker. The public has a right to know.

Another detriment cause to individuals is the fact that the patient . . . if for example such a review is undertaken as a result of an injury that a patient suffered in the hospital due to some negligence in the hospital or due to something such as understaffing, lack of nurses in the hospital, and something goes wrong and the patient suffers further illness, dies, or has an injury as a result of that, and a review is undertaken, this evidence that comes

forward in this review becomes confidential, Mr. Speaker.

And I say that this puts the individual patient at a disadvantage because the individual patient or his or her family cannot then use the evidence in a legal proceeding or call forth witnesses who testified in that proceeding to provide the same evidence. The material becomes confidential; it's not at the disposal of the patient. And we all know, everybody knows how difficult it is to attempt to prove a case of negligence with respect to a hospital or a medical professional or a health care professional. It's difficult to prove in the best of time. And now what the government is purporting to do is limit access to other information.

One of the difficulties I have with this is that if it makes it more difficult to prove the case in court, then also it puts a further burden yet on taxpayers. First of all the taxpayers are not going to have access to the information for the purpose of saying to the Minister of Health, that hospital is not doing its bit, it's understaffed. But secondly, the patient who may have been injured, as a result of a review will not have access to the information to prove his or her case adequately or information that may assist in the proving of his or her case.

That means then that once again the long-term disability incurred by that patient, if that should be the situation, the health bills, the other disability bills, become the responsibility of the taxpayer and the state, as opposed to the responsibility of the negligent health care professional who is probably insured for this. So it's a further added cost to the health care system and to taxpayers in this province.

But, Mr. Speaker, I believe that the real reason for this amendment, the real reason is a political reason. I believe the real reason is not to protect doctors or encourage them to come forth and give evidence to quality assurance programs. I believe the real reason is to hide from the public what actually is going on in the hospitals.

And in that regard, I want to refer to a brief that was prepared by the Saskatchewan Union of Nurses respecting the quality assurance process and The Saskatchewan Evidence Act memorandum that was dated February 9, 1988. And in this brief, the Saskatchewan Union of Nurses makes the point very well that there has been a crisis of professional conscience in the nursing profession. They feel they are unable to provide patient care at a level that is professionally and personally acceptable.

The brief goes on to talk about the frustrations which nurses are experiencing in the hospital sector, and these frustrations are directly related to deficit-cutting strategies of government and health care administrators. In other words what the nurses are saying is, the frustrations and the quality of patient care in the hospital is directly related to cut-backs by the government and cut-backs being imposed on hospital administrators. So the nurses conclude as a result of this that in the context of the current funding situation or crisis in health care, the proposal to amend the evidence Act to prevent public disclosure of information obtained through quality

assurance programs is a backwards step.

(2130)

The point is made that quality assurance programs are not limited simply to peer reviews of individual performance, as some people may suggest, but they are much broader in scope and they look at systems such as whether or not the nursing information study system, which has been recommended for a number of hospitals, is actually being implemented. That is a study system that is designed to match work-load with the number of nurses in the hospital, for example. And if this system isn't being followed, is the hospital then negligent? And if the hospital is not following the system, is it because of government cut-backs and government underfunding to the hospital? And that's the sort of things that many of these quality assurance programs look at, Mr. Speaker. Those are the sort of things.

And of course, the point is made in the brief that the results that are obtained from these systems, the results that are obtained from many of these quality assurance monitoring systems, run contrary to the current fiscal strategy of reducing health care expenditures through the mechanism of reduced labour costs. So public disclosure of some of the results and evidence that we hear in these reviews will be, to say the very least, very politically embarrassing for the government.

So, Mr. Speaker, then there's three points that have been put forward to me as a reason for the need to protect from disclosure the evidence that comes forward at these reviews, and one of them is that the quality assurance program requires legal protection from disclosure in order to permit candid professional exchanges in peer reviews, audits, and problem identifications. And the point I wish to make in that regard is the fact that I believe in the integrity of the health care professionals, that they will come forward in any case, regardless of whether or not they are concerned at some future date that the evidence may be used against them. I believe that health care professionals in a situation like this will, for the most part, be very candid in their exchange with the quality assurance program.

There's another point that was made, that quality assurance programs require confidentiality because its work relates to matters of some risk to patients. Well if that's the case, I think the patient has a right to know then, Mr. Speaker. I think it's very clear that the patient would have a right to know about procedures that may create harm in the hospital.

Another reason put forward in support of confidentiality is that the quality assurance program requires legal protection to prevent plaintiff's counsel from free-loading on the work being done. Well that raises a very major concern, Mr. Speaker, because it appears to me that what we should be looking for is for justice to be done. And if a patient has been injured, for example, then this evidence should be available to the patient in a court case as opposed to preventing this patient's legal counsel from having access to that information. And I believe that that would be the proper public policy to be implemented by the government as opposed to a public policy of

confidentiality and secrecy.

So, Mr. Speaker, giving those reasons with respect to the confidentiality of the information that comes forward on these quality assurance programs, we can hardly support this Bill, and we will be urging the government to take another look at it and see whether or not they could bring in some amendments that would make this information available to the public in places where it would be in the public interest to have the information made public. Thank you.

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Lane that **Bill No. 68 — An Act to amend The Income Tax Act** be now read a second time.

Mr. Kowalsky: — Thank you, Mr. Speaker. This Bill has portion in it which I find needs to be opposed rather vigorously, Mr. Speaker, and that is the portion in this Bill which decreases the corporate income tax rate from the current rate of 17 per cent down to 15 per cent. It shows the direction of this government; it shows who this government is really governing for. It makes very obvious, when you take a look at the comparison of what is happening to the income tax rate for corporations in this province and compare it with any other form of taxation, exactly who it is that they're supporting and who is supporting them. And I suppose it's no small wonder, Mr. Speaker, if you take a look at the donations that the Tories, federal Tories, and these people as well receive from some of the large corporations in Canada.

Now what's happened? Mr. Speaker, if you take a look at what this government has done, how much it's increased taxes since 1981, how much it's increased taxes to corporations, and then compare it to how much it's increased taxes to individuals, that is the sales tax and the individual income tax, it's rather an alarming comparison.

Corporate income tax is increased by a total of \$136 million. By a total of \$136 million since 1981. The sales tax and the individual income tax has increased by a total of \$560 million since this government took office — by a total of \$560 million. When you stack those up one beside the other, it looks something like this: one very small compared to the other; one only about a quarter of the other.

The corporations seem to be able to get the money from the government. The people of Saskatchewan are the ones that are left giving the money to the government. Mr. Speaker, I looked at a little more detail to see exactly how this came about, to see what the patterns were in taxation over the last few years. What are the patterns?

And when you check the patterns for the corporate income tax and see how much was actually collected by this government, starting with '84-85 and then work your way through the next four years, see if there's any pattern that's been increasing, or whether it's been decreasing or

where it has been. And when I look it, the pattern looks fairly constant with a few minor variations. In actual fact, it's probably decreasing slightly over the last couple of years. But the figures are there for everybody to see.

The corporate income tax that corporations have been charged in this province in '84-85 were \$156 million. They were \$156 million. That was in 1984 and '85. In '85-86 the amount that the province received was decreased. It went down to 145 million and then back up to 162 million. That was where it peaked in '86-87. Then the corporate income tax decreased once again to 130 million, 134 million, and 148 million is projected for this year. But relatively stable, not too much of a decrease, fairly stable.

