

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
March 3, 1983

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

ANNOUNCEMENTS

Canada Winter Games

MR. FOLK: — Mr. Speaker, on behalf of the Government of Saskatchewan, I would ask that all members join me in congratulating the team from Saskatchewan for their performance in the recently completed Canada Winter Games. Their hard work and dedication indeed paid off as they were awarded the Centennial Cup, emblematic of the most improved provincial team. To all the athletes, coaches and officials; we're proud of you and once again, congratulations.

HON. MEMBERS: Hear, hear!

QUESTIONS

SGI Rates

MR. KOSKIE: — Mr. Speaker, I'd like to direct a question to the Minister of Industry and Commerce, the chairman of the Saskatchewan Government Insurance Office. The past week, Mr. Minister, you made an announcement and you indicated to the House, I believe, that SGI had, on behalf of AAIA, submitted an application to PURC, the public utilities review commission, for a 6.7 per cent increase. I would like to ask the minister whether he could advise us whether the application that was submitted did in fact take into consideration that the basic coverage provided to the people of Saskatchewan at the present time was the basis on which that announcement was premised.

HON. MR. ROUSSEAU: — Mr. Speaker, last week when I was asked the question about the 6.7 per cent submission for our increase and the submission to the public utilities review commission, I was under the impression at the time that the submission had been made. However, I have subsequently been told that, although it is prepared, it hasn't in fact been given to the public utilities review commission and will be done any day. To answer the hon. member's question, the public utilities review commission submission will include the \$500 deductible, as the member has asked.

MR. KOSKIE: — Mr. Minister, in announcing the application, you indicated it would be a 6.7 per cent increase which, in appearance, looked like a modest increase. I'm asking you specifically then: in respect to that application, the deductibility will be in fact increased from 350 to the 500 level. Is that correct?

HON. MR. ROUSSEAU: — Yes, it was announced yesterday.

MR. KOSKIE: — Mr. Minister, in respect to the consideration of the increase in the deductibility, on a previous occasion you indicated that in fact you did not believe that the increase in the deductibility would be included in the submission to PURC. Have

you since changed your opinion on that? You are reported to have said that you would not include any change in deductibility for consideration by PURC in setting the percentages.

HON. MR. ROUSSEAU: — Mr. Speaker, I have already replied to the question. I don't know what the member is driving at. The application that we are submitting to public utilities review commission will in fact include the \$500 deductible.

HON. MR. BLAKENEY: — Mr. Speaker, I direct a question to the minister in charge of SGI. He has advised the House, as I understand it, that the application to PURC will involve: (1) a request for an increase in rates, and (2) a request for an increase in deductible. Will he give the House an assurance that there will be no increase in rates or decrease in coverage without the consent of the public utilities review commission?

HON. MR. ROUSSEAU: — No. Mr. Speaker, the Leader of the Opposition is a little confused. I did not say that we were submitting a request for increase in deductible. What I said was that we are submitting a request for an increase in the rate. The request for the increase in the rate will be based on the application that we are submitting, the package that we are putting forth. In other words, the insurance package that we are asking for the increase of 6.7 per cent increase will include a \$500 deductible. We are not asking for permission to increase the deductible. We have done that. It's the same thing as we would not ask public utilities review commission to increase liability. We would do that without that permission. We don't need that permission. The permission we need from the public utilities review commission is for a rate increase. That's the application we are making.

HON. MR. BLAKENEY: — Supplementary, Mr. Speaker. The initial rates which you have filed with the public utilities review commission, SGI, involve a particular rate for a particular coverage. Is it your position that SGI can decrease the coverage without the consent of PURC?

HON. MR. ROUSSEAU: — Mr. Speaker, not only can we decrease it, we can increase it. The coverage, as he puts it, is one thing: the package that we are presenting is a package. On that package we are asking for a rate increase. It seems to me that the opposition is saying to us that they would rather have us apply for 13 or 14 per cent increase in the rates which would apply to everybody in the province. That's what they are asking us to do: to charge everybody in the province instead of the few people, the small percentage, less than 15 per cent of the motoring public, who in fact should pay more money for the accidents that they cause and the charges made against the insurance that they cost. This is the direction we are taking. This is what we prefer to do. We are submitting an application for a rate increase based on the package that we've submitted.

HON. MR. BLAKENEY: — Mr. Speaker and Mr. Minister, I want to direct a question to the minister in charge of SGI because this is absolutely key to the question of what the public utilities review commission is all about.

If the rates can be changed without the consent of the public utilities review commission, it amounts to nothing. He says that's not true. If what is offered to the customers can be changed without the public utilities review commission approval, then the whole review procedure amounts to nothing, and I am asking the minister again: is it his position that SGI can change the coverage provided by the plate insurance, without any reference to the public utilities review commission, at its sole

discretion?

HON. MR. ROUSSEAU: — Yes, that is correct, Mr. Speaker. The SGI, on behalf of The Automobile Accident Insurance Act, can in fact submit to the public utilities review commission a package — no different, Mr. Speaker, than that SGI on the general side of the picture can change the package as they have at any time they so desired, if they so desired.

The package that we are selling — we're not hiding anything; we're not covering anything over. We are saying that the basic insurance will include \$500 deductible and will include \$100,000 in liability; based on those facts, based on that package, we're asking the public utilities review commission to grant us a 6.7 per cent increase in the rate as it applied before.

HON. MR. BLAKENEY: — Mr. Speaker, I direct a supplementary to the minister.

Does he not agree that he has already filed a package? The SGI have already filed a package with the public utilities review commission, and that was your initial rate schedule including the rate and the coverage, and neither can be changed without the approval of the public utilities review commission. Do you not agree with that?

HON. MR. ROUSSEAU: — No, I don't. Mr. Speaker, as a matter of fact, and obviously the Leader of the Opposition wasn't listening to my reply to the first question, when I said I had been under the impression that a package or a submission had been made to the public utilities review commission. I knew it had been completed, and I thought it had gone, and I apologize to the Assembly for the misinformation that I provided last week. But I was under the impression at the time that it had been done. We are submitting a package which will be the first package that the public utilities review commission have received.

HON. MR. BLAKENEY: — Just one last supplementary. Is the minister saying that SGI on behalf of AAIA has not filed anything with the public utilities review commission up to now, either an initial package or a request for change?

HON. MR. ROUSSEAU: — Well, I'm informed, Mr. Speaker, that all rates for all corporations have been filed, basically, in January or within three months.

HON. MR. BLAKENEY: — Mr. Speaker, and Mr. Minister, I ask a new question. You are now telling us that a rate schedule has been filed, a rate schedule which included reference to the deductible. Are you now telling us that that rate schedule, including the reference to the deductible, can be changed by SGI with respect to the deductible without the approval of PURC?

HON. MR. ROUSSEAU: — Well, I don't know what was filed in January or whenever. I don't know whether it was a package as an outline, what it included, or just a rate as it applied to vehicles at the time. So I can't answer the hon. member's question on that particular point.

But to answer the second part of this question, I will say this: as I understand it, the rules of the public utilities review commission with the guidelines or whatever you want to call them, SGI can, in fact, change the package, the benefits, applied to the policy without permission from the public utilities review commission. For example, if we decided at some time in the future to increase the liability amounts, we can do that without referring it to the public utilities review commission, the same as we can change

the deductible. The decision or the deliberations of the public utilities review commission is the rate, the rate based on what we are presenting. So one has nothing to do with the other, and I don't know why the Leader of the Opposition would have so much difficulty understanding that because we are telling the public utilities review commission what, in fact, we have and we are asking for a rate based on what we have.

HON. MR. BLAKENEY: — Mr. Speaker, a supplementary. Clearly the minister is giving us a description of PURC which is very different from what we understood. He is saying that PURC is dealing with the application made by the SGI to establish a rate. I say PURC is dealing with the application to change a rate.

Now are you saying that you can change the coverage under the initial plan which you have already filed regardless of what changes you make? You can make it a \$5,000 deductible, without any reference to the public utilities review commission? Have I got that clearly in my mind?

HON. MR. ROUSSEAU: — Yes, Mr. Speaker, I believe he has finally got it clear in his mind. It's taken him a little while to get it there, but I think he's starting to understand the position that we can, in fact, do as he's saying.

Sask Tel Rates

HON. MR. BLAKENEY: — Mr. Speaker, I direct a short question to the minister in charge of Sask Tel. With respect to Sask Tel, is it the view of the minister that if Sask Tel has filed a rate of, let us say, \$2 for a three-minute call to Saskatoon, the Sask Tel can change that into \$3 for a two-minute call to Saskatoon, without any application to PURC?

HON. MR. LANE: — Yes, the long-distance rates are often established by the CRTC and may have some influence on the change. Consequently, there may have to be a change.

HON. MR. BLAKENEY: — Mr. Speaker, a supplementary. I specifically picked an in-province call which CRTC has nothing to do with, as the minister well knows. I'll ask it again. Are you saying (a similar question again) that if Sask Tel charges and I'll use \$4 for a call for three minutes from Regina to Saskatoon, they can say, "Our rate is now \$4 for a two-minute call to Saskatoon" without reference to PURC?

HON. MR. LANE: — No, I would have to get an opinion. It certainly wouldn't be our intention to do that.

SGI Rates

HON. MR. BLAKENEY: — Mr. Speaker, I ask a new question of the minister in charge of SGI. We are attempting to decide whether we are attempting to regulate — whether PURC can be made a mockery of by simply changing what you offer. It is not dissimilar to someone saying, "I sell eggs at \$1 a dozen, and I'm not raising the price. All I'm saying is that next week a dozen eggs will have 10 and not 12."

SOME HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — My question is . . .

MR. SPEAKER: — Order! It's getting to the point where it's impossible to hear what the

member is asking and I'm sure that the minister will not be able to answer because he doesn't know what the question is. I can't hear it and you can't. So I would ask for order.

HON. MR. BLAKENEY: — I ask a question to the minister in charge of SGI. From the press statements, I have understood him to say that the increase in deductible will apply only to drivers at fault. Will he confirm that?

HON. MR. ROUSSEAU: — No, I certainly won't confirm that. I don't think I have seen any press reports that say it will only apply to drivers at fault. I think what it says is that only the drivers at fault will pay. There's a difference. The \$500 deductible will apply to anyone who buys a licence. But no one will pay a dollar if they don't have an accident. There's no charge at all. It's zero. If you don't have an accident, it's zero.

Now if you have an accident, and there are probably 80,000 to 100,000 — I don't know the exact figure but I can work out some details for you on that — then you will pay. Those are the ones who will pay. Everyone will be offered the same package. Everyone will pay the same price on the basic insurance, based on the vehicle and so on and so forth. So, yes, put the question the other way and certainly only those at fault will pay the \$500 deductible. Those not at fault don't pay anything.

HON. MR. BLAKENEY: — Mr. Speaker, I wonder if the minister would then confirm this (and I think I heard him). If my car is stolen, will you give me a firm assurance that my deductible is still \$350 and not \$500, if my car is stolen? . . . (inaudible interjection) . . . I will put it the other way, that if . . . (inaudible interjection) . . . I'm pretty careful about where 1980 Oldsmobiles move about. My question to the minister is this: if my wife's car, then, is stolen, will you give me an assurance that neither she nor I will have to pay any more than \$350, the present deductible? Or are you telling me the deductible is increased for that class of people, too?

HON. MR. ROUSSEAU: — Mr. Speaker, I would assure the hon. member that if his wife's car is stolen before March 15, it will only cost him \$350. And after March 15, starting March 16, it will cost him \$500, providing — and I'm not sure of this — that the theft includes a deductible. And I'd have to check that, but assuming you're correct in your analogy that perhaps . . . I'm not too sure whether it includes that or not. It may not have any deductible at all.

