

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
March 4, 1983

The Assembly met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

WELCOME TO STUDENTS

MR. MAXWELL: — Thank you, Mr. Speaker. It is my pleasure to introduce to you, and through you, to the members of this Assembly, a group of grade 12 high school students from the town of Debden in my constituency of Turtleford. They are accompanied today by bus driver, Richard Tremblay, Sister Michelle Blanchette, Mrs. Edna Demers, and principal, Ed Stelmaschuk.

Mes amis de langue française, bienvenu ici aujourd'hui. J'espère que vous allez jouir de votre visite à la législature ce matin. Please join with me in according a warm welcome to the Debden students.

HON. MEMBERS: Hear, hear!

MR. SVEINSON: — Mr. Speaker, it gives me great pleasure this morning to introduce to this Assembly, through you, 70 students from Thom Collegiate in Regina. They are accompanied today by Mr. Alex Smith, Walter Kalyn, and Mel Gramchuk. I hope you will find your stay in the Assembly educational and informative, and I'll meet with you at approximately 10:30. Thank you very much.

HON. MEMBERS: Hear, hear!

MR. KLEIN: — Thank you, Mr. Speaker. As Thom Collegiate sits on the border of the seats of Regina North and North West, I know that several of these students are from my constituency in Regina North, and I wish to extend them my personal welcome this morning as well.

HON. MEMBERS: Hear, hear!

INTRODUCTION OF GUESTS

HON. MR. SCHOENHALS: — Mr. Speaker, it is my pleasure to introduce through you to the House, a number of the athletes who competed in the 1983 Winter Games, recently of course returned from Chicoutimi. I should add, of course, that Saskatchewan won the Centennial Cup in that competition. The award is given to the province with the largest improvement from one set of games to the other. In this case, our medal total increased from 15 to 1979 to 32 during the past two weeks. The athletes who are here are representative of a group that, I can guarantee you, did an excellent job of representing us as ambassadors of our province.

I would like to introduce them. They're sitting in the Speaker's gallery. First of all, James Rozon is a Saskatoon gymnast, and was one of four Canadian athletes to win three gold medals. James also won a silver.

HON. MEMBERS: Hear, hear!

HON. MR. SCHOENHALS: — Kevin Wellwood is a weight lifter from Regina. Kevin made his personal best lift in Chicoutimi, and won a silver and a bronze.

HON. MEMBERS: Hear, hear!

HON. MR. SCHOENHALS: — This was the first time Saskatchewan has ever won a medal in weight lifting. Elizabeth Kecki, also from Regina; she and her sister, Georgina, each won bronze medals in table tennis, again the first time Saskatchewan has won medals in this sport.

HON. MEMBERS: Hear, hear!

HON. MR. SCHOENHALS: — Finally, I would ask you to congratulate the boxing coach from Regina, George Goff. Saskatchewan won two silver medals in boxing.

HON. MEMBERS: Hear, hear!

HON. MR. SCHOENHALS: — Mr. Speaker, these are some of the athletes and a coach who represented this province so well in the Winter Games.

HON. MEMBERS: Hear, hear!

MR. SHILLINGTON: — Thank you very much, Mr. Speaker. I think it appropriate that a member of the opposition join with my colleague in congratulating the athletes who are here this morning. Your achievements are a source of pride to all Saskatchewan people from wherever they come. We want to extend our heartiest congratulations to you. All members of the House look forward to your continued achievements; we look forward to seeing you sometime in other national and international competitions. Congratulations.

HON. MEMBERS: Hear, hear!

MR. BOUTIN: — Mr. Speaker, aujourd'hui introduire de Quebec, 20 gens. Ils sont dans la galerie de Mr. Speaker. Ils sont avec le club de hockey midgets de Thetford Mines de Quebec. Ils sont de l'âge de 15 à 16 ans. Leur chaperons: Stu McDonald des Regina Pats, et Deanna Hector de Regina; Marie Royer et Claude St. Cyr, Quebec. Aussi j'aimerais après prendre un photo avec vous et un verre. Maintenant j'aimerais que la Maison se joindre avec moi à rendre un bienvenu à ces gens de la province de Quebec.

HON. MEMBERS: Hear, hear!

MR. SHILLINGTON: — I want to assure the members that we have bilingual services in Saskatchewan. I'm going to give the English version of that . . . (inaudible) . . . I do want to extend a welcome on behalf of all Saskatchewan people, to Saskatchewan. We hope that your stay here in enjoyable. We hope that you don't whomp our folks too badly, and we hope you will come again.

HON. MEMBERS: Hear, hear!

QUESTIONS

Ipsco Layoffs

MR. KOSKIE: — Mr. Speaker, I'd like to direct a question to the Minister of Industry and Commerce and chairman of the board of CIC. Mr. Minister, you will be aware, I presume, that Ipsco, is shutting down all mills in Regina, closing the doors. Almost 1,200 individual employees are being laid off. I want to say that the past week has seen a dismal performance on behalf of the government. I want to ask the minister in charge of CIC: what has he as a minister done to help find assistance or contracts for Ipsco from the federal government or from any other source, to help maintain this operation?

HON. MR. ROUSSEAU: — Mr. Speaker, I believe that the Government of Saskatchewan have done a considerable amount of work in respect to that question, and if the members opposite would lobby the other governments involved as well, we might get a little more action. We have indicated our strong support for, for example, the pipeline. It is in the hands of other governments at this time and we hope that they will assist in that respect as well.