It's telling us that the corporations are not paying an increasing amount of tax to the coffers of the province of Saskatchewan. And you might ask yourself the question: well does the same thing hold when you look at the income tax that is paid by individuals, by individual residents in Saskatchewan.

And if you look at for the same years, start in '85-86 and then work your way through to '88-89, you will find that there is a steady increase, step by step by step by step in the amount that's been collected in individual income taxes. And that's why we object to this particular Bill. Because what's going to happen is it's going to continue this increase for individual income taxes while corporations will be getting away with paying less — a very unprogressive taxation scheme. I will give you the numbers — 1985-86 individual income tax revenue to the province of Saskatchewan was 626 million. Did that stay constant for '86-87? The answer is no, it went up to 699 million. Did it stay constant at that level for '87-88? The answer is no, it went up to 752 million. What happened in the year '88-89? Did these people finally decide that maybe individuals were paying enough income tax for them to spend here? The answer is no, the government decided that they should pay more. Individuals in Saskatchewan paid 831 million.

Every year it went up. There was no steady pattern like they were giving the corporations. Every year it went up. It verifies the experience that most people in Saskatchewan already have and will testify too, that every year their income taxes are going up. Starting in '85 from 626, up to 699, to 752, to 831 million collected by the province of Saskatchewan in income tax.

That is one place that individuals pay tax. There's another place that individuals pay a large amount of tax to this government and that is through the sales tax, the sales tax which this government increased from, from what? — from 5 to 7 per cent, a broken promise.

If you look at how much the government received from sales tax revenue for these same years starting in '84 and working through to '89, you'll find a very similar pattern to the income tax revenue. Every year it went up slowly — every year it went up slowly. Back in '84-85 they collected \$372 million, then a slight increase to 383, the following year to 386, the following year to 467, and the year for '88-89 collecting 476. Every year a little bit more out of the pockets of the consumers of Saskatchewan,

every year a little bit more.

And now they've got themselves aligned with the Mulroney government. In addition to this sales tax, the people of Saskatchewan are going to be paying a 9 per cent tax on goods and services over and above — over and above — this sales tax. It's a small wonder that people of Saskatchewan are rebelling about taxes. It's no small wonder that they feel that they're being taxed to death, because here we have a government that has sold the assets and is continuing to sell the assets with one hand, and on the other hand is increasing taxes on individuals. They are becoming known as a sell-and-tax government. They know how to sell and they know to tax, but they don't know how to service and they don't know how to build, Mr. Speaker, they don't know how to build.

The government . . . There's loads of evidence, additional evidence to show how this government is in bed with its big corporate friends. If you take a look at the revenue that's generated from oil by this government and compare it to what it could have been, then you will find, Mr. Speaker, that it reveals a very, very interesting picture, a very interesting picture.

Every year since 1981 the value of oil production increased from 1981 'til '85 — the value of oil production in Saskatchewan. It increased at a regular rate. We're pumping more and more oil. Everyone of those years, if the value of the oil production was increasing, you would have expected that the oil revenue . . . that the revenue collected to the province should have increased as well.

(2145)

Well we take a look at the numbers to see if it did or it didn't. Did it increase proportionately? Well back in '81 the provincial revenue from oil was 65 per cent of the value of the oil sold. If they'd have kept it even close to 65 per cent, we wouldn't be anywhere near this debt that we're into now — not even close to the debt we're into now.

But what happened? It was at 65 per cent of the value. Then how much did the province get the year after? That's the year after this group gets into government. It goes down to 54 per cent. Well they were just getting started there. They were just practising, because in '83 it went way down to 39 per cent, and it's been down at that level and lower since then.

In '84 the value of the provincial revenues of oils decreased, in '84, down to 34 per cent, going down. I repeat, they started at 65 per cent when they inherited this, a 65 per cent royalty rate and revenue rate — not just all royalties — from 65 down to 54 per cent, down to 39 per cent, down to 34 per cent by '84, and continued to drop. In 1985 it went down to 28 per cent — '85 being the peak year, the peak year for revenue in Saskatchewan, for oil revenue in Saskatchewan, for revenue to the oil companies, the peak year.

Well then we had a bad year for oil production; the value of oil production went down somewhat. It went down to about half of what it was in 1985, but the percentage stayed down as well. It didn't reverse with the trend, as it

might have compared to what happened in '81. There was still more oil pumped out, more dollars worth of oil pumped out in 1986 than there was in 1981. There was more oil pumped out in '86 than in 1981. There was less, about a third of what came to the provincial coffers, in '86 than in '81.

Well you have to look at numbers like these, Mr. Speaker, to be able to understand why it is that these people got us into this mess, into this horrendous debt that we are now faced with in this country. What is that debt, Mr. Speaker, you might ask. What is that debt?

Well if we take a look just to see what happened as a result of this government's mismanagement — and they're not changing their ways — this particular bill decreases corporate tax rates from 17 per cent to 15 per cent. And we are opposed to that.

Well I was talking about the debt. What was the debt, Mr. Speaker? What was the net equity? If you took all of the value of everything that the province owned and all of its debts back in 1980, how much were we worth? Well the net worth — and this is taken from budget estimates year after year — the net worth at that time was 717 million which approximates \$717 per person — \$717 per person. That's what the province of Saskatchewan was worth. All the building, all the provincial buildings, including the one we sit in, all the assets, the highway equipment at that time, and all the potash mines — that's what we were worth.

In 1982, when this government took office, the net worth was higher than that. It was going up. That was in the NDP years. That was in the years of the Blakeney government — going up. It went up to \$1,092 per person. That's how much we were worth. Each one of us had an equivalent of \$1,092 worth of equity in this province, but it wasn't long before things turned around. It wasn't long.

The next figure I want to give you is the one for the two years after that — 1984. All of a sudden we no longer have a net equity that's positive. Now the net equity starts to be a negative. We start to owe money. Actually we started owing it a year before that, but in 1984 we owed, each person owed, \$346 million. Now this isn't just debt from the Consolidated Fund. This is the net equity of the province; how much a province is worth.

A business has a net equity in the negative, it goes . . . has to declare bankruptcy. If a business has a net equity that's negative, it has to declare bankruptcy unless it's got somebody else backing it up. Well in this case, it's the people of Saskatchewan that are backing the province.

But what's happened to that since then — 1984 we owed 346 per person; 1986, \$666 per person; 1988, \$1,626 per person. What an escalation and what a record, and why? Why, Mr. Speaker? Because they continue to back their big business friends who give them political donations in the tens and twenties of thousands of dollars at election time — that's why. That's why they're forced to do it. And because they believe in some type of a privatization agenda, which quite obviously when you look at the numbers and they purport to be such great business men, do not work. The numbers show that they

do not work, Mr. Speaker.

What they're doing, Mr. Speaker, as I indicated earlier, when you look at the sales tax revenue, it's going up, they're taxing the people. You look at the income tax revenues to the province, they're going up, taxing the people. You look at the corporate tax levels and they're staying the same, not changing at all — not changing at all. It's a government that's taking the assets of the province and selling them cheap to the corporations and taxing the people. It's a sell-and-tax government. We're opposed to this Bill.

Some Hon. Members: Hear, hear!

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Schmidt that **Bill No. 90 — An Act to amend The Legal Aid Act** be now read a second time.

Mr. Prebble: — Thank you to members on both sides of the House. Mr. Speaker, I'm pleased to continue my remarks on this very important piece of legislation this evening, the proposed amendments to The Legal Aid Act, Mr. Speaker. And this Act has a number of items that are particularly controversial. I'm going to focus on two this evening, Mr. Speaker.