HON. MR. BLAKENEY: — This is the whole point. I also want to ask him what happens if my wife's car burns. If my wife's car burns, is that a \$500 deductible?

HON. MR. ROUSSEAU: — Mr. Speaker, I don't want to pull the file on the hon. member's wife's car, because I know one minister who did that once before, and I don't want to be doing that again.

SOME HON. MEMBERS: Hear, hear!

HON. MR. ROUSSEAU: — You're asking me, Mr. Leader of the Opposition, some technical questions with respect to what is covered — and hypothetical, as well — but I'm not the technician involved over at SGI; I am the chairman of the board. Admittedly, if you want to ask me what deductible is on a vehicle with a GVW of 66,000 pounds, I can't tell you that. There's a book full of those figures, and rules and regulations. Now, you're picking. If you want to start picking particular cases, unfortunately I can't give you the answers to that because I don't have the book here with me.

If there is a deductible involved in a burn — as I remember from my days in the automobile business, I don't think there is a deductible involved in that, but there may be — then the deductible will apply. The deductible as it exists on March 16 will apply, whatever it is. It may be zero. For example, on a hit-and-run, which is zero . . . (inaudible interjection) . . . On certain, depending on the amount. Again I'm getting into an area that perhaps I shouldn't be getting into because we're talking about a technical part of the insurance, and there are some exclusions, and I don't know what they are at this point.

HON. MR. BLAKENEY: — Mr. Speaker, I'll ask the minister to confirm that any statement to the effect that only those at fault will pay is false, because people may well be called upon to pay who suffer fire loss, theft loss, collision loss with a farm tractor, collision loss with Alberta cards, and a whole list. Is that true or are you now giving an assurance that only people who are found to be at fault will pay the additional deductible?

HON. MR. ROUSSEAU: — All right. Now I know where the man is coming from, Mr. Speaker. The at fault include all of those who are in an accident, in collision, with or without other vehicles, but are at fault in that particular accident. That's what at fault means. Now on the exclusions of that, or on the other instances that the member is referring to, again I'm not going to get involved into the technical areas of what is covered and what is not covered.

I don't consider myself qualified, to being with, to tell you what and what is not, and what should be and what should not be included in a policy. I can answer those questions all day long for you if you ask me the same questions in crown corporations where I have my officials sitting there answering the questions. Meanwhile I'm telling you that those at fault in a collision are those who will pay, and that involves the majority of the claims that are paid for by SGI.

If you want to get picky about some exclusions, well then, we'll wait. I'll take notice of the questions. I'll wait till we get into the crown corporations where I can give you some of those answers.

HON. MR. BLAKENEY: — Mr. Speaker, one short supplementary. Will the minister assure us that nobody other than those at fault will pay the extra deductible? . . . (inaudible interjection) . . . Mr. Speaker, this is not to do with the coverage. This is to do with the policy that the minister is announcing. I she announcing a policy which says that only those who are at fault will pay the extra deductible, and those not found at fault will not pay the extra deductible?

HON. MR. ROUSSEAU: — Mr. Premier, I will announce now that there are no changes in the policies that were in existence at the time that they were the government, the policies remain the same.

Public Utilities Review Commission

MR. SHILLINGTON: — My question, Mr. Speaker, is to the Premier. I would remind the Premier that the credibility of the public utilities review commission is at stake. By way of background I'd ask you to think of any other rate setting structures such as the CRTC, all of whom control rates and level of service. My question to the Premier is: what on earth is the point in having a public utilities review commission, if a utility dissatisfied with the result can then decrease the level of service and recoup the same financial result as if it had got the request? What's the point in having the commission?

HON. MR. DEVINE: — Mr. Speaker, there's a couple of advantages to the public utilities review commission . . . (inaudible interjection) . . . Let me finish. One, that the public is involved, and we've debated that and talked about it, and I think that is a popular part of it. Number two, when we're making applications to the public utilities review commission, it doesn't say that we can't modify the policy of the crown corporation that's in existence.

For example, we may change a number of employees, we may change the marketing division, the advertising division. Do you want the public utilities review commission to decide that? No. Clearly you don't. We can have modifications to the way we operate, on an annual basis, the public utilities that we are responsible for. Now, every year when you take that new program to the public utilities review commission, they sit and justify that whole new operation plus the application for the rates, and say, "Is it reasonable?" Now, we could walk in, in this case, with a 14 per cent increase — apply for a 14 per cent increase. But the minister says, "No. I think we can run it better and make it fairer with this new package. So would you please consider the 7 per cent increase with this new operation?"

When we propose, year after year, to have rates adjudicated by the public utilities review commission, they ask, "How do you run your operation?" The minister who is responsible is going to say, "This is how we run our operation. We're making changes to be more efficient, more effective and fairer." Now, if they look at it as being more efficient, effective and fair, they'll say, "Great, I think I'll justify that." If not they'll come in with a lower rate. They can always do that.

So the public utilities review commission has those two attributes. Number one, it can have the public involved in justifying it. Number two, it reviews the management package in every crown corporation and says "You're doing a good job; if not you won't get the rate increases."

SOME HON. MEMBERS: Hear, hear!

NOTICES OF MOTIONS

HON. MR. ANDREW: — Mr. Speaker, I give notice that I shall on Monday, March 7, 1983, move first reading of a bill to amend The Family Farm Improvement Act.

I give notice that I shall, on Monday, March 7, 1983, move first reading of a bill to amend The Department of Agriculture Act.

I give notice that I shall, on Monday, March 7, 1983, move first reading of a bill to amend The Public Works Act.

I give notice that I shall, on Monday, March 7, 1983, move first reading of a bill to amend The Department of Continuing Education Act.

I give notice that I shall, on Monday, March 7, 1983, move first reading of a bill to amend The Education Act.

ORDERS OF THE DAY

COMMITTEE OF FINANCE

CONSOLIDATED FUND BUDGETARY EXPENDITURE

HEALTH

Ordinary Expenditure — Vote 32

Item 1 (continued)

MR. CHAIRMAN: — We will continue with the items on health, page 47. The minister has already introduced his officials so we can go right into it.

MR. LINGENFELTER: — Mr. Chairman, I think we have gone through the process of introducing the staff. We probably will just go right into questioning. Hopefully today we'll move right along here and not spend a great deal of time, because we will be back in health estimates, as the minister knows, in a very short time. I hope it's before the end of March that we're dealing with the next budget because I know there are many third-party grants, and the hospitals will want to know what kind of moneys they're going to be getting for the new year.

I think he will be the first one who will admit that running a budget as we have in this past year where we are working on estimates long after the money has been spent leads to a great deal of difficulty not only for his department, but for the people who work in it, as well as the hospitals out in the country. It is just a bad practice to get in where we have a budget introduced late in the year and don't have the estimates passed until the fiscal year is over.

I wonder if the minister could tell me if he has a personal affairs person on staff, someone who's responsible for communications in his department solely for press agents or something like that?

HON. MR. TAYLOR: — Yes, I do have a public communications department within my department. It is comprised of one person, and that person's responsibilities mainly would be dealing with the media on health education types of issues, preparing the pamphlets that you see in doctors' offices and in schools and the general distribution of the health information that our department puts out.

MR. LINGENFELTER: — I wonder if the minister would consider giving me the name and the salary of that individual?

HON. MR. TAYLOR: — I don't have the salary just handy, but I'll send it across to you. The name is Rick Jorgensen. He's the director of public communications in the administration services branch.

MR. LINGENFELTER: — Mr. Minister, can you as well send across, when you send that information, the qualifications of that individual for that job.

HON. MR. TAYLOR: — Yes, no problem.

HON. MR. BLAKENEY: — Mr. Minister, I want to ask a couple of questions about the progress of the hospital regeneration projects in Regina. There is a perception in Regina that the Pasqua Hospital project is not proceeding as rapidly as was earlier

supposed. Can the minister advise what was spent approximately on the Pasqua Hospital regeneration project in the last 12 months, or in some other recent period?

HON. MR. TAYLOR: — I'll tell the hon. member that we would want to give you the exact dollar figure. It will take a minute or two, but we will supply it to you. In general, the package 2 is progressing as on schedule. You know there was a slowdown in construction throughout the province because of the strike over the summer which certainly affected the Pasqua. I did speed up the package 3 to have it enclosed. I think that's in keeping with the winter works program. That is where the situation is at the Pasqua at this time.

HON. MR. BLAKENEY: — What is the estimated date of completion of, I won't say the entire regeneration project because I don't know what's involved but, packages 2 and 3?

HON. MR. TAYLOR: — I can't give you an exact date, and I think that's reasonable. Package 2 will be completed in entirety by the summer. Package 3 will be enclosed by this summer. Then we would have to go to tender on the interior of that.

HON. MR. BLAKENEY: — Mr. Chairman, and Mr. Minister, when is it anticipated that what I call the front block, the old front block closest to Dewdney Avenue, will be demolished?

HON. MR. TAYLOR: — Again, until we go to tender, it's impossible to give an exact date. But we're looking roughly around 1986, '86-87. That's the ball-park date that we're kind of looking at.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, when the Pasqua regeneration is complete, and the Regina General is complete (and I'll ask a question in a moment about the Regina General and whether it's nearing completion), and assuming no additions to the Plains in the immediate future, what would be the bed complement in Regina when those three hospitals are on stream? Either including or excluding Wascana, but tell me what you're doing?

HON. MR. TAYLOR: — This would be excluding Wascana: 1,191 beds.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, coming back to the question which I asked concerning the Regina General, can you tell me at what stage that project is? How near completion is it?

HON. MR. TAYLOR: — On package 3 of the General, we're looking at the design. In that process at this time, we're not right ready to go to tender yet. That's where we're still progressing with design, and architects are working on design specifications, and so on.

HON. MR. BLAKENEY: — Mr. Chairman, and Mr. Minister, to refresh my memory, is phase 3 something to be built substantially on the site of the old 1908 block, as I call it — that centre block — or somewhere else?

HON. MR. TAYLOR: — It'll be constructed to the east of what is commonly known as the old block, if you realize where that is . . . (inaudible interjection) . . . Okay, fine.

HON. MR. BLAKENEY: — Mr. Chairman and Mr. Minister, is it still intended to demolish the old block and what I call the DVA wing?

HON. MR. TAYLOR: — The original intention has not changed. But I'll be honest, things can change too, you know, depending on situations, so at this point in time there has been no change from the original intention.

HON. MR. BLAKENEY: — Mr. Chairman, Mr. Minister, a different kind of question now with respect to the rehabilitation centre and a site therefor. Would the minister advise the committee of what is the favourite site for the rehabilitation centre at this time?

HON. MR. TAYLOR: — We are going to go ahead with the rehabilitation centre, but the definite site at this point in time has not been selected.

HON. MR. BLAKENEY: — Mr. Chairman, and Mr. Minister, I suspected that. I wonder which one was on the top of the list in the minister's consideration, or has he not ranked them to that extent as yet, and if not, tell me what are the two or three sites which he is particularly addressing?

HON. MR. TAYLOR: — These sites, and they are not ranked, but beside the Plains Hospital is one possibility. Beside the General Hospital is another possibility. Somewhere else as a free-standing building in Regina is another possibility. But I will give you my assurance that it won't be in Wolseley.

HON. MR. BLAKENEY: — I noted that he did not say adjacent to the Pasqua Hospital in the constituency of Regina-Elphinstone. I noted that. You are basically then considering a site adjacent to the Plains and probably one on Halifax Street or somewhere close to the Regina General, is that fair?