MR. KOSKIE: — Well, I am certain, Mr. Speaker, that that answer won't be very assuring to the people that are laid off.

I want to ask a supplement, Mr. Minister, Ipsco made an offer to this province to provide steel at a reduced rate in order to build a pipeline for water to Regina and Moose Jaw. But, I want to specifically ask you as a supplement, what are you doing as a minister to get the provincial government to rethink and re-examine that meagre offer that they made to the cities in respect to the proposal of the pipeline, which in fact would keep that mill operating? Are you taking any steps?

HON. MR. ROUSSEAU: — Mr. Speaker, we have made our proposal to the cities of Regina and Moose jaw, and if he is referring to the pipeline specifically, we have made our proposals to the cities. No, we can't decide for the cities of Regina or Moose Jaw what actions they should be taking. That's their decision; not ours.

Open for Business Conference

MR. SHILLINGTON: — My question, M. Speaker, is to the Premier. I would remind the Premier that since your Open for Business conference last year, your minister has done nothing but announce layoffs, terminations and shut-downs. This week alone, I'd remind you, we've had layoffs at PAPCO, layoffs at Ipsco, and a shut-down of Ipsco.

My question to you is: will you give us your solemn assurance that you will not subject this province to another Open for Business conference?

SOME HON. MEMBERS: Hear, hear!

HON. MR. DEVINE: — Mr. Speaker . . . (inaudible interjection) . . . I'm sure the members opposite recognize, and if they have friends in Ipsco they recognize, that the impact that the national energy program had on Ipsco was substantial, because it had a tremendous impact on the province of Saskatchewan. That's number one. Now we have to recognize that. It had an impact across the whole country in terms of oil and the demand for oil.

Now, subsequent to that, on April 26, we made changes that have brought the drilling business back to work here in the province of Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

HON. MR. DEVINE: — But that is only a small part of Ipsco's market. They need the broader market of western Canada, and indeed part of the United States on pipe. But the national energy program has curtailed much of that.

Number two, our application with Ocelot to market natural gas would have made something in the neighborhood of a difference of 800 wells, which is an awful lot of pipe. That was rejected again by the national government. That application would mean thousands and thousands of jobs. It means more demand for pipe, both in Saskatchewan and across western Canada, because it is a market that we're trying to develop for everybody.

Number three, we have said we would put \$10 million on the table now, plus 8 per cent and 12 per cent money on \$100 million — another \$50 million over 10 years. And \$50 million is no . . .

Mr. Speaker, all I can do to summarize is say that two recent moves by the federal government's national energy program, plus the refusal of the Ocelot application, plus they haven't said whether they would support or help or work or whatever with respect to the pipeline (and we put \$50 on the table), those three things that we have either fought for or stood up for with respect to helping the energy business here so that they can sell pipe, applying for more markets so that they can sell pipe, or building a pipeline, are more than your administration did in the last 20 years.

MR. SHILLINGTON: — I'm sorry, Mr. Speaker. I didn't hear you recognize me. I would remind the Premier that we never had a minister of industry and commerce with the career that yours has enjoyed. I'd also, by way of background, remind you that the management — it's a new question — and the trade unions at Ipsco agreed the key to keeping the plant open was the pipeline. The mayors of Moose Jaw and Regina, who are thought to be of different political persuasions, agree that your financing proposal is woefully inadequate. In light of this disaster, will you rethink your financing proposal for the pipeline?

HON. MR. DEVINE: — We have put a package together that includes \$10 million up front, and \$50 million over the 10 years. We've put that package forward to both the city of Regina and the city of Moose Jaw, and as a package it is extremely reasonable. I say this for a couple of reasons. Certainly home-owners across Saskatchewan respected the value of protecting the interest rates on their property at 13.25 per cent. That's a viable way to protect a lot of people. Second, the farmers of this province recognize the benefit of 8 per cent and 12 per cent money, because they're being applied for all across the province of Saskatchewan. When we make an offer, and we said those offers are not isolated to the cities of Regina and Saskatoon, because we've already identified at least \$2 billion worth of projects across Saskatchewan, including your ridings, beyond.

AN HON. MEMBER: — It sure helped Ipsco. Great for Ipsco.

HON. MR. DEVINE: — Well, \$2 billion is a lot of action for Ipsco and any other pipe company. Those applications, those proposals, are long-run programs and plans for economic development in the province of Saskatchewan, including Ipsco — today, tomorrow and for generations to come.

SOME HON. MEMBERS: Hear, hear!

MR. SHILLINGTON: — Thank you, Mr. Speaker. I have one more question, and I'd hoped I would be spared that campaign speech. I would hope I get an answer to this question. I would remind the Premier that the government gave Lloydminster \$10 million, which was about \$2,000 per capita. You gave this city \$67 per capita for that pipeline. Will you not admit that, on a per capita basis, you have short-changed the people of Moose Jaw and Regina in a gross fashion?

HON. MR. DEVINE: — Well, I'm not even sure the city of Moose Jaw wants a pipeline. They haven't said that they do to date . . . (inaudible interjection) . . . With the \$50 million . . .

AN HON. MEMBER: — With 2,000 per capita, you mean.

HON. MR. DEVINE: — Am I understanding the member for Shaunavon? Just let me get this clear. The member for Shaunavon says the people of Shaunavon constituency want the Government of Saskatchewan to put \$50 million into a pipeline in Regina, now?