The first is an amendment to The Legal Aid Act that in effect will allow the Legal Aid Commission to contract out a great deal more work currently done by legal aid to the private bar. In effect, Mr. Speaker, what we're talking about here is the privatization of the legal aid system in the province of Saskatchewan.

Specifically, Mr. Speaker, Bill 90 repeals section 28 of the original legal aid legislation, which states, and I quote:

Subject to section 29(2) all legal services under this Act shall be rendered by employees of the commission, except where, in the opinion of the commission, it would be impossible or improper for those employees to provide the legal services.

That, Mr. Speaker, is currently the way the commission operates. It does not contract out work, except where that contracting out is necessary, either because of the heavy case-loads of the commission and the local legal aid staff or because the legal aid staff may not have expertise in a particular speciality area where they feel that legal work would be better done by the private bar. That's the current system we're operating under, Mr. Speaker.

What the PC government wants to do, Mr. Speaker, is they want to change that and they want to make privatization of legal aid services much more widespread in the province of Saskatchewan.

Well we on this side of the House, Mr. Speaker, say that that is unnecessary, that it will clearly result in lay-offs of legal aid staff, which is obviously inappropriate, and that, Mr. Speaker, there is no evidence at all that such a move, such a move of privatization, will either be in the best

interests of the clients or in the best interests of the taxpayer, Mr. Speaker. And we say that, Mr. Speaker, first of all because all the evidence shows that increased privatization of the legal aid system in this province will increase the costs of delivering legal aid services; and also, Mr. Speaker, the evidence shows that the current legal aid staff have been doing an outstanding job in terms of serving clients in this province, and there's no reason to think that the private bar would do any better job. To think, Mr. Speaker, that privatization of the system could actually result in the lay-offs of existing legal aid staff, I think is very unfair to those staff.

So, Mr. Speaker, I want to look for a moment at what the record is of the legal aid staff working in legal aid clinics in the province of Saskatchewan. And this is nicely outlined for all members of the Assembly and the public in a recent evaluation study that was done last year, jointly conducted by the federal Department of Justice and the Saskatchewan Department of Social Services, Mr. Speaker.

And what did that evaluation show? Well first of all the evaluation shows that legal aid staff in this province have been doing a very good job. To quote from the report, Mr. Speaker, the report says: "Legal aid clients are being well served over all."

The report, Mr. Speaker, the evaluation report, goes on to express deep concern about the very heavy case-loads that legal aid staff are faced with in the province of Saskatchewan as a result of the PC government's underfunding of the legal aid system in this province.

Mr. Speaker, the report shows that the average case-load of a legal aid lawyer in this province is over 306 cases a year. In fact, Mr. Speaker, I noticed in the Regina office of legal aid, a recent article in the *Leader-Post* indicated that the nine lawyers in the Regina office were facing some 3,600 cases a year. So clearly, Mr. Speaker, the staff in the legal aid clinics face a very heavy case-load, and yet, despite this, Mr. Speaker, to show what a fine job they've been doing, out of 17,000 cases that the legal aid system dealt with in the year reviewed by the evaluation study, there were only 33 complaints, Mr. Speaker — only 33 complaints.

The other thing I found particularly interesting about this evaluation study, Mr. Speaker, is that it compared the verdict distributions and the final outcome of cases, a comparison between the staff in the legal aid clinics and the work that was being contracted out by the private bar. And, Mr. Speaker, that comparison shows that, while the verdict distributions were roughly the same between the legal aid staff and the private bar lawyers, that when you compare the sentences, the evaluation found that private bar clients, Mr. Speaker, are jailed over twice as often as clients of the legal aid staff. And I think that's a very, very interesting finding, Mr. Speaker, that demonstrates that the legal aid staff have been doing a very professional job and that there's absolutely no advantage to clients for this government to privatize legal aid services in the province of Saskatchewan.

Mr. Speaker, the issue really is here: why privatize a system that is working extremely well and extremely

efficiently on behalf of clients, lower income people who use legal aid services in the province of Saskatchewan? And, Mr. Speaker, I think we'll find in committee that the government is unable to justify why a system that is working very well right now ought to be subject to its privatization ideology.

(2200)

Now, Mr. Speaker, I want to comment on another finding in the 1988 joint evaluation done by the federal Department of Justice and the provincial Department of Social Services in the province of Saskatchewan, because one of the other things that I found very interesting about that evaluation report is that it shows that Saskatchewan legal aid costs, Mr. Speaker, are the second lowest of all provinces in Canada outside of the Atlantic provinces. In other words, Mr. Speaker, from the Quebec-New Brunswick border through to the British Columbia coast, Saskatchewan's got the second lowest cost for operating legal aid services in all of Canada, Mr. Speaker. And that shows how efficient the system is, and also, Mr. Speaker, I think it shows how inundated with work the legal aid lawyers in the system are.

But, Mr. Speaker, the report goes on to note that one of the reasons why Saskatchewan's legal aid costs are so much lower than other provinces in Canada, Mr. Speaker, is because most other legal aid systems in Canada have a much higher percentage of privatization than does the system in the province of Saskatchewan, Mr. Speaker.

And the report notes, for instance, that costs in other provinces increase with increasing private bar referrals, and that's a citation from the report, page 20 of the summary of the evaluation report, Mr. Speaker. So that privatization costs more; it costs more. And one of the things, Mr. Speaker, that I find very ironic about this Bill is that at the same time as the Minister of Social Services is claiming that he can save taxpayers \$140,000 a year, which is roughly just over 2 per cent of the costs of running the current legal aid system in the province of Saskatchewan, the same time that he's saying he can save \$140,000 a year by levying user fees against low income people who need to use legal aid services in this province, he is proposing in exactly the same Bill, Mr. Speaker, that legitimizes these user fees and legally authorizes them, he is proposing to set the stage for privatization of the legal aid system, which is going to cost taxpayers more, Mr. Speaker, which will more than offset any savings that might come from levying the user fees.

And how ironic that is, I say to the Minister of Social Services, and how unfair it is to the users of the legal aid system. Taxpayers, in other words, Mr. Speaker, are not going to save a penny from this Bill once this minister's privatization plans have been implemented — not a penny, despite the implementation of user fees.

Now, Mr. Speaker, I want to comment on just how much more it will cost Saskatchewan taxpayers if privatization of the system takes place. And I refer again to a special study following the major evaluation that was done by Social Services and the federal Department of Justice last year, Mr. Speaker — a special study which looked at what

the additional costs of privatization would be. And they show, Mr. Speaker, that if just 10 per cent of the cases in the legal aid system are privatized that that will increase costs 2 per cent or about \$130,000 a year. Well right there, Mr. Speaker, we see the offsetting of any savings that might come with the user fee.

The report goes on, Mr. Speaker, to note that if 33 per cent of criminal cases were privatized and sent out to the private bar, that costs, Mr. Speaker, would increase in the range of 13 per cent — 13 per cent increase in costs from that kind of a privatization initiative. If the government — and I'm not suggesting the government is planning to do this, Mr. Speaker — but if the government was to privatize 100 per cent of criminal cases and send those out to the private bar, the estimated costs increase would be between 60 and 82 per cent.

Clearly, Mr. Speaker, that demonstrates that there are no savings to taxpayers from privatizing legal aid, and at the same time, the evidence in the evaluation study done last year shows that there are no benefits to taxpayers or to legal aid clients, Mr. Speaker, from shifting work away from legal aid lawyers over to private bar lawyers — no benefits at all that I can see.