HON. MR. TAYLOR: — No, or somewhere else, I haven't ranked them. I'd tell you if I knew.

HON. MR. BLAKENEY: — Mr. Chairman, and Mr. Minister, I'd ask the minister to let us know when he makes up his mind.

HON. MR. TAYLOR: — I sure will.

MR. LINGENFELTER: — Mr. Minister, I have here a report from the college of dental surgeons, dated November 1982, that you will be aware of. A report from the college of dental surgeons, the ad hoc committee on the future of dentistry in Saskatchewan, November of 1982. And it talks about encouragement of the adolescent dental plan to be delivered totally by the private sector dentist. I'm wondering if you could inform the House whether consideration has been given to this request, and if so, what reply have you given to this report on that issue?

HON. MR. TAYLOR: — Regarding the report, I have replied to the college of dental surgeons, and the gist of my reply was that I was supportive of their request. There has been some transfer of adolescents to the private sector and we will continue with that in the coming year.

MR. LINGENFELTER: — I wonder if the minister can inform the Assembly why he would be doing that, encouraging individuals, young people in particular in the adolescent program, to go to the private sector rather than to use the dental nurses and therapists

in the schools. What could possibly be the reasoning behind that? Is it cheaper for the department or is it just your right-wing philosophy that everything has to be done through the private sector? Can you elaborate a bit on that, why you're doing that?

HON. MR. TAYLOR: — Basically I think there are two or three things here I'd like to draw to your attention. Number one, the cost factor is not that different between the service being provided by a private dentist or the dental plan. Number two, and I suppose the most important, is that the philosophy behind the dental plan was that children would develop good dental hygiene and that as they grew into adulthood, they would then select a dentist who would be their dentist and they would continue on with good dental hygiene practices, which of course you realize do have an effect upon one's personal health. Thirdly, to look at keeping viable private dentist practices in rural Saskatchewan, I think that this will certainly help. I remember you indicating to me yesterday, Mr. Member, your deep-felt concern for viable private dental practices in rural Saskatchewan. So I would think, in line with what you said yesterday and in line with what I'm just telling you, the two mesh together and I sure hope you would get out and support that for me.

MR. LINGENFELTER: — Well, I find it a little difficult to follow the logic of the minister where on the one hand he cuts out the \$25,000 grant to the rural program to establish young, starting dentists, and at the same time he's proclaiming that he is transferring or attempting to transfer the adolescent program to the private sector. If there are no dentists out in the country, as a result of your lack of initiative in granting \$25,000 to start them up, how are they then going to go to the dentists in the small community when there won't be any? They will drive to the city in order to get their dental care and with it, the business will flow to the city as well.

What I'd like to know is why, when the studies that have been done on the dental program in Saskatchewan would indicate that for many reasons, the dental program is superior. I would like to quote to you some of the numbers that came out of the 1976 study done by three independent dentists from out of province, which said that of the 2,107 amalgam restorations and 1,503 fillings that were replaced by dental nurses and 604 dentists, the restoration rates were as follows: unacceptable — dentists 21 per cent, dental nurses 3.7; adequate — dentists 62, dental nurses 48; and superior — dentists 16 and dental nurses 47.

Now the Minister of Health gets up and says that he is attempting to move business to the private sector simply because he feels that that is his philosophy, rather than using the actual numbers of what's better for the health of the individual children. Can you square with the school children in Saskatchewan why you're moving in that direction when you know what the facts are concerning dental nurses and therapists in the school?

HON. MR. TAYLOR: — Well, I'd just like to indicate that I think you've quoted a 1976 study, and I understand that we do have an ongoing evaluation, and that they find that the difference in service today, and that's what I am operating in today — there's very little difference. So this is being monitored.

I would just like to point out, of interest to you, so that you don't think that my supposedly right-wing philosophy is causing such a great problem to the service of children in the schools that, if you check your records, you will find that prior to April 26, there was a move by the government that used to be here to move the adolescents into the private practice.

MR. LINGENFELTER: — The minister says that he has ongoing studies of the dental program. Can you give me a bit of background as to who is doing this study on which you're basing your decision. Is it an in-house operation, or do you have professional people from outside the province assessing the dental program, and can you give us some statistics to back up your statements?

HON. MR. TAYLOR: — It's an ongoing quality control committee. The representatives are from the University of Saskatchewan dental school, the college of dental surgeons, and members of the Saskatchewan Dental Plan.

MR. LINGENFELTER: — Can you tell me whether or not the Saskatchewan Dental Therapists Association is involved in this assessment, and if so, who would be their representatives in this group?

HON. MR. TAYLOR: — I'll have to check that out for you, but we will, and supply you with the answer.

MR. LINGENFELTER: — Well, I would just like to say that if they are not included in the assessment of the program. I would encourage you to see that representation from that group is included, because I think they see first hand the type of work that is being done. They talk to the children as well as the parents, and, I believe, would be able to have some input, very much needed input, from that very grassroots level.

I have a letter here, a copy of a letter to you, Mr. Minister, from the Saskatchewan Dental Therapists Association, which in part lists out some of the outstanding features of the dental program in Saskatchewan. The Saskatchewan Health Dental Plan, I wonder, do you have that letter handy, and can you make comment on some of the points that they make in it about the worthiness as of the dental plan and their request that their opinions be taken into consideration for future development of the plan.

HON. MR. TAYLOR: — I don't have the letter with me. If you would give me the date of the letter we would retrace it, but I didn't bring all my correspondence in.

MR. LINGENFELTER: — Well, maybe what would be easier if I would just read in part, and you could reply to the sections of the letter that I read to you. It starts out by talking about the dental program, but makes five basic points. And it says:

Access to a school-based dental program. This allows for a high rate of dental care utilization. In 1982, 90.07 per cent of enrolled children in all treatment needs had all their treatment needs met. Children are treated in familiar surroundings, accepting dental treatment as a routine experience.

Quality dental service. Dental therapists play a significant role in providing the bulk of dental care for children in Saskatchewan. Dental therapists, of which there are presently 215 licensed members, comprise a large percentage of the dental health care professionals in the province. Within the SHDP the quality of dental service provided by the dental therapist is maintained by continual recall, review, and evaluation performed by supervising dentists and other dental therapists.

And the third point is public support. As indicated by an attitude survey of families enrolled in the Saskatchewan Health Dental Plan, there is an

overwhelming support for the plan, its organization, and the dental therapy services. Parents were very much satisfied.

The fourth point — dental therapists play an active role in health education in schools. In addition to providing individual patient and classroom instruction, the dental therapist may act as a resource person in the subject of oral health while maintaining a contact with the teacher.

And five — influence of the dental health teams in the school environment. The presence of the dental health team and the dental clinic within the school facilitates continuous motivation to establish positive dental attitudes.

It says in conclusion that it is the opinion of the Saskatchewan Dental Therapists Association that the dramatic change toward improved dental health and attitudes of the people of Saskatchewan is due in part to the performance of the dental therapist acting through the SHDP and the adolescent dental plan, and the co-operation of all health and dental professionals, which is fundamental to continuing improvement in the dental care in Saskatchewan.

I think what they are saying in the strongest of terms, is that the attempt to move away from a dental plan (i.e., the cancellation of the Wadena project, the cancellation of four-year-olds within the plan, and now the active encouragement to move 15- and 16-year-olds out of the plan) . . . I think they're expressing their concern at what they see to be the undermining of what has to be one of the major social health programs established in Saskatchewan and in Canada, and in fact in North America, over the last 10 years.

And I think that the minister should give his commitment, both to this health group, this group of professionals, and the people of Saskatchewan, that this undermining of the dental plan will come to an end, and that his next budget will reflect not only the maintenance of what is already there, but the expansion of the dental plan, both to include four-year-olds and pilot projects which would outline and decide whether or not a full-fledged dental plan could be put in place in the province of Saskatchewan in the very near future.

HON. MR. TAYLOR: — Either you read a different English than I do, but I didn't see anything in that letter . . . I don't know who signed it; I'm not even sure it was addressed to me. I don't recall it, but I get an awful lot of correspondence, as you will well know, and it may well be that that letter did come to me. I'd like to know the name of who signed it. But what I started to say originally was that I listened carefully to you. I never heard a statement about undermining any dental plan. In fact, I listened, and I didn't hear very much condemnation. I heard a letter saying what dental therapists do, and I support what dental therapists do. But for you to get up here and try and read into this that there's an undermining and an attempt to wreck the dental plan, when I told you only two or three minutes ago that the very move to move some of the adolescents into the private sector was begun by the government in which you sat on one of the cabinet benches. Now it doesn't surprise me that you didn't know what was going on, but you

get up here and try to cast aspersions that this government is intent on wrecking dental treatment to children in this province. I think you should apologize.

MR. LINGENFELTER: — Well, Mr. Minister, I have absolutely no intention of apologizing for statements that I made in concern about your attitude toward the dental plan in the province of Saskatchewan. Our record stands firm; we are the people who introduced the dental plan for children in the province of Saskatchewan which was in place when you took over office. We also had a pilot project in Wadena which would have attempted to set in motion the wheels that would have allowed for a universal dental plan.

Now you may get up and say that you are the great saviour of the dental plan, but the facts don't bear that out. The fact is that you are the minister who didn't expand the dental plan, but on the other hand cut back for four-year-olds within the dental plan, who is encouraging 15- and 16-year-olds to go to the private sector, and who is very much working against, I believe, the whole concept of a universal dental plan. It's a little difficult for the people of the province to believe you, and I don't think they will, simply because your actions speak louder than the words that you give out here in the House.

HON. MR. TAYLOR: — I would just like to read something into the record, just to show the type of cheap shots that you think you're going to be taking at the dental plan. I have this copy of this letter, dated February 28, 1983. That was only two or three days ago. You were a minister in this government, and you know very well the amount of mail that a minister gets. I think you realize that it would be reasonable that I hadn't had a chance to see this letter at this time . . . (inaudible interjection) . . . I'm just pointing out. You know, you're always trying to cast aspersions — “undermining”. I never heard the word “undermine.” I don't know where you dream these things up. I don't know what part of rural Saskatchewan you come from. I told you yesterday that in the constituency that I represent, I haven't had any letters asking for more rural practices.

So, you know, I'm quite willing to discuss and debate the estimates and the expenditures of this government — and you know that I'll do it in a right, upfront, forward manner with you — but I would expect the same kind of just treatment. Let's face the facts that are facing the people of Saskatchewan and not play small politics by bringing in loaded words like “undermining,” and so on.

MR. LINGENFELTER: — Mr. Chairman, I at no time criticized the minister for not having the letter with him. In fact, I brought mine along because I was quite sure he wouldn't have it. I don't expect the minister to carry all the letters that he gets in the department. This letter was addressed to the minister. Copies were sent to the Progressive Conservative caucus and the New Democratic Party caucus, but at no time did I say that he should have read the letter and answered it. What I said was that there were five main points in the letter that expressed support for the plan that exists in the province of Saskatchewan.

It's my opinion that you are undermining the dental plan in the province, based on three main items: (1) the cutback of four-year-olds in the dental plan; (2) the cancellation of the Wadena project; and (3) the very act of encouragement to get 15- and 16-year-old people out of the dental plan. That's my opinion: that you're undermining the dental plan. I will be attempting to convince as many people in the province that that is what you are doing. I'll leave it at that.

HON. MR. TAYLOR: — Well, that's fine. That doesn't seem to be too great a threat. But I just wanted to point out to you that the dental therapists are not on the committee. You asked me that previously. I want to indicate also that the committee structure remains unchanged from that designed prior to April '82.