AN HON. MEMBER: — That they do.

HON. MR. DEVINE: — All right, we'll just make sure that we've recorded that. He shook his head. That's affirmative; that's affirmative. We'll remind him that he shook his head in the affirmative, Mr. Speaker. With respect to the details, I would say . . .

MR. SPEAKER: — Order, please. Order! You asked questions, and the minister is trying to answer. He cannot be heard. I can't hear him and you can't hear him. So I'm asking for order to give the hon. minister the opportunity to answer.

HON. MR. DEVINE: — Mr. Speaker, I wonder if perhaps on the details of the negotiations with respect to cities and the water committee that's just reported back, if I could turn for additional statistical information and/or additional information to the minister who is responsible.

HON. MR. SCHOENHALS: — Mr. Speaker, a couple of brief comments possibly on this topic. Reference was made here yesterday in the meeting we held in Regina to the effect that Lloydminster had received X number of dollars per capita. In almost every municipality . . . (inaudible interjection) . . . I'm answering the question. I'm trying to answer.

Mr. Speaker, the message that came out loud and clear from those meetings is that per capita funding is totally irrelevant when you're considering municipal water and sewer projects. I think that every municipality in the province, and probably the member for Shaunavon's municipalities that came to visit, reiterated that. I think it's important to remember.

In terms of the pipeline, we have made it very clear that we are waiting until the two municipalities come back to us and indicate what their wishes are. I don't think it's the responsibility of this government, or any other, to dictate to those municipalities how they will solve that problem. We are very interested in helping Ipsco acquire jobs, but we want to do it in the proper way.

SOME HON. MEMBERS: Hear, hear!

Premier's Action re National Energy Program

MR. KOSKIE: — Mr. Speaker, I would like to direct a further question to the Premier. The dismal failure of economic development in this province is illustrated in the rates of unemployment and the layoffs as has been indicated here today. The Premier is indicating the reason that nothing is being done is that it's the federal government's fault in respect to the national energy program. I want to say, and the Premier I think will agree, that during the campaign he indicated that he would tear up the national energy program — tear it up as he was campaigning. I would like to ask the Premier what steps he has taken in order to revoke the terms of the national energy program. Have you, in fact, met with the Prime Minister as Premier Lougheed has? What steps have you taken?

HON. MR. DEVINE: — Mr. Speaker, the member obviously knows that international economic conditions have an impact on all of Canada, as well as the province of Saskatchewan. We are the only province in the nation, in Canada, that has a net increase in job creation — the only one.

SOME HON. MEMBERS: Hear, hear!

HON. MR. DEVINE: — We don't have — and I'm sure that you appreciate that — control over the OPEC negotiations that are going on in Great Britain at this very hour. We don't have control over that, but we may be subjected to those kinds of things as well as the oil patch.

The kinds of things that we can do here can make sure that we are the only province, despite those international economic conditions, that is creating jobs, that we have the lowest priced gasoline in the country and that we have the lowest unemployment in the nation.

SOME HON. MEMBERS: Hear, hear!

HON. MR. DEVINE: — The combination, Mr. Speaker, of us dealing with the energy programs, the agricultural programs, the housing programs, the NEED programs, and all of those, have put us in the best position of any other province in the nation, either with respect to debt or with respect to unemployment. That's a pretty fair record.

SOME HON. MEMBERS: Hear, hear!

Layoffs in Forest Industry

MR. THOMPSON: — Thank you, Mr. Speaker. I direct my question to the minister in charge of CIC. Last Wednesday, in the House, as I indicated to the minister, indeed it was a black day for the forest industry in this province. I asked particularly the minister what kind of a layoff we were going to have in the bush industry, in PAPCO, and in northern Saskatchewan. At that time, he indicated, Mr. Speaker, that he wasn't aware of any layoffs, and that he would have to take the question as notice.

I wonder if the minister at this time could indicate to the House, and to the citizens of northern Saskatchewan — Prince Albert and district — what layoffs are anticipated in

the forest industry starting on May 6?

HON. MR. ROUSSEAU: — Yes, Mr. Speaker. I had been asked the question; I believe it was the day before yesterday. I had my officials look up the information; I have it. The Woodland Enterprises (the wholly-owned subsidiary of P.A. — you're talking about Woodland, as I understand it) sent letters late last week to approximately 90 of its employees, notifying them that they will be laid off from their regular duties during all the months of May, June and July, 1983. This layoff, Mr. Speaker, is to keep production in tune with reduced pulp production at the mill. However, alternate employment is available, and has been offered to these employees for approximately six to eight weeks of the layoff period. This employment, Mr. Speaker, involves work in seasonal activities such as camp road construction, silviculture, tree planting, at, of course, some reduced salary levels.

MR. THOMPSON: — A supplementary, Mr. Speaker. The minister has just indicated that the 90 employees that will be laid off at Woodland will be offered jobs in the bushes somewhere planting trees. This is the type of job, Mr. Speaker, that has always been carried out by high school students and university students that are looking for jobs in the summer. That's 90 jobs that the students are going to lose.

I also specifically asked you: what about the private bush operators in northern Saskatchewan? Would you indicate to this House whether the private bush operators in northern Saskatchewan will also be laid off, in the Big River area, the Debden, Spiritwood, Carrot River area, starting May 6, for a three-month period?