Now, Mr. Speaker, I want to comment for a moment on the privatization experiment that has taken place in 1989 by the Legal Aid Commission at the request of the Minister of Social Services. And, Mr. Speaker, I want to refer to a newspaper article in the Saskatoon *Star-Phoenix* dated Thursday, January 5, 1989, page A6. The heading is, and I want all members of the Assembly to note this headline, "No push to privatize — legal aid chairman." That's the headline — no push to privatize. The article goes on, Mr. speaker, to say the following:

The Saskatchewan Legal Aid Commission (and I'm quoting from the article here) is not planning a large increase in contracting out work to the private bar despite charges to that effect from NDP legal aid critic, Peter Prebble.

Mr. Speaker, the commission denied in January of 1989 that they were planning to increase contracting out — they denied it. They said that there was no large increase planned.

Now, Mr. Speaker, we see that that denial was untruthful. Here we have Bill 90, Mr. Speaker, which sets the stage for a significant increase in privatization of the legal aid system. Now, Mr. Speaker, not only did the commission say that they were not going to privatize the legal aid system, but Mr. Speaker, back in January I announced to the press and the public that the beginnings of this experiment were going to take place at North Battleford, at the legal aid clinic in North Battleford. And, Mr. Speaker, when I made those accusations, guess what the chairman of the Saskatchewan Legal Aid commission, Don Morgan, is referred to as saying in this January 5, 1989 *Star-Phoenix* article. Get this, quote:

However, there is no increase planned in contracting out in that (meaning North Battleford) or other centres (he said).

However, (and I want to emphasize this again) there is no increase planned in contracting out in that or other centres, Mr. Morgan added (referring to North Battleford.)

Now, Mr. Speaker, what happened after January 5, 1989? Well contrary to what Mr. Morgan said in the *Star-Phoenix*, and in accordance with what I said on behalf of the New Democratic Party, the government went ahead with their contracting out experiment in North Battleford.

And, Mr. Speaker, it'll be interesting for members of the Assembly and the public to note that in December of 1988, they laid off a staff person at the North Battleford legal aid clinic. And then in 1989, Mr. Speaker, the Minister of Social Services directed \$10,000 towards the North Battleford clinic for the purposes of his privatization experiment at North Battleford.

And, Mr. Speaker, I have here the documentation that describes that project. It's entitled *Pilot Project — Battlefords Area Office* regarding possibility of amending private bar or appointment policy and tariff of fees. And to cite, Mr. Speaker, from the document that I have here, from a document prepared by the Legal Aid Commission, it says, and I quote:

A maximum of \$10,000 is available for appointments under this pilot project during the three-month period February 15, 1989 to May 14, 1989.

And, Mr. Speaker, it says—and I just want to cite one other item from this document — it says:

Reasons for the pilot project.

And, Mr. Speaker, I want to cite two of the reasons in this document. Item (d) says this:

To determine the reaction of the private bar on the use of a relatively fixed fee payment system.

And then item (b), and this is particularly important:

To determine the feasibility of making a major change to the private bar tariff.

And, members of the Assembly, I want to repeat this again so that everybody hears it. This is a citation from the Legal Aid Commission document on their pilot project for the Battlefords area legal aid office. One of the reasons for the pilot project:

To determine the feasibility of making a major change to the private bar tariff.

Mr. Speaker, it's clear why there is going to be no savings to the public from privatization. Not only would privatization be more expensive under the existing tariff schedule, but the PC government, Mr. Speaker, is looking, clearly, very seriously at increasing the tariff for the private bar; increasing costs, in other words, Mr. Speaker, for the taxpayers of Saskatchewan. And, Mr. Speaker, that clearly demonstrates that privatization costs more

money, whether it's in legal aid or just about any other area of delivering government services. Now, Mr. Speaker, that's clearly one of the major disadvantages of privatization.

Another worry that I have, Mr. Speaker, is that we may not only get a higher tariff for the private bar, which will translate into more cost to taxpayers when legal aid work is contracted out to the private bar; but, Mr. Speaker, in addition to that, the government may very well be considering extra billing by lawyers if the tariffs are seen to be inadequate. And we'll be asking the Minister of Social Services for assurance, Mr. Speaker, in Committee of the Whole, that there will be no extra billing by lawyers under his privatization plans. Because, Mr. Speaker, we have seen the Minister of Social Services not hesitate to bill clients for services and a whole other . . . in many, many other areas. But we see it with the user fee to begin with, Mr. Speaker, we see it with the user fee. We see it in the area, for instance of adoption, where this government has been the only government in Canada to levy fees on adult adoptees when they want to use the post-adoption registry services in the province of Saskatchewan.

Now, Mr. Speaker, clearly the PC government would not be philosophically opposed to this, and we'll be pressing the Minister of Social Services in committee for a commitment that there will be no extra billing of legal aid clients under his privatization plans.

But, Mr. Speaker, you know the most interesting thing I find about the North Battleford pilot project is what the results were. You will recall that this was a pilot project to run from February to May, so the project is complete now. And, Mr. Speaker, I want to share with members of the Assembly what the results of that North Battleford pilot project were. Well, Mr. Speaker, you know what? First of all it turns out that the legal aid clients are choosing the legal aid clinic rather than the private bar. They didn't want to use the private bar, Mr. Speaker. The members opposite and the Legal Aid Commission had to go to great lengths to encourage them to use the private bar, and no wonder, given the earlier findings of the evaluation study.

Mr. Speaker, you know what else the Legal Aid Commission found? Well they found that the private bar, to quote them, was uncooperative. They had difficulty, Mr. Speaker — get this — they had difficulty spending the \$10,000 because they couldn't get legal aid clients to go out and use the private bar in the pilot project. And I'm sure the minister will admit that in committee.

And so, Mr. Speaker, the Minister of Social Services gave the North Battleford office orders to spend the \$10,000. He ordered them to spend it; it didn't matter what they had to do to get it spent. And, Mr. Speaker, despite the fact that they tried to spend it, clients came back to the North Battleford legal aid office unhappy about some of the services they were getting from the private bar and chose to use legal aid staff instead. Well, Mr. Speaker, with those kinds of results, one has to wonder why this Minister of Social Services is proposing to privatize legal aid services in the province of Saskatchewan, because his North Battleford pilot project was a dismal failure, Mr. Speaker, and I'm sure in committee that even he will be forced to admit that, forced to admit it.

Now, Mr. Speaker, clearly the evidence that the privatization of the legal aid system will be in the interests of the public, whether it be the taxpayers of Saskatchewan or legal aid clients, there is simply no evidence, Mr. Speaker, to suggest that privatization will be in their interest. And yet this government decides, Mr. Speaker, in Bill 90, to proceed with privatization despite all the evidence. And I say shame on the government. It's simply not in the interests of taxpayers or in the interests of legal aid clients.

(2215)

But, Mr. Speaker, there's a second area of concern under this Bill that I made a few comments in my earlier address, and I want to elaborate on those comment somewhat before concluding my remarks. And that is, Mr. Speaker, on the very controversial issue of the levying of a user fee on legal aid clients.

And, Mr. Speaker, as I said last day, what we have seen in the province of Saskatchewan ever since this PC government was elected, is a steady deterioration in legal aid services that are delivered to the people of Saskatchewan. First of all, Mr. Speaker, when this government . . . a year after this government was elected, there was a major reduction of financial support for all areas of civil law legal aid services with the exception of family law, Mr. Speaker. In effect, we saw the removal of all other civil law legal aid services in the province of Saskatchewan, with the exception of family law.