MR. LINGENFELTER: — Yes, the minister will say that there were no representatives on the committee. I suppose while the plan was expanding they never saw the need for it. But I think now that they see cutbacks they will be requesting that they have input into it to attempt to protect what they see as a very adequate job being done by their members. That's why we as well are requesting that they have input into the dental plan, because of the cutbacks and the restraint that is being shown in that area. I would encourage you to allow them to have a say and input into your ongoing analysis of the program that you say you're doing in the department.

MR. KOSKIE: — Just in respect to the letter that was referred to by my colleague, to the minister, Mr. Chairman, from the Saskatchewan Dental Therapists Association. I want, first of all, to indicate that this letter addresses the report by the College of Dental Surgeons of Saskatchewan, the ad hoc committee, regarding the future of dentistry in Saskatchewan.

Two major concerns are echoed in respect to that report. One, dental therapists should not perform examinations. That's apparently what they take out of the report of the dental surgeons. Okay? They're concerned in respect to that item. The second item that they're concerned with is: dental therapists do not feel comfortable treating adolescents because of greater behavioural demands and increased difficulty of treatment.

Those are the two basic concerns with the report that the therapists indicate in this letter. I want to make clear that these are their concerns. I want to ask the minister whether I can get the assurance from him that those basic concerns which they have presented to you . . . Will you in fact be in contact, have discussions to hear out the position of the therapists before making any moves in respect to the ad hoc report of the dental surgeons?

HON. MR. TAYLOR: — I can assure the member that, as I said to the member for Shaunavon, I haven't seen the letter till just now. It's raised. As is the practice of my ministry, I will reply to their concerns in writing and if necessary, I suspect, have an actual meeting with them if it is so requested — open government.

I think if you want to take the time after the House is over, I'll take you down to my office. I'll show you my log of the groups that I've met with. In Saskatchewan, since I came into this office on May 10, I can tell you many of them told me it was a welcome relief and a change in policy. And there is no doubt that I will meet with the dental therapists whenever we can get a mutual date.

MR. KOSKIE: — I just have two or three specific areas of interest. I know as a fact the Watson Union Hospital Board have met with me, and they have, of course, met with the Minister of Health. I would like an indication about whether the minister can give any assurance whether he has made a decision to proceed with the hospital under the new NDP government funding formula.

HON. MR. TAYLOR: — I think estimates are to discuss the current state of affairs and not to go back into past history, but I have met with Watson, as you know, and all I can say at

this point in time is that we are considering Watson along with the many other requests that we get.

MR. KOSKIE: — I'll ask this question. I don't know if the minister can be more specific. Do you have any time frame within which the consideration is likely to be completed?

HON. MR. TAYLOR: — No, I can't give you a date. It's an ongoing process. I have a note on my desk to go up to Hudson Bay next week, so the requests come in and communities are given good hearings. Their concerns are understood and addressed; it's an ongoing process, and there will be hospitals built in this province, but where and when at this point in time I can't indicate.

MR. KOSKIE: — I'm a little disappointed. I wanted to go back this weekend to make the announcement. Seriously, Mr. Minister, I think you will understand that the hospital in Watson has been there for a considerable length of time, that the board was in fact making discussions with the previous government and myself. I just hope that you will take into consideration that the need for the hospital in Watson certainly is there, and that you can give me your assurance, and the board at Watson, that every dispatch will be taken by your ministry in bringing a realization to a project which I can assure you the previous government would have made possible.

HON. MR. TAYLOR: — They had 10 years to do it. They had a member that was at the cabinet table and I didn't see it come up, so I wonder if that statement is correct. However, you wanted to know, and I tell you when the decision is made, if and when that decision is made, I'd be only too glad to tell you that it's going to go ahead. So you can run out there and try and tell them and justify why it happened now, or will happen in the future, and didn't happen over the past 10 years when you were a member on the executive benches, and I think you might have a little bit of trouble explaining that.

MR. KOSKIE: — Just one other area where I'd like to ask the minister whether the department has had any further involvement. I know the previous minister did. It was the particular hospital in the community of Spalding, and there has been a problem there in respect to the board, I believe, moving to remove hospital privileges of a doctor. I know at the time the former minister had set up a committee to review under the appropriate act, and I just want to ask whether or not the department, his officials, have any continuing discussion or dialogue in respect to that particular community.

HON. MR. TAYLOR: — I understand that the hospital is closed, but the director of hospital services has been in consultation with them, and they are attempting to recruit a position.

MR. KOSKIE: — Thank you, Mr. Minister. One other area of concern and of interest is in respect to the community clinic that was re-established in the community of Wynyrd. The community banded together and were able, under the previous administration, to establish a community clinic in Wynyrd. They have there, as you know, the clinic owned by the residents of the community. They have been, as I say, successful in recruiting two doctors to that community. Funding was made about a year ago in the previous budget to your budget, Mr. Minister.

I want to say that in my understanding of it it has been working out very well and providing medical services to the community. A good rapport between the private medical clinic and the community clinic I understand exists. I just want to know whether the minister can give the assurance that where the people of a given area have shown

the amount of co-operation and determination in the establishing of a community clinic to serve their needs, he will continue to support that concept which has been established in Wynyard.

HON. MR. TAYLOR: — I understand that it is functioning quite well. If that's the way they want to have their medical services. I don't see any problem with that. I understand it is functioning along quite well, as you've reported.

MR. KOSKIE: — Thank you very much, Mr. Minister. That's what I wanted to hear you say, that you would continue to co-operate with the community in their determination and self-determination of how best they can supply it, providing it is within the framework of the policy of the government.

HON. MR. TAYLOR: — I just want to reply to that that this government honours what local people want to do. If that's what they want to do, and that's the way they want to have their medical services, fine and dandy.

MR. KOSKIE: — Just as a supplementary to that then. In your reply, I take it if another community in the province had an occasion and wished to establish a community clinic, and if it was the wish of a group, a considerable number of individuals in that community, as was demonstrated in the example I gave you of Wynyard, you would see nothing wrong with the Department of Health lending their support in the formation and financing of such an arrangement.

HON. MR. TAYLOR: — I think we'd just do the same as happened before — base it on the merits of the case. If it was going to serve the community needs and they justified that to us, fine.

MR. LINGENFELTER: — Mr. Chairman, I would like to ask of the minister if he can tell me what the funding arrangement is for hospital construction in the province at the present time for the three different levels of hospital construction? Has that changed? Can you give me that information?

HON. MR. TAYLOR: — I indicated yesterday that it was the same program, and if you would like me to give you the exact percentages for the various sizes of hospitals, we'll just slip that across to you.

MR. LINGENFELTER: — Thank you, Mr. Minister.

On the same issue of low-level radiation, can you explain to me why that program, the \$400,000 program to study effects of low-level radiation, was cut out of your department's budget? Just give me a little background on how that took place, and why.

HON. MR. TAYLOR: — There's \$400,000 there that hasn't been spent and they can use that for research. I think there's a competition presently going on for people to come up with projects to use that \$400,000, but there was money there that hadn't been spent, and they can use that.

MR. LINGENFELTER: — Well, when you say they could use it, who exactly are you referring to? Who is not spending the money?

HON. MR. TAYLOR: — It's the health research board that administers this, and how

would they spend the money? It would be a worthy experiment, a project that would be brought forward, and they come through competition. All these projects are brought in. they are put out to peers across Canada to judge the worthiness of them, and those that are felt to be worthy of funding for research would be funded. There's \$400,000 there. It's a considerable amount of money that can be used.

MR. LINGENFELTER: — Mr. Minister, in the area of the drug plan, leaked budget documents earlier this year in February indicated that there was a possibility of a \$75 deductible being placed in the drug plan, a change of the program as it presently exists.

Can you confirm or deny this report that was in the press and is causing some concern to a number of seniors in the province?

HON. MR. TAYLOR: — Well, many programs within the Department of Health are continually being evaluated and assessed, and I think that's only right if you're delivering a service, and the drug plan is one of them. But, at this point in time there's no change anticipated.

MR. LINGENFELTER: — When you say there is no change anticipated, that rules out then any opportunity in the near future to fulfil the election promise of having free drugs for senior citizens, which many candidates promised during the election campaign.

HON. MR. TAYLOR: — I indicated yesterday to you that there had been more drugs brought into the formulary and, as I say, we're looking at it. That doesn't rule that out. I think, implied or implicit, in reviewing and looking at and evaluating programs, that a number of changes could take place. They could stay in status quo. They could change, and the type of change that we want to bring about would be for improvement.

MR. LINGENFELTER: — Well, that's very nice to say, but I think there's a large group of people out there who voted for you based on the fact that they may be able to get free drugs. They believed you when you said that you were going to do it. And I guess what I'm asking you is, now that you are the minister sitting at the cabinet bench, whether or not you'll use your influence to deliver to these people a promise that you made prior to April 26. And I think that it wasn't a promise that you would do it some time over the next two or three years. I think, when you made the statements you made them in a tone of voice and in an expression that would lead them to believe that you would do it when you got elected. What I'm asking you is: do you expect that in the very near future you'll have an announcement that seniors will get the promise that they expected after April 26?

HON. MR. TAYLOR: — You know, I don't know if you ever took any history when you went to school or not. But I'm just sitting here, listening to you, and I'm remembering back to an election not too long ago when I saw a piece of paper, and I think the name of it was "Fulfilling the Promise," or "Keeping the Promise," or something like that. It came just before the election in '78, and it was the last four years' record. And I think that was the time that you were nominated. So, you know, when you say, "You have to come on day one and do this, and this," I want to tell you that I think you learn slowly.

It was yesterday I told you that the people in Prince Albert have endorsed the things that this government has done. We promised gasoline tax, and in three minutes it was off. We promised a mortgage program, and it was developed — the best in Canada. We promised a farm purchase plan, and it's here and the farmers are happy with it. And I tell

you, we promised to be number one in health in Canada, and we will get to that too. And we make decisions that are well thought out. We talk to people in Saskatchewan to see what they want implemented, as a government. It isn't this government that stands like the mandarins of old to tell the people of the province what they deserve. So I hope, for once and for all, I've answered your question, my friend.

MR. LINGENFELTER: — Mr. Chairman, I thought things were rolling along pretty good, but I see that the minister is bent on making political speeches when we're trying to get a few simple answers. We want to talk about the promises that were made and the lack of fulfilment of them. There was also a promise to eliminate the sales tax, which hasn't been done. There was a promise to cut income tax by 10 per cent; that hasn't been done. There was a promise of free drugs for the seniors when they were prescribed by the doctors. There was a promise of free telephones for the seniors. There was promise of four-laning the Trans-Canada Highway. The list goes on and on.

MR. CHAIRMAN: — I would like to remind both members that we're getting way off-track. We're not going on health anymore. We're going on to election promises. Can we get things back to health?

MR. LINGENFELTER: — Mr. Minister, the list goes on and on about promises that were made in the area of health, as well as many other promises that haven't been fulfilled by this government and all I'm asking is: when do you suppose the promise to give the promised free drugs, prescribed drugs, to seniors that were promised during the April 26 election? One more time.

HON. MR. TAYLOR: — One more time I'll tell you that every health service in this province is being looked at with the goal of improving. They're being looked at in consultation with the consumers, with the professionals — and that's a big change — that provide them, and we will come up with policies and programs in the field of health — as has been the record of this government in other fields — that we will satisfy the needs and we will improve the health care to the citizens of Saskatchewan, and we will be justly rewarded the next time there should be a general election.

MR. LINGENFELTER: — Well, I can agree with the minister on one thing, that they will be justly rewarded at the time of the next election. I thoroughly agree with him, and they will be out.