HON. MR. ROUSSEAU: — Mr. Speaker, the employment offered to the members of the Woodland will not affect the summer students, as my colleague has informed me they planted more trees in the North in the last year than you ever thought of doing. I might further add, Mr. Speaker, that had they not taken the position they took two years ago, we wouldn't be in the position today. It was they who got rid of the management and the marketing arm of Prince Albert pulp mill, and if they had left that marketing arm of that mill in place at that time, the sales wouldn't be where they are today. Two years that they didn't move one iota to get proper management in place, and we now have that in place, and improvements will be made and the markets will be found.

MR. THOMPSON: — Mr. Speaker, would the minister indicate to this House that the layoff at Woodland is going to take 90 jobs away from high school students and university students this summer?

Number two, would you indicate to this House whether the Big River sawmill located at Bodmin will be continuing to deliver chips and material to the pulp mill in Prince Albert?

And number three, will the private contractors, the private bush operators be laid off for a three-month period on May 6?

HON. MR. ROUSSEAU: — Well, Mr. Speaker, if the member opposite is going to ask questions he should know where to direct the questions. That question he's asking is about Saskatchewan Forest Products. There's a minister responsible for it, and I'll ask him to take the question.

HON. MR. HARDY: — Mr. Speaker, in regard to the delivery of chips from the Big River sawmill to PAPCO, I would be with the full understanding that chips would be delivered. We have a contract with them, and as long as the mill operates, which we hope it will, as

the price of lumber . . . You fully realize, I'm sure, that the price of lumber has not done well in the last week or two again, because of the possible embargo coming in from the United States. Should that embargo not go on, the price of lumber will continue to rise, and we'll have no problem at all selling our chips, because we have logged a fairly good quality of wood this year, and the chips would not be of that tremendous quality.

MR. THOMPSON: — Mr. Speaker, I specifically asked three questions of the minister in charge of CIC, and all I got was one answer from the minister in charge of Sask Forest Products. I specifically asked about the student employment, the 90 jobs, and I think you have an obligation to answer those questions. I also asked, Mr. Speaker, whether there was going to be a three-month layoff to the private bush operators in northern Saskatchewan and I think that the citizens of Saskatchewan deserve an answer to those questions.

SOME HON. MEMBERS: Hear, hear!

HON. MR. McLEOD: — Mr. Speaker, while the question was not directed to me regarding silviculture activity and planting of trees in the North, it is under the purview of my department so I will attempt to answer that for the member. I want to remind the member that in the year 1982, in the current year, we planted something in the order of 13 million trees — more trees than have ever been planted in this province in one year.

SOME HON. MEMBERS: Hear, hear!

HON. MR. McLEOD: — We are planning to continue in our development of the forest industry in the province, as we develop forest management plans. We are planning to continue the silviculture activities. We're into negotiations all the time with the companies involved, so that they are also involved in silviculture and in planting trees. We are now going to be, with the beginning of this administration, farming the forest rather than mining it, as you people did for a good number of years. We will continue with our activity, and the people will be looked after, as my colleague has mentioned, in coming from the woodlands operation into the planting of trees. But there will also be jobs in the forests for students, as there have been in the past, but probably even more.

SOME HON. MEMBERS: Hear, hear!

MR. THOMPSON: — Mr. Speaker, I've had three ministers answer two questions. I asked three questions and I just don't know who I'm going to ask this one to. Is the private forest . . . (inaudible interjection) . . . Just sit down and listen. I just don't know who to direct this question to.

MR. SPEAKER: — Order, please. Order. the member is trying to ask a question, and he can't be heard by you or by me, and I would ask you to bring the Assembly back to decorum. The member for Athabasca.

MR. THOMPSON: — Thank you, Mr. Speaker. I direct this question to the minister in charge of CIC. Could you indicate to this House whether the private bush operators who supply raw material to the mills in big River, the Prince Albert Pulp Company, PAPCO, will be laid off for a three-month period starting May 6?

HON. MR. ROUSSEAU: — Well, to begin with, Mr. Speaker, I did give him the question to begin with on that first question, but the member from the north of Saskatchewan

knows . . . (inaudible interjection) . . . That's perhaps why he doesn't know the answer to his own question. It's simply that traditionally in the spring of the year there is always a shut-down in the North.

MR. YEW: — Thank you, Mr. Speaker. My question is for the Minister of DNS, in regards to the commercial fisheries in Saskatchewan, an industry which is faced with some hard economic times, much like the crow. This is an industry that needs support and encouragement from governments. My question is: would the Minister of Northern Saskatchewan advise this legislature what his government has done, or is prepared to do, to allow commercial fishermen access to, and full advantage of, the federal NEED program designed to assist commercial inland fisheries?

HON. MR. McLEOD: — As I indicated to the member, the member will remember we had a discussion about this matter a couple of days ago. We understand that there has been, under the federal-provincial program, something in the order of \$340 million set aside for it. I am quite upset with the federal minister, Mr. Axworthy, I believe he has gone into his home province and signed an agreement, a similar agreement, for the ice harvest in Manitoba. We believe that that will be there. I also recognize what the hon. member is coming at, and that is the situation with the year advancing and the ice is deteriorating. The best ice that can be put up in the fishing industry, obviously, is that blue ice that's there in the earlier part of the year in the colder months. We're doing everything that's possible to get him to sign that agreement so we can direct some of that money at the ice harvest this year.