And, Mr. Speaker, in addition to that, in subsequent years, we saw other very serious attacks on legal services to poor people. For instance, in 1987 we saw the elimination of the native court worker program in the province of Saskatchewan. And as I travel the province and as I meet with people who work in the Friendship Centres of this province for instance, helping Indian and Metis people, I consistently find, Mr. Speaker, that staff at those friendship centres tell me of the great hardships that have been caused to native people as a result of the elimination of the native court worker program.

We've seen, Mr. Speaker, ever since 1986 another savage round of cuts in legal aid funding in the province of Saskatchewan. In 1986, Mr. Speaker, the budget for legal aid in this province was \$6,264,000, and by fiscal year 1988-89 that had dropped to \$5,832,000, Mr. Speaker. So this government has chosen to cut back funding to legal aid despite all the evidence, Mr. Speaker, that an excellent service was being delivered to legal aid clients in the province of Saskatchewan.

And therefore, Mr. Speaker, it should be no surprise to the public that this government would like to privatize legal aid services in the province of Saskatchewan because they have no philosophical commitment to a legal aid system in this province.

Well, Mr. Speaker, that's been the record of the government with respect to funding for legal aid. And that brings me, Mr. Speaker, to the actions of the government in 1987 with respect to the implementation of the user fee. And all members of the Assembly will know that we took strong objection at that time to the levying of a user

fee against low income people who needed legal aid services in the province of Saskatchewan.

And fortunately for the public and for low income people in this province, Elizabeth Fry Society took this government to court, challenging whether or not, Mr. Speaker, the government really had legal authority, the Legal Aid Commission had legal authority to levy this user fee. And the Saskatchewan Court of Appeal found that in fact this government did not have the legal authority to levy the user fee. And so for a period of months now, user fees have not been levied through the legal aid system.

Now, Mr. Speaker, we on this side of the House believe that forcing low income people in this province to pay a user fee is contrary to the whole purpose of legal aid in the province of Saskatchewan, which is intended to ensure that low income people in this province have access to good legal representation in the same way that all other citizens in the province of Saskatchewan do.

And, Mr. Speaker, a user fee runs against the basic democratic right of every citizen in this province to have access to legal services regardless of their ability to pay, Mr. Speaker. It is a basic democratic right, Mr. Speaker, because we are a society governed by law, and therefore, Mr. Speaker, it is essential that every citizen in this province have access to the courts, regardless of their ability to pay.

And what this Bill does, Mr. Speaker, is it denies people in Saskatchewan access to the courts, regardless of their ability to pay. And on that account, I say shame on the Government of Saskatchewan for violating such a basic right to the citizens of this province.

Some Hon. Members: Hear, hear!

Mr. Prebble: — Because that is what they are doing in Bill 90, Mr. Speaker. That is what they are doing. And, Mr. Speaker, we on this side of the House say that not only is this government violating a basic democratic right of all citizen in this province, but, Mr. Speaker, in addition it may very well be violating one of the fundamental sections contained in the Charter of Rights and Freedoms.

And I refer all members of the Assembly to the ruling of the Saskatchewan Court of Appeal, the judgement that was handed down by the Saskatchewan Court of Appeal in the case of whether or not the Legal Aid Commission had the authority to levy user fees. And of course, Mr. Speaker, as I mentioned, the court found that the commission did not have the authority to levy user fees without this amendment to Bill 90.

But the court went on, Mr. Speaker, to make another very interesting point, and I want to quote from the court decision. And this is citing from page 4 of the judgement:

As a threshold matter it is useful to set forth what is not at issue in this litigation. We are not required to consider the right of an accused person to counsel under section 10 . . . of the Canadian Charter of Rights and Freedoms or the common law.

However, we do not want to be taken as in any

way overlooking or minimizing the heavy responsibility of the trial judge to ensure that an accused person receives a fair trial. In *R. v. Rowbotham*, 41 C.C.C. (3d) 1 at 70, the Ontario Court of Appeal summed up the guiding principles in this way: (and I continue the citation)

To sum up: where the trial judge finds that representation of an accused by counsel is essential to a fair trial, the accused, as previously indicated, has a constitutional right to be provided with counsel at the expense of the state if he or she lacks the means to employ one.

Now, Mr. Speaker, I say to the government opposite, I say to the Minister of Social Services, that this is a clear warning by the Saskatchewan Court of Appeals that this government, in its amendment to Bill 90 that it is introducing here this evening, Mr. Speaker, may well be in violation of the Canadian Charter of Rights and Freedoms.

And again we will be asking the Minister of Social Services in Committee of the Whole how he can justify proceeding with this amendment to the legal aid Bill in light of these provisions in the Canadian Charter of Rights and Freedoms and in light of the ruling by the Ontario Court of Appeal in the case of *R. v. Rowbotham*.

Now, Mr. Speaker, not surprisingly the government has faced a good deal of opposition in its attempt to introduce user fees in the legal aid system in this province. And among other bodies that have opposed this, Mr. Speaker, I want to note the opposition from the Canadian Rights and Liberties Federation, Lawyers for Equal Justice in this province, the Saskatchewan Branch of the Canadian Bar Association, and the Canadian Native Law Students Association, as well, Mr. Speaker, as a great many non-government organizations in the social services field in this province, in the family services field in this province, Mr. Speaker.

Despite the opposition of all these groups, Mr. Speaker, this government insists on proceeding with its ideological agenda, and that is certainly, Mr. Speaker, most unfortunate and not in the interests of low income residents in the province of Saskatchewan.

Now, Mr. Speaker, I want to comment, before I wrap up my remarks, on a couple of other reasons why we believe that the implementation of user fees in the legal aid system in this province is very inappropriate.

First of all, Mr. Speaker, I want to comment on the manner in which the government implemented user fees when it first introduced them in 1987, because, Mr. Speaker, it set a minimum fee of \$60, which clearly some people are not in a position to afford. And, Mr. Speaker, it insisted that people make a down payment of \$20 before being able to access any legal services, Mr. Speaker. It insisted on that.

Now clearly, Mr. Speaker, that runs counter to a person's basic democratic rights to access legal services regardless of their ability to afford such services, Mr. Speaker, and it is inappropriate, Mr. Speaker, that any person in this province be denied their democratic rights to accessing

the court system simply because they cannot make this down payment. That was clearly appropriate, Mr. Speaker, clearly inappropriate.

Now, Mr. Speaker, I want to point two other things out to the members opposite with respect to the inappropriateness of these user fees. First I want to say, Mr. Speaker, that we have a situation today in which 49 per cent of people in this province who go before the courts do so unrepresented by a lawyer. Now most of these cases, Mr. Speaker, involve relatively minor matters, but not all of them do. And I think, Mr. Speaker, it should be of a concern to all members of this Assembly that, in effect, half the people in this province who go before the courts do so unrepresented by a lawyer.

Now, Mr. Speaker, the result of these user fees can only be to increase that percentage and that, Mr. Speaker, is shocking. That is shocking, Mr. Speaker. What we should be trying to do is set up a system that ensures that in fact more people can go before the courts represented by a lawyer so that we can be certain that whenever someone needs legal services, they're getting legal services, Mr. Speaker. And what this amendment to The Legal Aid Act does is it runs completely counter to that basic principle, Mr. Speaker.