Mr. Minister, I wonder if you would be able to give me a number of vacancies in the area of public health nurses in the province at the present time?

HON. MR. TAYLOR: — There are 19 vacancies — the same as there were a year ago. We have seven temporary replacements in those and we're actively recruiting to fill the other vacancies.

MR. LINGENFELTER: — I wonder if the minister would send to me a list of where the vacancies are in the province?

HON. MR. TAYLOR: — I sure will.

MR. LINGENFELTER: — . . . (inaudible) . . . of the hearing aid plan, Mr. Minister, I wonder if you could tell me what the average cost of a hearing aid would be in the province at the present time, and what kind of units are being used by the hearing aid plan.

HON. MR. TAYLOR: — We are going to have to supply that to you, but I would be interested in knowing where you got that question.

MR. LINGENFELTER: — Mr. Minister, another question. If you'll guarantee that you will send that information to me, I will accept that on the same basis of what we had agreed to yesterday, where you'll get me the information within two weeks.

I would like to know now the cost of the study on road ambulances that was done, I believe, by your Leg Secretary. Can you tell me how much that study cost, and whether or not that report is in to you?

HON. MR. TAYLOR: — I haven't received the official report yet so I couldn't give you a figure on what the costs were.

MR. LINGENFELTER: — I guess we'll be back here very shortly so I'll be able to find that out later. I wonder if you can tell me the total amount of funds that were transferred out of DNS into the health department, as well as the positions that were transferred, and the location of those positions.

HON. MR. TAYLOR: — \$1,673,760 — that was the total dollars. \$1,673,760 — 77.3 person-years.

MR. LINGENFELTER: — Can the minister tell me whether or not those 77 person-years have been transferred — any of them — out of the northern area into the so-called southern area of the province, or are they just merely transferred from one department to another? That's what I would like to know: in giving me the descriptions if you'll tell me whether or not those positions still exist in the same place or not.

HON. MR. TAYLOR: — All of those positions are still where they are in the North. In other words, they've just been transferred to the department.

MR. LINGENFELTER: — On the question of the Saskatchewan Hospital at North Battleford, can the minister tell me how much money was spent there this year in renovation and expansion of that facility? Do you have a number that you can give me on that?

HON. MR. TAYLOR: — That bill is paid by the Department of Government Services. I'd request that you ask for the information there, to know exactly. Secondly, I'm informed that those types of questions really would be better looked at in public accounts.

MR. LINGENFELTER: — I think that we will be back onto government services. I will ask that question at that time.

In the area of MCIC, the commission, can you give me a list of the people who were on that commission as of April 26, and the present commission?

HON. MR. TAYLOR: — Yes, I'll send that over to you, if that's acceptable.

Item 1 agreed to.

Items 2 to 36 inclusive agreed to.

Vote 32 agreed to.

SUPPLEMENTARY ESTIMATES (No. 3)
CONSOLIDATED FUND BUDGETARY EXPENDITURE

HEALTH

Ordinary Expenditure — Vote 32

Items 1 and 2 agreed to.

Vote 32 agreed to.

SUPPLEMENTARY ESTIMATES
CONSOLIDATED FUND BUDGETARY EXPENDITURE

HEALTH

Ordinary Expenditure — Vote 32

Items 1 to 3 inclusive agreed to.

Vote 32 agreed to.

SASKATCHEWAN HERITAGE FUND BUDGETARY EXPENDITURE

HEALTH

Provincial Development Expenditure — Vote 32

Items 1 to 3 inclusive agreed to.

Vote 32 agreed to.

HON. MR. TAYLOR: — Mr. Chairman, I'd just like at this time to thank my officials and the members of our department for the back-up resource that they've so amply provided for me. And I'd like to thank the critic from the other side, the member for Shaunavon, and the other members that took part in the estimates. We took a shot at each other once and again, but I think they went by in a gentlemanly fashion. And I thank you for the sincere questions and look forward to doing the next set in the not too distant future.

CONSOLIDATED FUND BUDGETARY EXPENDITURE

AGRICULTURE

Ordinary Expenditure — Vote 1

Item 1

MR. CHAIRMAN: — Mr. Minister, would you please introduce your staff.

HON. MR. BERNTSON: — Thank you, Mr. Chairman. By way of introduction, on my right is Jack Drew, deputy minister of agriculture. On my left is Stu Kramer, assistant deputy minister of agriculture. Immediately behind me is Wes Mazer and several other officials along the back; all fine working folks from the Department of Agriculture.

MR. ENGEL: — Mr. Chairman, Mr. Minister, there are several things I'd like to talk about before we get into the detailed estimates point by point. Basically I think the most serious question facing farmers today is the possibility of a large slice being taken out of the amount of money they're getting for their grain . . . (inaudible interjection) . . . Well, I knew that we were going to be talking about your estimates today and I felt that we didn't want to waste precious question period time there when we can get down to the nitty gritty of the matter, and my concern, Mr. Minister, is the inability of your party to put forward an action plan or a proposal that will come up with some results.

I was distressed to hear on the radio this morning that Pepin's office made an announcement that he's going to go with the legislation exactly like he promised in April. After you people have exhausted your action, after we discussed in the House here a strategy plan you refused to support and put into resolution, an action plan that would spell out some action.

I feel that you've really failed on your commitment to fight the crow rate. And I think there are only two options, Mr. Minister. There's an option that we can go down and meet with Mr. Pepin and meet with the officials, meet with the Quebec Minister of Agriculture like you did, as I read in the news reports, and we can talk about tinkering with the Pepin plan. And you will talk to the Minister of Agriculture in Quebec, and because he sees the Pepin plan differently than you do, you come back at loggerheads and the action is zilch.

I think there's a second option open to us, rather than tinkering with the Pepin plan or negotiating with Pepin himself on changing his plan. I think there is a second option, and that's an option we can all agree with.

We had a motion here in the legislature, a dandy motion. In fact, through a little persuasion and some discussion, our colleagues in Manitoba had introduced an identical resolution, word for word — a made-in-Saskatchewan resolution. But the outcome of that kind of a plan is that we are standing together as provinces. Here we'd have two, if you can get your colleagues or your political blood brothers in Manitoba to agree to that resolution, if you could get Sterling Lyon and his camp of defeated boys to do like we do over here, and agree with your resolution.

Earlier on in the session, way back in June, we had an emergency debate that we initiated over here, and you watered down the entire debate. You watered down that resolution just to a short little item. And my concern is, Mr. Minister, that you really don't have an action plan to stop Pepin, and I think I'll stop there before I go into some of my other questions that I have.

We'll just take one point at a time. Rather than me giving you the whole load and waiting for you to respond, we'll take one point at a time.

HON. MR. BERNTSON: — Thank you, Mr. Chairman. The member opposite has indicated that he has some concern that our action plan, or lack thereof, has been

exhausted. In fact, the only thing to date that has been exhausted is your Minister of Agriculture who has been running around the country, lobbying, as was pointed out by the Premier the other day under the rule 17 debate that we were going to do. I don't know if you would have us go down there with a cannon. I don't know what you would do. We have in fact talked with, at least informally and in most cases formally, almost every minister in Canada. We have lobbied industries in central Canada. We have advanced their arguments far and wide, both the Premier and myself. And you and some misguided media type have indicated that the minister from Quebec, Jean Garon, and myself came out of that meeting at loggerheads.

In fact the very opposite was true. We both opposed the Gilson proposal. We naturally opposed it for different reasons. We advanced our arguments on the nine points in our resolution, and they were well received. And when we left — we came back today at noon — it was left at the officials' level. They were going to analyze our arguments and our data, etc., etc. And they would have no problem with our resolution, and supporting our resolution, if I understand them correctly, providing he could be satisfied that it wouldn't do terrible violence to his beef industry. I can understand that he would be concerned about that. And we advanced the argument as to why it wouldn't. I thought it was a very positive meeting. We have an understanding for one another's positions. The fact is he does oppose the Pepin proposal, and so do we.

What was the other point you made? I think that was it.

MR. ENGEL: — The position, and the point I was making, Mr. Minister, is that I don't think in this debate with Pepin and lobbying the ministers that we can come up with an alternative consensus opinion that we would support, Manitoba would support, Alberta would support, Quebec would support and so on, to tell Pepin, here's an alternative proposal. The point I was trying to make is: what is the government's official position? Are you taking the stance that you can tinker with the Pepin plan and come up with some amendments, and some resolve to it? Or is the position now that we have to oppose the Pepin plan at all costs, to make sure it doesn't pass in legislation before the end of June?

HON. MR. BERNTSON: — Our preference would be to have some modified Pepin proposal, as set out in the nine points of the resolution. Our Premier has already said that if we are going to pay a bigger bill for the status quo, we would sooner stay with the crow. Something to that effect. So what we're saying is that the Pepin proposal, as set out, would do a terrible violence to the economy of Saskatchewan, number one, and even more importantly to the economy of all of Canada. But on the other side of the coin, if we don't upgrade the rail system to provide for the capacity that we're going to need in the years ahead, we're going to be equally behind the eight ball.

So what we would prefer is a modified Pepin proposal as set out in our resolution that you so willingly supported, and we thank you very much. But if we can't get modifications necessary, our Premier has already said we would stay with the crow.

MR. ENGEL: — One quick, short question. Have you got a commitment from your colleagues in Manitoba to support that identical resolution?

HON. MR. BERNTSON: — No, and I didn't seek a commitment, because I haven't been running around with the cannon saying. "Lookit you do this or else." What I have been doing is advancing our argument in a very positive way. They have been very well received. I would expect that they will support the resolution based on my discussions

with the various members. I would expect our counterparts in Ottawa would do likewise, and on and on it goes. I anticipate a great deal of support from our counterparts across the country.

MR. ENGEL: — That's fairly weak coming from a tough guy — a minister. I think the minister is really almost to the point where he's trying to mislead the House by saying that he didn't ask for a commitment or check and see. You know that if there is a unified voice coming out of western Canada that will make an awful lot of differences as to whether Pepin's plan is going to go. So, number one, we've agreed to compromise our position to the point where we support your resolution. It's not as tight as I'd like it to be. That resolution isn't as tight as I'd like it to be.

I went to a meeting that your government and your members were invited to. They attended for a couple of hours. They didn't come to the last half of it. It was here in the Hotel Saskatchewan. That included farm groups that represented a good portion of Saskatchewan people. The transportation minister from Manitoba was there. Our party leader from Alberta was there.

We talked about how we go about to stop Pepin's plan. One of them was that so far in Saskatchewan we have a resolution that was unanimously agreed to here in this province. We received an assurance. They gave me a copy of the introduction of the resolution and said, "We didn't force it on them because we knew we couldn't get support from the Conservatives over there on that resolution." It states right on the introductory page: a resolution passed by the Saskatchewan legislation, and there are the words of it.

That resolution will be voted on in the very, very near future. I'm sure that some influence from you and some suggestions from them saying, "These are the economic benefits for Manitoba, and this is the kind of position we're in in Saskatchewan, and this is where the money is going to go if we don't get this through" . . . Surely you could have gotten a commitment from your colleagues in Manitoba like we did from the Government of Manitoba saying that they're going to go with it.

HON. MR. BERNTSON: — I'm sure you're right. I expect that we have, but it's not in blood. That's the nature of us as opposed to the attitude on that side. We build on our strengths rather than get into confrontation type arguments, and it seems to be working fairly well for us.

You talked about a unified voice coming out of western Canada. It's building. We would prefer a unified voice from across Canada, and it's building. I don't anticipate 100 per cent success, but I certainly expect that we will get very, very significant support for our resolution relative to the Pepin proposal.