MINISTERIAL STATEMENTS

Public Utilities Review Commission

HON. MR. DEVINE: — Mr. Speaker, as a result of the deliberations that we've had recently in the last couple of days, particularly in the House and some in the media, with respect to the public utilities review commission and realizing that this is the first opportunity that we've had in Saskatchewan to have a public utilities review commission, I believe there is some confusion around the March 15 date with respect to the implementation of a \$500 deductible. As a result of that, and to make very sure that PURC has all the time and the responsibility that it needs to carry out its objectives, I have requested the minister in charge of Saskatchewan Government Insurance to apply the 90-day clause to the \$500 deductible. This essentially means that as of about July 1, under the act rates can go up, deductibles can go up, because it may take six months for the public utilities review commission to make their decision, but knowing after that time, depending on the decision of the public utilities review commission, they may be subject to change.

I'm saying that so that everybody can feel comfortable with the role of the public utilities review commission in dealing with any rate applications, or anything with respect to the package in marketing, or policy, or management, that may come up, obviously, year after year after year and be presented to the public utilities review commission.

The public utilities review commissions across the country, as I understand it, do make comments on management, on technology, on all kinds of things. And that's what they're asked to do here. So, not to confound it at all, I'm asking the minister to apply the \$500 deductible to the normal 90-day clause, so that when they raise their rates on July 1, say, for example, 7.6, or in another case it may be 19 or whatever, that it applies to the 90-day clause, knowing that it's subjective to the public utilities review commission

making their comments about the marketing package and, indeed, the rates. Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SHILLINGTON: — Thank you very much, Mr. Speaker. I may say that, in the view of the opposition, the Premier has missed the point of our objection. Our objections are that your minister disemboweled the public utilities review commission when he said he was not submitting the level of service. There's no such thing as a question. It's a response to a ministerial statement.

Your minister missed the point of our concern, which is that if you don't control the level of service, any suggestion that you're controlling the cost to the consumer is false. It's equivalent to saying you're going to set the price of a chocolate bar at 25 cents and not controlling the size of the chocolate bar. You've missed the point of it.

I am stricken stiff with terror at the thought of asking the Premier for any more guidelines, but I'm going to ask you for some more guidelines. What we need is a set of guidelines for corporations that are applying to the public utilities review commission, because the fashion in which this was revealed does your government very little credit. Your minister said outside the House and in the House that there's an application before the commission. He said outside the House to the reporters, I am informed, that there was no increase to the deductible. That is what I understood. It was later revealed by his general manager what the truth of the situation was.

What you need, in addition to fulfilling your promise in the public utilities review commission, are some clear guidelines on how corporations apply to the public utilities review commission and the necessity for full disclosure, which we haven't got and which we need in addition. As I say, I hate to ask you for any more guidelines because you've studiously avoided giving us the last set you've promised. But that is needed in addition.

ANNOUNCEMENT

Recognition of Regina Native Women's Week

MR. YEW: — Before orders of the day, Mr. Speaker, I rise today on a matter of interest to all members. As you know, February 29 to March 5 has been declared Regina Native Women's Week by the mayor of Regina. This proclamation comes in recognition of the dedicated work this group has provided to the people of Regina since 1971.

Mr. Speaker, native women have always played a vital role in Indian society. This tradition is being carried on in Regina by the Regina native women. The counselling and support services they provide are an important part of a non-governmental social services network. As part of this week's activity, the native women are trying to raise enough money to build their own home. I am sure we all support this initiative and I ask all members to join with me in wishing the Regina native women a successful week.

HON. MEMBERS: Hear, hear!

HON. MR. LANE: — Mr. Speaker, I join with the hon. member in acknowledging native women's week and I would also like to congratulate the mayor of Regina in taking the initiative in this regard. The hon. member makes reference to the import of native

women on Saskatchewan history and society. We, as a government, recognize the vital role that native women have played in Saskatchewan's history and will continue to play in the future by supporting the desirability of a constitutional amendment guaranteeing equality to Indian women. We expect that that constitutional amendment will in fact be supported by most governments in Canada. We hope that that will be one of the significant results of the first ministers' conference coming forward the week after next.

HON. MEMBERS: Hear, hear!

ORDERS OF THE DAY

COMMITTEE OF FINANCE

CONSOLIDATED FUND BUDGETARY EXPENDITURE

TOURISM AND RENEWABLE RESOURCES

Ordinary Expenditure — Vote 39

Item 1

HON. MR. McLEOD: — Thank you, Mr. Chairman. On my immediate right is George Couldwell, who is acting as deputy minister. I think most members of the House will know that the deputy minister of DTRR is in University Hospital in Saskatoon for some period of time, but George is in here today as acting deputy minister. Directly behind me is Ross MacLennan, the director of wildlife. To Ross' right is Tony Richmond, executive director of forestry, and over to George Couldwell's right is Brian Woodcock, the director of construction and management services.

MR. THOMPSON: — Mr. Minister and your staff, I won't be taking a great deal of time on your estimates today. We will be going through the same estimates in probably a month to six weeks and at that time we can expand on a lot of these items. But, I will have a number of questions today and will try to get through them as quickly as possible. I have a 500-mile trip to start driving to get home, and I want to get going.