Now in addition, I want to mention one other reason why we should be concerned about this user fee, and that is, Mr. Speaker, because this government's plan is that in effect anybody who doesn't qualify for social assistance in the province of Saskatchewan will have to pay the user fee. And, Mr. Speaker, bear in mind that social assistance rates in this province have been frozen for the last seven and one-half years for families, and have been cut, Mr. Speaker, by some 40 per cent for employable individuals and couples. Mr. Speaker, that's the record of the government.

And the government, Mr. Speaker, in terms of people who have the right to access legal aid services in the province of Saskatchewan, the government has followed a policy, Mr. Speaker, of basically saying that if you don't qualify for the family income plan, you don't qualify for legal aid. And what the government wants to do, Mr. Speaker, is require those who are between the income levels where you no longer qualify for social assistance and the income cut-off point for where you no longer qualify for the family income plan, everybody who's between those two income ranges will have to pay a user fee. That's basically the PC proposal.

Now, Mr. Speaker, I want to say why I think this proposal is so inappropriate. This government, Mr. Speaker, has frozen rates paid by the family income plan for the last five years, and they have frozen, Mr. Speaker, over that five-year period, they have essentially frozen the cut-off point, the income cut-off point at which people can receive the family income plan, with the result, Mr. Speaker, that there is now a massive discrepancy in this province between the income level at which you can no longer receive family income plan and therefore be ineligible for legal aid, and the income level that is defined by Statistics Canada as being the cut-off point for the poverty line.

(2230)

And I just want to give a couple of examples of this. Mr. Speaker, for instance, someone with two children in this province, a couple with two children would become ineligible for the family income plan and therefore ineligible for legal aid services in this province if their income exceeds \$14,265 a year. But, Mr. Speaker, what does Statistics Canada say that the poverty line figure for that person living shall we say in the city of Prince Albert or the city of Moose Jaw in this province is? Well, the cut-off point is \$22,840, Mr. Speaker. Mr. Speaker, there is a discrepancy here of \$8,000. This is a person, Mr. Speaker, who is earning \$8,000 below the poverty line and the Minister of Social Services says that that person isn't eligible for legal aid, Mr. Speaker.

So here we're talking, Mr. Speaker, about someone now, the people who are eligible for legal aid in this province are basically people who are earning 65 per cent of the poverty line or less, Mr. Speaker — 65 per cent of the poverty line or less. And, Mr. Speaker, those are the people that this Minister of Social Services wants to charge a user fee to for using legal aid. And I say shame on the Minister of Social Services. That, Mr. Speaker, is indefensible, just indefensible.

Some Hon. Members: Hear, hear!

Mr. Prebble: — And, Mr. Speaker, that is why we say that this Bill, Mr. Speaker, is not only not in the best interests of the taxpayers of Saskatchewan, this Bill, Mr. Speaker, and this plan for user fees is immoral, Mr. Speaker. That's the only way to describe it, Mr. Speaker.

Because this minister is saying that people who earn, Mr. Speaker, between 50 and 65 per cent of the poverty line are going to have to pay user fees in order to access their democratic right to the legal system and the court system in the province of Saskatchewan. And, Mr. Speaker, this is an example of just how undemocratic this government has become. It's denying basic democratic rights in this province. This is a fundamentally undemocratic Bill, Mr. Speaker, and members on this side of the Assembly can never accept it.

Some Hon. Members: Hear, hear!

Mr. Prebble: — Now, Mr. Speaker, I want to make one final point in closing my remarks, and that is, Mr. Speaker, that we wish that this Minister of Social Services and this government would address some of the real issues that need to be addressed in improving the legal aid system in the province of Saskatchewan, Mr. Speaker.

And they would do well, Mr. Speaker, to look at the evaluation that they paid for, the minister's Department of Social Services paid a good deal of money for the 1988 evaluation, Mr. Speaker. They would do well to follow some of the recommendations in that study, Mr. Speaker. They would do well, Mr. Speaker.

For instance, and we call on them basically to do four things, but they would do well . . . first of all, Mr. Speaker, to increase funding to the legal system and to do so along the lines that the evaluation study suggests. For instance,

Mr. Speaker, the evaluation study suggests that the range of services offered by legal aid should be increased to include areas such as administrative tribunals, matrimonial property, wills and estates, landlord-tenant disputes, poverty law advocacy. And the cost of doing that, Mr. Speaker, would only be an additional \$670,000 per year.

Those are very important areas of civil law, Mr. Speaker. Those were services that were offered by an NDP government when it ran the legal aid system, but that this government won't offer. These are services that the evaluation study done by this government says should be offered, Mr. Speaker, and this government is declining to do so.

Mr. Speaker, the evaluation study said that staffing levels in the legal aid clinics needed to be improved and the case load needed to be reduced, Mr. Speaker. Is this government acting on that recommendation? No, they're not, Mr. Speaker. No, they're not.

The study, Mr. Speaker, emphasized that it was very, very important to increase the number of citizens in the province who could access legal aid. The evaluation recommended, Mr. Speaker, that all citizens in the province of Saskatchewan whose income levels fell below the poverty line, as defined by Statistics Canada, ought to be eligible for legal aid services. Is this Minister of Social Services proposing to do that, Mr. Speaker? No, he's not; no, he's not.

We say, Mr. Speaker, those are the real issues in legal aid that need to be addressed in the province of Saskatchewan, and that this government, Mr. Speaker, would do well to drop its plans for privatization of legal aid, to drop its plans for a user fee levy against legal aid clients, and to instead, Mr. Speaker, concentrate on building the legal aid system in the province of Saskatchewan instead of its record over the last seven years of constantly eroding it and now wanting to privatize it, Mr. Speaker.

We stand in opposition, Mr. Speaker, to what this government is trying to do in further eroding the legal aid system by implementing Bill 90, Mr. Speaker, and we will be firmly opposing it when the vote comes. Thank you very much.

Some Hon. Members: Hear, hear!

Ms. Simard: — I want to reiterate the comments of the member from Saskatoon University that this Bill contradicts the very philosophy upon which the legal aid plan in Saskatchewan was developed.

The legal aid plan in Saskatchewan was developed on two basic principles. The first principle is that all people have a right to legal counsel regardless of their ability to pay. The second principle being that because of the nature of the people who use legal aid, that is, people who are poor, that there should be community clinics and community involvement in the neighbourhoods where most of these people live, Mr. Deputy Speaker. That's the second principle.

So we saw a legal aid plan in Saskatchewan that was developed with community clinics throughout the province and with community involvement and local community boards making input from the community as to how they wanted these services expanded. We saw tenant organizations being advised by legal aid lawyers. We saw all sorts of proactive groups interacting in a social environment in communities across Saskatchewan to better the lot from a legal point of view of poor people in the province. And that was one of the mandates of the legal aid plan in Saskatchewan.

As a result of that, Mr. Deputy Speaker, this plan became a plan that was unequivocally of world class. We had people coming to Saskatchewan from other countries to take a look at the plan and to see whether or not they wanted to implement aspects of it back in their own country. It was a plan of first class.

And now we see, as a result of PC government, misplaced priorities, underfunding, cut-backs, and privatization, a complete reversal in the philosophy and an undermining of this basic philosophy which I consider to be very important and very precious, Mr. Deputy Speaker.

With respect to the principle that all people have a right to be represented by counsel regardless of their ability to pay, what we see is a move towards privatization; in other words a move to the private bar on a fee for service basis, Mr. Deputy Speaker. That's what this government is proposing, a move to fee for service.