MR. ENGEL: — Just one further issue on this very same topic and on the resolution that was passed here. The Alberta session is being recalled very shortly. I don't remember right from the top of my head whether it's next week or the following week, but it's that soon. What kind of a commitment or a promise have you from your colleague, the Minister of Agriculture in Alberta, as far as introducing that kind of resolution from the Alberta legislature?

HON. MR. BERNTSON: — Well, I will tell you only out of the goodness and kindness of my heart, but not because I am obliged to in any way, as to the conversations that go on

between me and my colleague in Alberta. But I have talked with him informally only. We haven't had a formal discussion relative to this. Their problems again are a little unique as to our situation. In the informal discussions, they have no problems with the points raised in our resolution. If and when you let me out of the House, I expect to set up a formal meeting with the Alberta minister, and see where that takes us.

MR. ENGEL: — When you're going to your meeting with the minister in Alberta, I can tell you you can take with you the assurance that he will get support from the NDP opposition on that resolution. They will support that kind of a resolution. Mr. Notley suggested that if they don't introduce it, he will. But he would prefer the government bringing forth that kind of resolution, because it adds a tremendous amount of strength coming from there.

I think the key in this whole debate is that we're not going to help another segment of agriculture by breaking the legs of an opposing section. Cutting the grain farmer off at the knees isn't going to help the cattlemen at all. Not at all . . . (inaudible interjection) . . . well, maybe I am. From the inactivity of that minister, I think I'm not really doing that. I suppose I could ask you a question and embarrass you but it wouldn't help the crow debate.

If I'd ask you a question today to tell me how much money your department has spent from May 8 until the end of that year, 1982, on battling the crow, I think that would be an embarrassing question, because a couple of telegrams don't cost that much money. I think that you should pull up your socks, Mr. Minister, because you've got out of the gate with a horse that fell asleep when the gun was fired. In fact, I think the rider might have been sleeping, because the original gun wasn't fired on February 1, when you finally woke up that Pepin meant business. That wasn't when the battle started.

I have a memorandum to cabinet here before me from the Hon. Jean-Luc Pepin . . . (inaudible interjection) . . . It's spelled Jean — J-e-a-n. I have this memorandum to cabinet here, that's dated more than a year ago, January 12, 1982. This document was so widely circulated that I'm sure your Department of Agriculture had copies of this document. If you look at it, and if you see some of the pints that were raised in this document . . . If you care to take time, I could go through them with you.

Here is Pepin's proposal: the amounts of money that they were going to spend; how they were going to motivate and make it appear as though it was a made-in-Saskatchewan plan. We were sucked into this plan and this Pepin proposal. February 1983 wasn't the opening date of that little war. January 12, 1982 — one year earlier. I think I should get this document . . . (inaudible interjection) . . . It's a confidential document for a cabinet meeting of January 12, 1982; a memorandum to cabinet, a western rail transportation proposal for implementation of a comprehensive solution. The Legislative Secretary says that he has this copy, so I don't have to make that available to him.

Let me just read from page 2:

Because of the historic importance of the Crow's Nest rate in western Canada and the political sensitivity of the subject, the implementation of cabinet's decisions will need to be handled with great care. The government's primary objective should be to break the rigidity of the present system by starting a process of change. While very substantial expenditures by the government will be required during the first years of the

new regime, the payments in this burden should be eased over time as increased producer payments take over. There should be a desire for a made-in-western-Canada solution (that proposal). This militates against an excessively firm and detailed stance by the federal government at the outset of the negotiations.

They're talking here about who their friends are.

As other costs increase faced annually by producers, there is a substantial measure of agreement that the acceptability of any intention by the government to increase grain transportation costs will be improved if the government showed a willingness to link transportation costs to the price of grain, i.e., for the producers' ability to pay.

So they're talking about that, and that's . . . (inaudible) . . . proposal, but it details pretty well exactly what they told Gilson to do in his study. I think we knew that was happening. And just a short quick answer: what did your government do since taking office, and how much money did they spend fighting the crow rate during the year 1982?

HON. MR. BERNTSON: — I don't know how much money we spent fighting the crow in 1982, but I would suggest a great deal of my salary could be chalked up against that, number one. Number two, you read the date off that. It was January 2, 1981 . . . I don't remember.

AN HON. MEMBER: — January 12, 1982.

HON. MR. BERNTSON: — Okay. I just ask you who was government then, and what did you do aside from making some political statement about . . .

AN HON. MEMBER: — We called the election on the strength of this . . . (inaudible) . . .

HON. MR. BERNTSON: — And what did they tell you? What did they tell you? What they told you when you called the election is, "Let's put the Tories in power, so they will in fact get the necessary changes, or the demise of the Pepin proposal, or whatever," because they have confidence in us to do that. Obviously, they didn't have confidence in you to do that.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BERNTSON: — I should have been taking notes, because I really don't know if you asked me a question on that one or not, but I just responded to it.

MR. ENGEL: — The question was what did you spend, and you said your time. I believe that is exactly right, because I'm sure that if that's what a Minister of Agriculture took eight months to do — to send two telegrams — I think that's pretty serious, because I haven't seen any effect or any fruits of any effort from some great expenditure.

You said they put the Tories in power, and part of your commitment, as given in your little commitment, in your little commitment plan . . . (inaudible interjections) . . . Sure, it's a long time ago, but when the voters were lined up, "A Progressive Conservative government will be committed to the preservation of the crowrate, realizing a farm community cannot afford further cost increases." That's a commitment

you had, and there should be more than just an expenditure of some of your salary. There should have been some programs in place, some funding for groups that want to go to Ottawa in delegations.

We had a good four- or five- or six-point proposal that we added onto the resolution in this House, and you voted them down because you don't have an honest commitment to fight the plan. You really don't care if it passes or not.

HON. MR. BERNTSON: — I don't suppose it would do any good to say yes, I do, you know, because you're not going to believe it anyway.

MR. ENGEL: — I'll believe it if you tell me how much money you spent.

HON. MR. BERNTSON: — Well, I suppose we could make the calculation. I don't know how many people in the department have been working on all the data that we've compiled to advance our arguments across the country. I don't know what percentage of the cost of the Saskatoon conference, which was a great success, could be chalked against the crow battle. I don't know what percentage of time of other departments, say intergovernmental affairs or whatever, can be chalked against the crow battle. But if we do make the calculation, and it will take some time, it probably wouldn't approach the \$100,000 that the previous government budgeted to fight the crow in Saskatchewan, preaching to the choir when you should have been down in Ottawa and in other jurisdictions saving the crow. Everybody in Saskatchewan wanted it saved, everybody here. So, what did we do? We set up these happy little committees and trucked them all over the province. We knew what the people in Saskatchewan wanted. So you pumped your \$100,000 down a well, and here we are in this situation today. We're giving it our very best shot. We're confident that something will come out of it, whether it is the demise of the Pepin proposal or the modification of the Pepin proposal. If one or the other of those two things don't happen, we will have failed.

MR. ENGEL: — I am sure the farm community will be very happy to hear that you think the \$100,000 was spent on organizing those happy little committees, as you've called them, and will appreciate that effort. I want to ask the minister if he thinks that the support he is getting from rural Saskatchewan today . . . The amount of farmers who are showing up at some of the meetings that the Pool is organizing and different groups are calling, the amount of people who were at the various meetings over in the Chairman's home town of Shellbrook or wherever, those people came out to that meeting because they know where it's at. They know where it's at because they were informed well in advance of what was happening. The previous government did its job in making its point known. The people in Saskatchewan are used to believing governments, believing governments.

And when you come out with a little paper saying commitment, and put on there's a progressive government will be committed to the preservation of the crow rate. When you are all 56 present — or 55 because you were in Quebec — in Regina, two couldn't be spared, or one, to stay with the meeting, and just make a little one-hour appearance and run at 11 and not bothering coming back. That's a pretty serious commitment to fighting the crow when there are people there from Alberta, people there from Saskatchewan and representative groups from across Saskatchewan. An official invitation went to you, Mr. Minister, to attend that meeting. The two people who showed up, for your information, were the members for Last Mountain constituency and Kelvington-Wadena. They made an appearance and stayed for a little while.

Yes, just a little one-hour shot, and they didn't have to bother staying for the day. So that doesn't really spell commitment. The assurance I'm looking for today is that the minister has endeavoured to preserve that heritage we've got as far as the crow issue is concerned. I want a commitment from you that you won't tinker with Pepin's plan, because there's nothing there to fix, there's nothing there to fix. It's a guillotine that's going to chop the heads off of the Saskatchewan small farmers. Tinkering with it and putting a different kind of blade on there, and using a saw instead of a knife isn't going to help the situation, isn't going to make it less painful. In Art Thibault's words, just cutting off the farmer at his ankles a little bit at a time isn't going to help, you know. We have to stop the Pepin plan, and I want to make sure that we have that kind of a commitment that you're not just about to tinker with it.

HON. MR. BERNTSON: — The commitment that I will give is the same commitment that I gave earlier and that is: our preference is a modification as set out in the resolution that we enjoyed your support of. Failing that, our fall-back position is to keep the crow as it is. And that has been our position and it's been by the Premier articulated fairly well in this House, on the streets, in the East and in Estevan, and I think it's a far more serious commitment.

I was not quite accurate earlier when I said \$100,000. In fact, it was a \$187,000 that the previous government spent on a nice shiny little brochure and they mailed them all over Saskatchewan, and they forgot to tell Ottawa because everyone in Saskatchewan wanted the kind of protection that we're talking about. You didn't have to sell the people in Saskatchewan. You had to sell Ottawa. But where did your 187,000 go? A nice little glossy thing that probably most people threw in the garbage.

I think that the previous administration was less than sincere in their efforts relative to the crow. I think probably what they were trying to do was get a little hype just prior to going into an election. Obviously, it didn't work.

MR. ENGEL: — I guess the minister wants to debate this issue for a long time. When you said, "We forgot to tell Ottawa," I have this same cabinet document dated January 12, 1982, and he remembers that the election wasn't until April. What did Pepin tell cabinet about Saskatchewan's position? What did Pepin think of the Saskatchewan position, and what does she think of the Saskatchewan position today? That's the question. Stay sitting until I tell you the answer; I want the minister to listen carefully.

Those who maintain that the Crow's Nest Pass rate must not be touched, the Government of Saskatchewan and the National Farmers' Union, insist that any additional compensation be paid by the federal government. Others, including the wheat pool have indicated varying degrees of willingness to see increased payments by grain producers. Others. I bet if that memorandum would be written today by Mr. Pepin, they'd say that the Government of Saskatchewan is onside with change.

HON. MR. BERNTSON: — I guess we could go on forever bringing old material back to the debate because we've known for a long time what the previous government's position was relative to crow. We've known for a long time what the NFU's position was relative to crow.

Going back to the previous government's position, though, it was muddled from time to time by the former premier when he threw half of our energy revenues on the table in Pointe au Pic, Quebec in exchange for protection for the crow, so he bargained away

half of our energy revenue on that one, or was prepared to. Another one at a SARM conference in Saskatoon, he allowed as to how perhaps it was time for some upward adjustment of the statutory rate. And that's a paraphrase. It's not a precise quote.

I concede that your party's official position was that crow must not be changed. Our party's official position is that we must have additional capacity to meet the needs of the farmers in the future, and if it requires some change, we want it changed as set out in the resolution that all of us in this House voted for a week ago, or whenever it was. That is our position, and I assume that it is also yours, since you voted for the resolution. Now, if you're going to go at it until you get me to say that, in spite of whatever, the crow must stay, I'm not going to say that, because our preference is to have the adjustment based on this resolution. Our fall-back position is simply if we have to pay a bigger bill for the status quo, we're not prepared to dot hat and we will go with crow.