But I'll start off, Mr. Minister, on your March budget. Your estimated revenues of DTRR activities are 15,741,000. This figure was reduced to 10,157,000 in the November budget, more than one-third down. Could you indicate to the House what the reason for this large reduction was?

HON. MR. McLEOD: — Well, the biggest factor in that, Mr. Chairman, would be the definite downturn in the forest industry and forestry revenues coming from royalties, stumpage, and so on. I think that the hon. member will know that, and it's a case across the country, British Columbia is . . . All provinces are suffering it out, provinces that are involved in the forestry industry, so that is the biggest factor.

MR. THOMPSON: — So the main drop is quite a drop, approximately \$5 million. Do you see any increase, or do you see any possibilities of the forestry industry coming back, or do you see that the forest industry is in a situation now that is going to remain with us for, say, the rest of this fiscal year?

HON. MR. McLEOD: — Well, Mr. Chairman, it's hard to predict that sort of thing. The information we have was certainly mentioned this morning in the question period

regarding the several factors that are having an affect on the forest industry today. There is one that's coming, I believe, in about three days. I think it's March 7. In Washington, there is in the United States Department of Commerce the countervailing duty suit, dealing with a suggested embargo on Canadian softwoods. We don't know, and nobody can really speculate about what the result of that will be.

There has been some indication of an upturn in the housing industry in the United States in housing starts. If that's the case it can only augur well for the forest industry here. I guess really there is little we can do to speculate on the countervailing duty thing, although we are optimistic about that. There has been excellent representation made by, not only the national government, but by the forestry minister's group, compromising all of the ministers of forestry from all of the provinces of Canada and also from the industry, from the forest industry representatives themselves, in terms of lobbying in Washington and dealing with the Secretary of Commerce and so on.

I think you could say, as the member will know coming from where he does come from, that the forest industry is a very cyclical thing, and it's obvious that it's in the bottom end of the cycle now, and we certainly believe that it looks like there is a bit of a light at the end of the tunnel.

MR. THOMPSON: — Yes, thank you, Mr. Minister. Mr. Chairman, Mr. Minister, you indicated this morning that there were going to be a lot of trees planted in Saskatchewan in 1982-83. I wonder if you could indicate to the House how many trees were planted in 1981-82 in Saskatchewan.

HON. MR. McLEOD: — As I mentioned in the answer to that question, where there was some confusion this morning as to who should answer it, in 1981-82 your administration planted 7.4 million trees, as a dedicated effort to silviculture. Last year, in a down-turn year in the forest industry, we planted 13 million trees. The budget that's coming out — as you've indicated, we'll talk about it — will indicate the number of trees we'll be planting in the future. We're planning to plant something in the order of what we did this past year in the next year. I can't give you the exact number right now, but it's something in that order. It certainly will be more than the dismal 7.4 million that was planted in '81-82.

MR. THOMPSON: — Mr. Chairman, Mr. Minister, that's fine. We planted 7.4 million trees. One has to realize that when you plant a tree, you can plant one tree or you can plant five trees. If you plant one tree properly, well spaced and well looked after, it's a lot better than planting five trees and then walking away and just leaving them. So, I think one will probably have to wait a little to see what the results of the figures are. You agree with that, I'm sure.

I want to discuss provincial parks with you at this time, Mr. Minister. I won't take too much time on the parks, but could you indicate what the plans are for, I believe, the Cypress Hills park?

HON. MR. McLEOD: — Just before I get into the parks, you mentioned the planting of trees and the methods of it. I agree with you that the methods by which trees are planted are very important. You know, it's one of the reasons that we have said, as my colleague mentioned this morning about people that work in the woodlands all the time, it's advantageous for them to be involved as well in some of this silvicultural activity, because they have an understanding of what they're doing out there. So, certainly we

think we're on the right track there. I agree with you on the methods, but we have good people out in the forests planting trees.

As far as the Cypress Hills park is concerned, in terms of this year's budget, what's underway is an upgrading of the sewage system at Cypress Hills. That's ongoing and, I think, near completion. Also, there were some renovations done to a number of the cabins there.

One might add, about Cypress Hills, that one of the things I noticed when we came into this administration were some very grandiose plans at Cypress Hills. The question that really arose was: were some of those plans for the benefit of that park? Were they realistic for the traffic there and so on? Certainly Cypress Hills is a beautiful area of the province and one of the jewels of our park system. I often wonder about some of the plans that were there, and whether or not those plans were — how could we say that? — a monument to the former minister and his brother-in-law, the member for Shaunavon, who live in that area.

I have a feeling that they were building a bit of a monument. When I got down there, after seeing the plans and then going down into the park, and going into the cabins and seeing the big sign with Reg Gross, Minister, and so on — well, that's fine — in front of some of these cabins, on a big rock and a big brass plaque that's there forever, to make sure that if an earthquake comes and takes the buildings down and so on that the buildings will be gone but rest assured Reg Gross's name will still be standing. I went inside of each individual cabin, and it's not enough that the big sign outside with Reg Gross, Minister, should be outside the cabin, but you go inside every individual cabin (where some family would want to go, and have fun at the lake) and there's another big plaque on the wall, saying Reg Gross, Minister. It was just — I don't know how to describe it — well, it was gross.

SOME HON. MEMBERS: Hear, hear!

MR. THOMPSON: — Mr. Chairman, I'm sure that the minister is exaggerating on what he's been saying over there — all these monuments, and that. I have one more question on that. Could you indicate to the House, Mr. Minister, what plans you have for snow-making equipment in the Cypress Hills area?