Well the evidence shows, and it shows quite clearly, and this was very, very clear at the time the plan was established, because the Carter commission had reviewed it in depth, the evidence showed that people do not access a fee for service system in the same way they access community clinics. Why don't they access it? Because oftentimes the expertise is not built up in the private bar, because a member of the private bar may do a spattering of legal aid cases, whereas a legal aid lawyer zeroes in and does all these kind of cases, Mr. Deputy Speaker. So the expertise in the private bar is not the same as it becomes in a legal aid community clinic surrounding.

The other reason why people will not have access under this system is because of the proposal to move to user fees. In other words, your ability to pay will entitle you to a lawyer. The proposal to move towards user fees limits access.

Another reason that access is limited under a privatized plan is that poor people do not like going into fancy lawyer offices, and it's as simple as that. The evidence establishes that they don't frequent offices because they're intimidated by these high class lawyer offices, and they simply don't go to them. And that results in people using the plan less.

Now with respect to the right to be represented by counsel, Mr. Speaker, this right is enshrined in the charter of rights. It is a constitutional right. It is a democratic right. And what this government is doing, Mr. Speaker, is undermining and denying the constitutional and democratic right of every citizen in this province to have

access to legal aid or to a lawyer.

The community involvement aspect: what we see by this Bill that's being proposed is a repeal of the sections dealing with advisory committees, a repeal of those sections, Mr. Speaker, without an adequate substitute. Well what were these advisory committees? These advisory committees were designed for the purpose of providing community involvement and input. Their mandate was to advise the commission respecting the legal service requirements of the area, to make provisions for informing the public with respect to the services available, an information function, Mr. Speaker, and to establish programs in the area for the purposes of providing information and advice in legal and associated matters.

Why did we have that? Why did we do that? We did that, Mr. Speaker, because poor people often don't even recognize a problem as being a legal problem. People who have not had experience with the legal system will have a problem and don't even identify it as a legal problem.

So we have advisory committees, we have staff and personnel going out there and saying, if this happens to you, here's a possible remedy. If this happens to you, here's what you do. You provide information, you provide assistance, you provide help with organizations. If you're having trouble with a landlord who is not meeting his obligations under the lease, you get together with the people who are having this trouble and you provide them with some assistance and help.

That was the function. That was the intent of these legal aid lawyers. That was part of their mandate. That was the mandate of the advisory committees, Mr. Speaker, and the local boards. That was their mandate. And this is being completely undermined in this legislation, the very philosophical basis that made this legal aid plan a legal aid plan of world class is being completely undermined by this government, Mr. Speaker.

And with respect to the user fees, well we know full well that the private bar, it'll cost more because the evidence establishes that quite clearly that it'll cost more to have legal aid services provided by the private bar. But this government is so bent on its privatization ideology that the cost doesn't matter; it's just the ideology that counts. The quality of service doesn't matter; it's the ideology that counts. That's the way they're thinking with respect to this as well as many other issues.

Now I ask myself, why wouldn't they take this extra money that they're going to be putting in the pockets of lawyers in this province and put it into expanding the legal aid services in this province? Right now we have a situation in this province where men and women who are involved in custody and maintenance battles, who cannot afford a lawyer — and in most cases it's women, but it does happen to some men as well — who cannot afford a lawyer to pursue their custody rights or to defend their custody rights against a spouse who may have money and has hired a lawyer, and the spouse without the money may be getting too much money to qualify for legal aid but still can't afford a lawyer, Mr. Speaker. These

people should be entitled to some sort of legal service. They should be able to enforce their rights.

But instead what is happening is this government is putting the money in the pockets of lawyers instead of expanding the legal aid services under the legal aid plan. And I say that's wrong, Mr. Speaker.

What we are seeing then is a government that is not acting in the best interests of the public. It's not acting in the best interests of the people. It's acting through ideology and in the interests of the private sector and private interests, Mr. Speaker. It's denying constitutional and democratic rights for the purposes of implementing its right-wing ideology of privatization. It's denying community input and involvement by eliminating advisory committees for the purposes of its right-wing ideology because it doesn't believe in community input and involvement.

(2245)

We hear this from the Minister of Health. He wants community input; he wants community involvement. And I say over and over again, this is simply rhetoric; it means nothing, and the fact that they are eliminating community involvement in the legal aid Bill, Mr. Speaker, proves the point that when they talk about community input and involvement, it's simply rhetoric and it has nothing to do with reality and what their real intentions are.

And on that basis, Mr. Speaker, I will be opposing this Bill.

Some Hon. Members: Hear, hear!

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

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mrs. Smith that **Bill No. 85 — An Act to amend The Mineral Taxation Act** be now read a second time.

Mr. Solomon: — Thank you, Mr. Speaker. I rise to speak on Bill No. 85, which is an Act to amend the Mineral Taxation Act. And I rise to speak on this Bill, Mr. Speaker, with a great deal of concern for the approach in which this government is taking with regard to resource taxation in Saskatchewan. It's a very suspicious Bill in my view, Mr. Speaker.

We have seen the government opposite over the last number of weeks and months display time and time in this legislature their incompetence. They've displayed time after time their greed, and they've displayed time after time, as particular as it applies to this Bill, their bent for privatizing and selling off all of the revenue-bearing assets for the people of this province.

We've seen them invoke closure when we were discussing the Potash Corporation of Saskatchewan and opposing the sale-off to the big business friends of the government. They invoked closure; they muzzled the opposition, Mr. Speaker, and they have gone in a very direct, quick way to become a very secretive government.

They've covered up all kinds of initiatives on their part.

We have seen the member from Kindersley, the Minister of Justice, stand in this House in 1980 and put forward a private member's Bill called the freedom on information, or freedom for information Act. He stood in this House, on the opposition side, Mr. Speaker, and talked about the necessity in Saskatchewan, and in this legislature in particular, to have more access to information on the government side.

But with Bill No. 85, Mr. Speaker, we have seen him once again do the opposite of what he proposed in opposition. Rather than to provide more information to the opposition, rather than to provide more information to the public so they can see whether the government of the day is being secretive for very devious reasons, he has come on this side of the government and he has put forward and supported Bill 85, which in my view, Mr. Speaker, is a Bill that creates more secrecy in the cabinet, which gives the cabinet power to tax the potash resource in this province, and in essence, takes the taxation ability out of the legislature takes the review of taxing resource companies in this province out of this Assembly, and very neatly and secretively puts it in the places of the cabinet members opposite, who will determine as the time goes by whether or not potash corporations will pay a tax and to what degree they'll pay this tax.

We have seen, Mr. Speaker, the members opposite undertake another taxation program for their big-business friends. Many members will recall in this Assembly that they undertook to provide a new taxation regime for the oil companies in 1982, Mr. Speaker. In 1982 they undertook a new taxation regime, which has helped all of the struggling international oil companies like Exxon and Texaco and Shell. And what they've done, Mr. Speaker, is they've created a new tax system which basically was a royalty-free period for these oil companies and producers in this province, the major producers.

And it's resulted in a very unusual economic initiative in this province. They said that it would create jobs, that it would bring industry to this province, that it would have a terrific effect. Well we have lost, as a result of that taxation policy on oil, up to the end of 1988 in the six years preceding, a total of \$2.469 billion in resource revenue. The taxpayers of this province, Mr. Speaker, have subsidized the oil companies outside of this province, and many of them outside of this country, to the tune of \$2.469 billion in tax dollars. Now they come forward with a new tax regime for the potash corporations.