SOME HON. MEMBERS: Hear, hear!

MR. ENGEL: — What percentage of the additional capacity required by the railways do you anticipate, or does your department think, that wheat is going to take?

HON. MR. BERNTSON: — I'm going off the top of my head but I think at the end of the decade the percentage of total capacity used by grain would be in the neighbourhood of 17 to 20 per cent.

MR. ENGEL: — How much increased capacity, Mr. Chairman, does that spell as far as the amount of volume that wheat is taking now and that you expect wheat will take in total grain being hauled? How much do you think wheat is going to increase?

Mr. Chairman, the only point I'm making is that the additional capacity that grain is going to require isn't in proportion to what they are asking the farmers to pay, and you are going to dicker away a constitutional right we have here in Saskatchewan, so that your friends, the CPR, can make an extra buck. And that's exactly where it's at.

HON. MR. BERNTSON: — If you can predict for me, among other things, when the world economy is going to recover, world rainfall in other producing countries, many other variables such as demands around the world on coal, demand around the world on potash, demands around the world on sulphur and other bulk commodities that use the same railways. I will then make the calculation for you as to the percentage of capacity used for grain. I think all projections based on a recovery economy world-wide, and based on averages as it relates to production in the other producing areas, are that the percentage of rail capacity used for grain will decline. But I can't give you that with any degree of precision because of all the variables in there, and you guys know something about variables because you are the people that were projecting \$157 million profit from potash, and it came out about 10.

MR. ENGEL: — When I get into the potash debate, I'd love that. Mr. Minister, I would love that, and how you've mismanaged the potash industry as well. The only thing I'm saying, Mr. Minister, is that I'm not sure that the former minister of agriculture did a good enough job of education. I'm not sure that those little play meetings, as you called them, those little committee things that were set up and funded, and that \$180,000 was spent . . . Maybe he should have spent another \$20,000 educating you, because I don't think you know how serious the problem really is. And I don't think that you and the organization that you belong to, as far as the Palliser group is concerned, realize the

effect it's going to have on a farmer your size or my size, let alone the small farmer, let alone the guy on two or three quarters of land.

When you can spend two days in the Duck Lake region, for example, and I have to visit farmers till late afternoon to find enough . . . I've seen them accumulate half as much land as you farm, and you could cover that in a day. But those, what I visited there in a day, you could farm that with your equipment, and I know what kind of operation you've got, and so could I. And so could I. And so could I.

Those are the boys that are going to really suffer because they depend on a mixed economy. They depend on some cattle. If we can't sell our grain and decide to grow barley and feed cattle, that's going to have quite an impact on the cattle industry, and I don't think you and your friends in the Palliser got that message and realize . . . And the only reason I've taken close to half an hour on this issue is the seriousness of this question of the crow debate, and that's the number one issue facing farmers today. And I think you're only putting up a little 5 per cent effort.

You think that \$180,000 is misdirected and misspent fighting the crow, and consequently you haven't spent any money fighting the crow. You haven't done anything meaningful. There are some meaningful things you could do, and if you haven't got any ideas maybe we'll have to take time and I'll have to give you some. But I think you should get your act in gear, and do the things that are easy to do, and that is, get your colleagues to support the same kind of resolution in Alberta, get them to go along with the one that's already on the floor in Manitoba, and let's start coming out with a unified voice, at least in the grain-growing area. The people of Canada know that everybody in the grain-growing area says no to Pepin, period. That's my last word.

HON. MR. BERNTSON: — The member opposite, Mr. Chairman, talks about wanting to have a unified voice coming out of western Canada, and I have some sympathy for that particular attitude. I think that is the best possible thing that can happen if we can pull that together.

But while he says that, I can remember distinctly the amendment that he offered to our resolution the other day, clearly divisive in the sense that it precluded the invitation of several of the commodity groups that have a vital interest and stake in the very question that we're dealing about.

So while we're talking on the one hand about a unified voice, you bring in an amendment to an otherwise sound resolution that would cause just the opposite to happen, so I really don't know where you're coming from.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BERNTSON: — . . . (inaudible interjection) . . . There was a question you raised, and I've forgotten what it was . . . (inaudible interjection) . . . Oh, I know what the question was.

The question was: why don't I get a commitment from the Tories in Manitoba and the government in Alberta to pass a similar resolution in their jurisdiction so we can have this unified . . . (inaudible) . . . I expect that it will happen in Manitoba. As I said earlier, I've only had informal talks with the Alberta minister so far, and I'll raise it with him when I talk to him formally. Beyond that, I don't know what the member would have me contribute more at this time.

MR. ENGEL: — The second major increase.

In my farm operation, in the last three or four years, fuel costs have risen — tractor fuels — from \$2,500 a year to over \$6,000.

Prior to you taking the reins of government, prior to you taking over and moving into that side of the House the farmers in Saskatchewan were enjoying a \$65 million tax holiday — a \$65 million advantage over their city cousins in farm fuel. The tax on purple gas alone that was saved by farm fuel, and the additional discount they got, totalled \$65 million for our last year in government.

That advantage is gone. Yesterday the price of grain went up again. That \$65 million did more — that tax advantage did more than just the \$65 million, is the way I want to word that. That purple gas tax advantage did for rural Saskatchewan much more than just create a \$65 million activity. I don't know, Mr. Chairman, if there are any in your area, but I don't know of a farmer in my constituency that doesn't own a half-ton or a pick-up truck. I don't know of one. I don't think I'm stretching it at all by saying that there's not one farmer in my riding that doesn't have a . . .

AN HON. MEMBER: — I farm in your riding. I don't have a half-ton.

MR. ENGEL: — His dad and his brothers that do the work have three of them — have three half-tons. Now if you can afford to pay your share on that truck, that's your bad management. But the family has three — I was ready for you. We have a couple of more constituents but Ned doesn't farm down my way, he just works there.

The pick-up truck business was a fairly lucrative business for the car dealers and car agencies in Saskatchewan. You've destroyed that aspect of the business plus the other advantages. It is today . . . (inaudible interjection) . . . That's why you haven't got a pick-up, because you knew there's not going to be any advantage in having purple gas. You can now drive a little car, or whatever, because it's just as cheap to use your old automobile junker, instead of having a pick-up truck.

I think the minister should seriously consider, because of the increase . . . I can wait until he listens.

AN HON. MEMBER: — I'm listening.

MR. ENGEL: — If you want to make light of this matter, that's your business. I think the energy question, to the farmers, is a very, very serious matter.

I think the farmers put you in office across the way because they expected some very special help from you in the light of energy. What you have done as far as the energy situation is concerned, and the high price of energy? You're talking and crying about the deal we made. What have you done since then? What have you done since that time as far as the energy situation is concerned, and the serious energy problem? You're not prepared to move on it. What have you done?

HON. MR. BERNTSON: — Firstly, I want to tell the member that I've spent quite a bit of time travelling around the province and visiting with farmers right across the province. I haven't found one that would have us put the tax back on. They kind of like that.

In addition to that, we have announced some weeks ago an alternate energy source for rural Saskatchewan, called natural gas, that's going to be implemented over the next 10 years, I think the announcement said. As I recall it — and I'm again going off the top of my head — as a source of energy, natural gas costs about 60 per cent of our traditional energy sources, a potentially very significant saving to agricultural Saskatchewan. It can be used to operate grain dryers, tractors, trucks, the whole ball of wax. I know of farms in North Dakota that are doing that right now. They've got compressors set up on their farms, and they operate the whole farm on natural gas, right from stem to gudget. And it's a very efficient method. We've announced it; it's underway, I understand. A 10-year program, and it's a big program and a direct benefit to the farming community.

In addition to that, as it relates to reduced input costs, we had this thing called a farm purchase program. Farm purchase program — an excellent take up, and a very popular program. And then I think back, there was another thing called the farm cost reduction program that seemed to be implemented each year prior to an election and dropped each year after an election . . . (inaudible interjection) . . . And that one, the most recent one, was just prior to the '75 election. I think it ran around a \$15 million budgetary item, and the day after the election — and I remember the debates at that time, they said, "The reason that we have to put this rebate program in place is that the costs are escalating at such a ridiculous rate, and the farmers are under terrible, terrible pressure, so we're going to rebate \$15 million to the farmers of Saskatchewan" — the very next year, when they pulled the program out, nothing had changed. In fact, costs were escalating even worse, even higher. But no longer was the argument valid, so the program was scrapped.

Now we have taken some very significant steps as it relates to cost reduction for agriculture in Saskatchewan, and we will continue to analyse and suggest and otherwise come up with programs, because we have a lot of innovative people in our department, and in our caucus, and in our government. Perhaps we can advance for further initiatives in this way.

Finally, the motion that you supported the other day says that . . . Anyway, here it is. Point number five, "The Pepin proposal does not deal with unacceptable high taxation levels on farm inputs such as fuel." So, you know, it's part of the same thing. We recognize that there are serious input pressures as it relates to cost, and we're trying to deal with them. We're in tough economic times. In Saskatchewan we're dealing with them a little better than other jurisdictions, but I'm the first to admit that there's much more to be done.

MR. ENGEL: — You're making the farm cost reduction plan look as though it was tied to an election. Have you talked to your officials on the dates it was introduced and the price of grain, and when it was taken off and where the price of grain went?

HON. MR. BERNTSON: — I haven't talked to my officials to ask precisely as to whether it was an election gimmick or not, because our officials are professionals and they don't make political analysis, but I will ask them as to the dates if it's important to you, and I'll make my own political analysis as to whether it was a game of political gimmickry or not.

MR. ENGEL: — Well, Mr. Minister, I know when it was introduced and I know when it was taken off. It was not a legitimate thing when the price of grain escalated by 30 per cent to leave a farm cost reduction program on when we didn't have a similar program in effect for the city people.

That leads me to one more thing, and that is that the farmers of Saskatchewan expected last April a 40-cent reduction in the price of their fuels. I have a full-page ad that has been displayed in this legislature before, on the Progressive Conservative policies for good government — “Blakeney says tested and trusted; the people say tried and rusted.” Maybe that's so, but . . .

SOME HON. MEMBERS: Hear, hear!

MR. ENGEL: — I'm glad you support the fact that advertising in Saskatchewan is taken seriously by the people of Saskatchewan. They believe what they read. They believe what they read and they believed this ad: “Removal of the 20 per cent sales tax on gasoline. This amounts to 40 cents a gallon.” Removal of the sales tax on gasoline at 20 per cent amounts to 40 cents a gallon — top line. That joker . . . You thought that \$15 million thing wasn't so bad. Mr. Pickering didn't think it was that bad, and the other half of this page showed Bob. This is the *Radville Star*, Tuesday, April 15. “Reinstatement of the farm fuel reduction program,” as big as life, big as life. “10 per cent cut in personal income tax and removal of 5 per cent sales tax” are the two other promises you haven't kept.

You haven't kept one of those first four promises — not one. You didn't give me 40 cents a gallon off on my gas or diesel fuel or home heating fuel. You didn't reinstate the fuel cost reduction plan. In fact, what you did do is you took away the \$65 million advantage we did have over the cost. And if you think that's honest advertising, Mr. Minister, I think this is a pack of lies, and you stuck it to the people last April.

HON. MR. BERNTSON: — I don't quarrel with the merits of a farm fuel rebate program or whatever you call it.

AN HON. MEMBER: — You laughed at it earlier.