HON. MR. McLEOD: — I would say that for this year's budget certainly there were no plans for it. You could ask that question and we could talk about snow making and the potential of skiing and so on in Cypress Hills under the estimates of next year's budget.

MR. THOMPSON: — Before we get off the provincial parks, Mr. Chairman, Mr. Minister, I want to discuss the possibility of a park that we have discussed before, and that is the Clearwater Valley park, or the creation of a provincial park in the Clearwater Valley. As I had indicated before, the Clearwater Valley is the type of an area where you could have a year-round park. You could have your fishing and camping and everything that goes with the summer parks, and you could also have your cross-country skiing, your downhill skiing, and everything that goes with winter tourism.

Given the fact that you had made a trip into the United States to promote winter activities in the tourist industry in Saskatchewan, I fully agree that it would be nice to have these Americans come up here into Saskatchewan to take advantage of our facilities on a year-round basis. They come up here in the summer and take advantage of our fishing, and the scenery, and everything that we have. But if they were to come

up, I think they have to have a place to come. I feel that the Clearwater Valley, with its tremendous hills, and the beauty that's in that Clearwater Valley, would make a perfect year-round provincial park.

In addition to that, Mr. Minister, you're aware of the economic situation that we have in the La Loche area, and the high unemployment rate.

AN HON. MEMBER: — We have that all over, Freddie.

MR. THOMPSON: — Not as bad as we have in La Loche . . . (inaudible interjection) . . . This is 90 per cent we're talking about. But, Mr. Minister, our neighbor over there to the west, it's a serious situation, and I believe that if your government was to take a serious look at developing that Clearwater Valley, there's a lot of overmature timber and mature timber that should be selectively cut and taken out of there. I know that if we go back we'd have to subsidize the mill operation, but I think it would be to the advantage of that region and to Saskatchewan as a whole.

I wonder if you could give to this House your thoughts, and if you have any plans at all, on the ideas that I have put forth and what you really think of them, regarding the Clearwater Valley.

HON. MR. McLEOD: — Okay. The member raises an interesting point. It's too bad that more members of the House and more citizens of Saskatchewan aren't really aware of — I would agree with you on that — the magnitude of that Clearwater River Valley north of La Loche. There's no question about that, and I think there aren't many of us who have been there to see it. I'm not about to verbally give any kind of a tourist information guide on it right here, but I would say that one of the things that we're doing is that there's a negotiation under way now regarding Saskatchewan rivers heritage program. We deal with the major river systems in the province. You know, the obvious ones — the Qu'Appelle is one — and there have been some tourism agreements in there. And certainly the Saskatchewan River Valley is another, and the Churchill River Valley, which you 8 are also very aware of, and the Clearwater, we know, is in the MacKenzie River system. It has a great heritage here in the province from a historical value in terms of the fur-trading days, and also in terms of the beauty that it would provide for a lot of people who would like to go into the further northern reaches of the province.

One of the thrusts of tourism in our department would be to extend into the northern part of Saskatchewan. You and I both know that anybody who's contemplating a trip or a holiday should certainly not miss northern Saskatchewan. So certainly we would look at the Clearwater River Valley in the negotiations regarding Saskatchewan rivers heritage program. As far as giving a starting date, or any of those kinds of things, certainly I can't do that, but it's certainly not something that we would ignore.

MR. THOMPSON: — I'm very pleased, Mr. Chairman, to hear the minister and his sincerity toward the Clearwater Valley. I think that it would be a good idea for the member for Cut Knife-Lloydminster to make a trip up into that valley and just see the beauty and what it has to offer. I think not only what it has to offer for the citizens of Saskatchewan, but I think for the economic stability of that region. I think it's vitally important, and I welcome your remarks, and I sincerely hope that you and your department officials will take a serious look at a year-round park in there and start some activities that would create economic stability, jobs for that region, and just a tremendous place for the citizens of Saskatchewan to go. Take a look at downhill skiing in this province, and think of the money that was paid at Blackstrap to create a so-called

mountain, and it really is a molehill compared to the hills we have in the Clearwater Valley — just a molehill. We have so much to offer, and if it's done right and planned properly, I thin it would be just a great asset to all of Saskatchewan.

A few more questions I want to ask, Mr. Chairman and Mr. Minister. I assume that the fish transportation subsidy has been transferred to DTRR, but I would just like to get it on the record. I feel that this is a very important part of the fishing industry, the commercial fishing industry in northern Saskatchewan, and I would just like the minister to confirm that that fish transportation subsidy to the commercial fishing industry in northern Saskatchewan will continue.

HON. MR. McLEOD: — Yes, the fish transportation subsidy has been transferred to DTRR; it's under our jurisdiction. We view the transportation assistance to the primary producer as a fundamental thing in the fishing industry in the North. As our government and my colleague, the Minister of Agriculture — we talk about transportation subsidies to the primary producers of other products of Saskatchewan. We've had great discussions about that. It's a principle that we believe in, and it carries on.

MR. THOMPSON: — Thank you very much. I know that the fishermen in northern Saskatchewan, the commercial fishing industry is going to be pleased to hear that because there were rumors going around that there was a possibility that they would lose that transportation subsidy.