But what the result of this big tax underwriting, the provincial taxpayers' underwriting of the large oil companies in North America? Well the result is, Mr. Speaker, that when you talk to the oil business in Weyburn and the people who operate in Estevan and of course around Lloydminster and Swift Current, they tell you that this is the worst year in the oil business in terms of exploration and drilling that they've had in recent memory, many of them say within 10 years, some even say within the last 10 or 15 or 20 years. And this is as a result of this new oil tax royalty holiday they undertook in 1982.

Now we see in Bill 85, a Bill which is going to be changing the way in which potash corporations will be paying taxes. They are taking as well the policy of the taxation of this government, as it applies to potash, out of this legislature, and they are putting it into regulations. They're asking us to support this Bill which does not expose the policy of the government opposite until after the Bill is passed and regulations are written and provided to the Assembly for review.

So we've seen a very sneaky, a very unusual, and a very secretive method by which they want to cut deals under the table with the potash corporations and try to collect some taxes from the potash industry in this province.

Well we've seen, Mr. Speaker, a result of the oil policy, and I hope that the minister would come clean and introduce some amendments in the House when she brings it to committee which would allow the regulations to be put forward at least in tandem with this Bill so we can see what kind of breaks the potash corporations are going to have or indeed if they're going to be paying more taxes and more royalties as a result of this Bill.

We heard, Mr. Speaker, the Premier this afternoon talk about Cargill and what a wonderful deal Cargill was going to be for this province. He talked about providing \$50 million of taxpayers' money up front plus exposing the taxpayers of this province to the tune of 230 to \$240 million more through guarantees. And then he talked about what a great deal that was. But the thing he didn't mention to the people of the province, Mr. Speaker, is that he wasn't revealing the details or . . . because they were so embarrassing for the government or they were committing the taxpayers of this province to such a risk that they would be up in arms if they saw the details. Or worse yet, the second option, Mr. Speaker, the Premier has not cut a deal with Cargill and they're negotiating now.

So he's gone on the public record as saying that we're going to be building this fertilizer plant in co-operation with Cargill. We're sticking out all the dough in terms of risk and we're going to be 50 per cent owners, but the final deal isn't cut. And that's the worst of both worlds, Mr. Speaker, and the reason it's the worst is because if the deal hasn't been cut, Cargill has seen the Premier and this government with their necks stuck out on the public, saying they're going to build this fertilizer plant. What's left of their accountability is on the line. They're going to build this plant, the Premier says, but Cargill hasn't cut the deal yet. So Cargill is going to be negotiating even a better sweetheart deal than they probably already have.

And who's going to be ending up paying the piper on this one? It's going to be the taxpayers of the province of Saskatchewan, Mr. Speaker. And Cargill is going to be reaping the benefits, and the Premier here will be sitting pretty because he feels that there'll be some kind of reward down the line for him. But I think the reward will come Mr. Speaker, sooner than later, and the reward will be, very clearly, the defeat of this government come the next election.

Some Hon. Members: Hear, hear!

Mr. Solomon: — The minister in her remarks talked about the Bill being revenue-neutral. We've got some statistics about the revenue-neutral approach of this government for the past five years. Between 1977 and 1981, when the NDP were government in this province, Mr. Speaker, we had about \$900 million in royalty and mineral taxes from the potash sector, and there was an average of about \$180 million a year. Under the Conservatives, that royalty and mineral taxes totalled not \$900 million but about 230 or \$240 million. And that averaged about \$58 million a year, Mr. Speaker.

So we've seen a decline, a severe decline in terms of revenues from the potash sector and in the mining sector, and yet they're introducing a Bill which they say is going to be revenue-neutral. And I've got some questions when it comes to committee, Mr. Speaker, about how neutral that revenue's going to be, and I'll be asking the minister a number of questions as it applies to that.

But simply put, Mr. Speaker, this Bill asks us to endorse policy which is not public and won't be public until after the Bill is passed and regulations are created and tabled and gazetted. It favours, in my view, under the table deals. It's a sloppy and unfair and unacceptable way to tax resource companies.

And it leaves, in my view, Mr. Speaker, more questions unanswered than it answers. And we'll go over the details as we go along. It basically centralizes decision making in taxing responsibilities and policies in the cabinet, and in particular, that's a very sensitive point from the members opposite. It centralizes power and provides more secrecy to the cabinet and takes some of the authority out of the Legislative Assembly of Saskatchewan.

And, Mr. Speaker, that's a very sad development because we see here the member from Kindersley, the Minister of Justice, who has stood in this House time after time, has put forward private members' Bill in 1980, which had requested a greater freedom of government information in this province, and yet when he's in a position to show what kind of a person he is by following up on what he believed to be the truth — and I still believe he believes it to be the truth — rather than coming forward and providing more information to the public and allowing the opposition to review from time to time through pertinent legislation, mineral taxes, in particular potash, he has failed to do that. And I'd be most interested in hearing why the member from Kindersley, the Minister of Justice, who supports this Bill 85 which favours more secrecy, standing in this House and explaining his change of mind and his change of thought over the years that have intervened since 1980.

Mr. Speaker, very simply this Bill takes the authority of taxing the resource company and the potash industry out of an agreement, out of the Potash Resources Pricing Agreement, and puts it into regulations which will be set by the cabinet minister. And it's really a bad piece of legislation in that regard because the minister can then change from time to time what sort of taxes the companies will pay without any public accountability to this Assembly.

We'd like to know what their policy is and why they don't

spell it out in the Bill rather than leave it for the regulations. The Act gives the minister the power to determine prices, and she talks about levying a profits tax and a base tax. But why not include the basis of the profits tax in the Bill rather than in the regulations, so that it's here, that it's set, that it's under public scrutiny and can be criticized from time to time, or even admired, by the opposition. But the minister refuses to do that and I look forward to asking her some questions about that.

But, Mr. Speaker, I don't want to proceed beyond the time that's available to me so I want to just point out one or two other items about the Bill which I feel are quite important and I'll be raising in committee.

It's a bad Bill, Mr. Speaker. The profits tax is paid quarterly and will be based on tax brackets and rates set in the regulations, and the minister will determine questions with respect to the quantity of potash produced, the deductions and credits and value of the potash sold. And without the regulations, it's not possible to estimate the impact of the change as it's not even clear that the rates of the tax in the example that she provided are real. And there's no list of deductions allowed for the calculation of the profits which determines the profits tax.

(2300)

So, Mr. Speaker, it's really an unusual situation. The profits tax, by the way, is designed to replace the graduated payment under the potash resources payment agreement and the example suggests the rates will be based on estimates of profits. This is a change from the PRPA (Potash Resource Pricing Agreement) which calculated the graduated payment according to profits and brackets determined on the basis of rate and return. In the new profits tax, this method will likely mean lower rates, unless there's some other kind of examples that she has not provided in her remarks. But there are many unanswered questions and I'll raise some of them now so the minister can be prepared with her officials in committee to provide some answers.

The regulations will not be scrutinized by the legislature — that's a fact — but will be created and changed at the whim of the cabinet. And I'd like to know what's going to be in the regulations, whether the minister has had time for officials to draft the regulations. This Bill was introduced a long time ago in this Assembly, Mr. Speaker. There's been a lot of opportunity for the minister to set some regulations.

The Speaker: — It being past 11 o'clock, the House stands adjourned until tomorrow at 8 a.m.

The Assembly adjourned at 11 p.m.