HON. MR. BERNTSON: — No, what I laughed at was the political motivation that prompted the implementation of the program when you guys were in power. I don't quarrel with the merits of such a program. I have a great deal of difficulty right now, as a government, coming up with the dollars to put such a program in place and so that is the reason I suggested that particular type of program won't be put in place, certainly not this year. Having said that, we have taken some other initiatives which I have already enumerated as it relates to reduced input costs.

Now that takes us to the 20 per cent sales tax on gasoline. A 20 per cent sales tax on gasoline — your tax — the sliding 20 per cent sales tax. And we removed it. We removed a 20 . . .

AN HON. MEMBER: — You said 40 cents.

HON. MR. BERNTSON: — Well, I'll get to that. We removed the 20 per cent sales tax from gasoline. Every penny of provincial sales tax on gasoline was stricken off the very first day we were in cabinet, isn't that right? And when we brought the bill into the House, you voted for it.

Now you want to talk about the 40 cents. I understand that on some road fuels, it was as high as 40 cents on the commercial units. I understand, in addition, that the projections, had the world price continued before the OPEC dive recently, would have exceeded 40 cents. Again, when I'm travelling the countryside, I'm not finding anyone who is asking us to put the tax back on.

MR. ENGEL: — When you're travelling the country, it isn't going to be too long, Mr. Minister, when the farmers are going to be telling you that the negotiations with the federal government are your turn. For the last year, it's been your turn. How are you managing, as far as your negotiations are concerned, when the OPEC prices that you just mentioned are taking a nose-dive and dropping by 30 per cent and 40 per cent, and you are telling us that we're supposed to pay more this year? What kind of negotiations are you doing? I think it's time that this love-in that you have with the federal government ceases and comes to an end. I think it's time you start opposing them and saying that enough is enough, and that the farmers can't bear this additional price.

HON. MR. BERNTSON: — I don't know how many times I have to say it. I'll just simply remind the member that it was the incestuous relationship that his counterpart in Ottawa had with the Liberals in Ottawa that caused them to be there in the first place. You know, don't hang it on me. I've said a thousand times that farmers simply can't afford to pay any more. We've beat and beat and beat that drum till the cows come home, and we are going to continue to beat it, but don't forget it was your boys who put them in there.

MR. ENGEL: — Mr. Chairman, and Mr. Minister, we need more than just a little talk. I think it's time for a little action. Unless you start bullying your way around in Ottawa, we are going to keep on getting increases in the price of our fuel, while everybody else in the world is experiencing the discounts that are taking place.

There are other areas that are of great concern. The concern is there because of the expectations you've raised. There is so much talk these days about the Premier's thesis and the enthusiasm he had when he wrote that 20 per cent of the people could do the farming, and that theory that's going now, there's so much more we can be.

How much more did you do for farmers, say, in the line of irrigation? It's one of your top campaign issues as far as rural Saskatchewan is concerned. We're going to make all this money available and there are all these farmers going to be irrigating. How many more farmers were in irrigation this year than would have been on the old budget? How much more money did you spend, and was introduced to be spent, in the last two budgets — the budget that was introduced in April and the one you introduced in June? How much more did you spend, say, on irrigation? There is so much more we can be. What did you do as far as irrigation is concerned?

HON. MR. BERNTSON: — Well, don't forget that this is your budget. My understanding is that the estimate number is the same as it was, relative to irrigation, as the blue book you tabled. There is very little done as it relates to ditching and pumping, etc., in the wintertime.

MR. ENGEL: — The question is: how much of that estimate did you spend? . . . (inaudible interjection) . . . Well, I said how much more you can be. I said, how much

more did you spend on irrigation?

HON. MR. BERNTSON: — I wonder if you'd mind dealing with this on a program-by-program basis as we go down the list, because it has just been pointed out to me that in fact the first one we looked at has in fact been overspent, and, as you know, relative to irrigation, more than one program. So if you want to go down the votes, we'll deal with them on a program-by-program basis.

MR. ENGEL: — I'd rather not. I have a series of questions I wanted to go through and you were talking about how much more you can be. If you have those numbers I'd like to have them now before I get to that subject . . . (inaudible interjection) . . . No, it isn't. This is estimates and the estimates are held one month before the end of the budget year, so rather than talk estimates we can talk actual numbers. I mean, that's basically a reasonable thing. We didn't have our estimates in April, the end of April, first part of May, when we should have had them. Now that we're down to February and the budget comes to an end in March.

AN HON. MEMBER: — I'm just telling you the right way to do it.

MR. ENGEL: — Well, the right way to do it would have been, Mr. Minister, to have these estimates last April, and starting May 8. Okay, give it in May.

HON. MR. BERNTSON: — Okay. As it relates to capital expenditure, on irrigation and the flood control and drainage, which is all in that particular vote 2 — it is basically the same as in your blue book, except under item 1, vote 2, irrigation projects and development, it's overspent by about \$50,000, I'm told now. If you want any more precision than that, it's going to take some time.

MR. ENGEL: — You talked in your pocket policy and I could go through, Mr. Minister, your pocket policy statements, one by one, but I just picked out a few.

You talked about diversifying and modernizing and speciality enterprises. How did the estimate compare, as far as FarmStart was concerned, with the previous budget and what you've done in this one?

HON. MR. BERNTSON: — There's no question. I'll get you the numbers, but no question demand was down quite a bit in FarmStart. Economic times . . . It's tough, people carrying debt loads, etc., but I want to point out that while demand was down and interest rates were climbing significantly we pegged the FarmStart interest rate at some level lower than it would have normally gone to under the regulations that were in place when we inherited it. We'll get you the numbers in a minute.

MR. ENGEL: — Talking about it and pegging it and all doesn't do an awful lot of good if there's no money available to the farmers that need it. When things get tough, that's when the farmer decides to diversify and get into an operation. My understanding of the problem, coming from farmers, was that they were refused in FarmStart, and that you were really cutting back on it. What did you actually do in FarmStart, compared to what would have been spent?

HON. MR. BERNTSON: — The number budgeted is the same, identically, as your blue book that you tabled last April. In addition to that, there was a \$400,000 injection to deal with the pegging of the interest rate that I talked about just a minute ago.

AN HON. MEMBER: — You used that entire number plus \$400,000?

HON. MR. BERNTSON: — No, we'll get to that next.

There were \$21 million gone out through FarmStart; 35 million, ball-park, budgeted 400,000 in addition, for the interest rate pegging; and no one that was qualified was refused.

MR. ENGEL: — When you pegged the interest rate, Mr. Minister, did you tighten up the qualification?

HON. MR. BERNTSON: — There's no change in the policy. We took your lovely program and carried right on with it.

MR. ENGEL: — Your plans are to continue propagating that type of diversification avenue open to the farmers?

HON. MR. BERNTSON: — Certainly that's one of the thrusts that is important to us. As I say, we're eight, nine months into a government and by the time our four-year term is up, we will have demonstrated, I think, that that is indeed one of the directions that we intend to take.

MR. ENGEL: — Before I ask a question on staffing, that kind of thing, I'll let some of my colleagues.

MR. LUSNEY: — Mr. Minister, could you indicate to the House just what you are planning to do with the FFIB program?

HON. MR. BERNTSON: — We have made a conscious decision to get out of competition with the private sector, and so we are getting out of the supply business as it relates to the pipe, and the pumps, and etc. That inventory will be tendered. I don't know just when, but soon. The engineering function and that side of it will be retained, so that the service will still exist. The argument, quite frankly and I think very validly, was advanced by the previous administration when they were talking about the usefulness or the life of the family farm improvement branch to a large extent having expired, because there are very few farms except . . . the South has been very well taken care of and has progressed more and more, and it seemed like quite a big item to service what was left to be serviced. And the mandate, of course, was to get water and sewer on the farms, as you recall. So I guess the answer to your question is simply this: the competition side will no longer exist; the engineering and planning side will continue to exist.

MR. LUSNEY: — What you're saying then, Mr. Minister, is that anybody that wants to get water and sewer on the farm, a young farmer that may decide that he's going to install water and sewer, now has to go out to the private sector and pay the regular price, as he has no way now of getting some assistance regarding the prices of the equipment that he may require.

HON. MR. BERNTSON: — The design and engineering is still available to him, and that's important. Those of us on this side of the House tend to feel that competition in the private side, particularly if they have the volumes, can keep the price down to where it belongs. The family farm improvement branch was taking up a lot of that volume. If it now goes back to the private side, we don't anticipate any sharp increases in the cost of equipment.

MR. LUSNEY: — Mr. Chairman, Mr. Minister, the increase will be there mainly for the fact that once you go to the private sector to get the supplies for the waterworks, the increase will be there, because the farmers up to this point have been enjoying a reduced price for the products that they've been buying through FFIB, the supplies they've been getting through them. So, once you go to the private sector, your costs are automatically going to be up, and they're going to be up by a fair percentage. So there's no way then that you are saying that your department is going to assist the young farmers, or any farmer for that matter that may not have water and sewer that would want to put it in at this time. You're saying that he's going to have to go and pay the costs, and all he can receive is technical assistance from the department at this time.

HON. MR. BERNTSON: — Well, the numbers I have here — bearing in mind that FFIB was not a subsidized operation, their supplies were bought by tender just like private guys would do, I suppose, and they had to support themselves through revenues generated internally; and the mark-up on water and sewage materials ranged from 10 to 35 per cent, depending on what the item was, plastic pipe, or pump, or whatever — I'm told that historically there's been very little difference in the price of family farm improvement and on the private side.

MR. LUSNEY: — Mr. Chairman, Mr. Minister, I tend to disagree with you on that, because just his past summer my son-in-law put in water on the farm. And I know, by buying some of that equipment through FFIB and checking with some of the supply houses in the cities, the costs are very much different. Regardless of whether FFIB charged 10 per cent or 35 per cent, they were very much cheaper than what you can get through the private sector, and I doubt very much that you're going to see prices decrease any going through the private sector now, because FFIB will not be in competition with them. If anything, it will probably keep going higher now because there will be no competition or no source that the farmer can go to get his equipment any cheaper.

HON. MR. BERNTSON: — You believe that and that's fine. I don't quarrel with your particular philosophy. I have mine and I kind of like the private side supplying it, and also policing themselves through competition on the private side. If you really felt strongly about your beliefs as it relates to helping the farm sector get water and sewer, you probably wouldn't have cancelled the \$300 grant that provided for assistance for that very thing about two or three years ago. It's just another one of those little wrinkles that get in the road from time to time when we get through these estimates. But the \$300 grant that provided for water and sewer on the farms was cancelled by your administration two or three years ago and no longer exists.

The other question you raise is purely a philosophical one, and we could talk about that all day, I suppose.

MR. LUSNEY: — Mr. Chairman, that we could, Mr. Minister. The \$300 grant was removed because the farmer could apply through another department to get assistance to put that waterworks in; it was there and he could have got a lot more than \$300 through the other departments. He had the assistance available to him, and on top of that, he was able to get his supplies a lot cheaper. So there was quite a degree of assistance provided to these farmers in that area.

I see now, Mr. Minister, you no longer have any of that assistance in place for the farmer, so they will have to go to the private sector. I can understand that, with your

open-for-business philosophy. I can see it's not much sense pursuing that one anymore; it is a waste of time as my colleague says.

One other question I have, Mr. Minister, is what are you planning? What is your policy going to be in the way of sales of land bank and lands branch land at this point?

HON. MR. BERNTSON: — Mr. Speaker, in light of the fact that it may take awhile to get all of that on the table, Mr. Chairman, I'd ask that we call 5 o'clock.

The Assembly recessed until 7 p.m.