HON. MR. McLEOD: — If I just might respond to the member. As you will know, there were many, many rumors going around in northern Saskatchewan immediately following the 26th of April. After about, I would say, a matter of weeks, the rumors diminished somewhat as the actions of the government became better known, guess as I've said in northern Saskatchewan many times, "If you don't hear a rumor before 10 o'clock, start one," was what the practice was, and I don't think that we need to respond to those rumors too much.

MR. THOMPSON: — Thank you, Mr. Chairman. Mr. Minister, when you have a provincial park — when the Department of Tourism and Renewable Resources has a provincial park adjacent to a community — and I give you an example, the community of Ile-a-la-Crosse, which has a provincial park just adjacent to the town — and they have applied to your department to have that park transferred to the community, to the local authority . . . Have you had a request from Ile-a-la-Crosse, and if there was a request of this nature coming to your department, is it possible to transfer a provincial park, the authorities of a provincial park, over to a local town?

HON. MR. McLEOD: — I'd say the short answer to that would be no, but I'm not sure what you're referring to. You mention Ile-a-la-Crosse specifically. There's no provincial park anywhere very close to Ile-a-la-Crosse, so I believe it may be a recreation site or something of that order. The short answer to your question is no.

MR. THOMPSON: — I would assume then, Mr. Chairman, that it's probably a regional park administered by the Department of Tourism and Renewable Resources. They indicated to me that they have requested to have that park turned over to the authority of the local community. Now, if it's not a provincial park then I'm sure it's a regional park, but I know it's administered by the Department of Tourism and Renewable Resources.

HON. MR. McLEOD: — Well, it's a recreational site, just so we can make it clear what the designation is, and so it's understood how it relates to other recreational sites around the province, and so on. I haven't seen a request like that from the Ile-a-la-Crosse community but I would say, at the present time, the answer to it is, as I said earlier, no, it wouldn't be in our minds to transfer those to the local community organizations. I know there've been negotiations over a number of years, or a number of years back, about an area that is also very beautiful in terms of a park area, and that's the South Bay of Ile-a-la-Crosse Lake and so on. You know I've had some conversations with local people in Ile-a-la-Crosse about that, but at the present time there is no thought to turning over the area to the community.

MR. THOMPSON: — The South Bay Recreational Park is what I was discussing.

Mr. Chairman, Mr. Minister, I want to now turn to roads to some of the lakes that we have in northern Saskatchewan. I know that it's always been the policy before any roads are put into any new lakes that the parks planning has to approve that, and I would assume that that is still the criteria that is used. I think that we have a lot of lakes in northern Saskatchewan that have been opened up through the two main arteries that now go up the west side from La Loche to Cluff Lake and Carswell, and the main artery up the centre of the province from Pinehouse to Key Lake. And these two main arteries open up literally hundreds of beautiful lakes for recreation, tourist fishing, plus commercial fishing. I know that a lot of people are going up through these arteries and are leaving their vehicles and going into the lakes and fishing them, and packing.

My idea is that we should be getting the parks planning branch working, if they're not working, to go in and establish where these roads should be put in, and then go ahead and open up these areas for campsites. I think when you do that you also provide so many jobs for your stand-by crews. Instead of just having a stand-by crew working in the summer and then laying them off in the winter, these stand-by crews could work all winter, making tables and getting the firewood and whatever to maintain these campsites. And I think that you would see that the citizens of southern Saskatchewan would pretty soon go up there, and it would really pay its way. And I think the economic stability — once again I use that word — it would add to that stability to know northern Saskatchewan and provide the much-needed jobs that we need.

I would ask that your department take a serious look at these roads adjacent to the Cluff Lake and the Key Lake roads. And I would also ask you to have your department officials take a serious look (I was working on that and never did accomplish it) to go the 30-some miles from Key Lake into Cree Lake. I think that that is a lake that we should seriously consider putting a resource road into because there we have one of the most beautiful lakes that we have in this province, literally thousands and thousands of miles of shoreline — when you consider all the islands and the white sand beach and the jack pine, just a beautiful lake. I think that this should be a priority with your department. It was a priority with me. As things turned out, I didn't have an opportunity to get that through.

With that, I wonder if you could just comment on the roads that I have discussed, the two arteries plus the last one into Cree Lake.

HON. MR. McLEOD: — I would say to the hon. member that I'm pleased. I really am pleased to hear a representative of that region speak in those terms about the potential development off the main artery roads and those that you mentioned. Certainly it's exactly in line with the kinds of things that we're doing within our lands branch and

resources department. You're right on track and I would say that, you know, you may work on it for a good number of years while you're on the government side, and now that the government side is doing the things that you would like to see, maybe you should be on the government side now. Your thinking is just right along the right track, so I would say thank you. But anyway we won't get into that.

So, certainly our lands branch is involved in that and certainly other agencies of government, environment and whatever, will also be involved but that is ongoing. And we will, before there is a major influx, one of the things that we recognize very clearly (and I think people will expect us to recognize that as the tourism department) is that we have to be ahead of an influx of people and so on, because as people discover those arteries that you mention, and more and more of the beauty of the North, with the road access certainly there will be more and more in there.

We need to have planning and have facilities for them before the big influx arrives, so we don't have bad situations like you see in many of our southern resort areas that were developed in very early years, before planning took place. So, certainly you're on the right track there, and we are moving in that direction.

As far as the road across to Cree Lake, I haven't really looked at it. I didn't realize it was only 30 miles, as a matter of fact, but I'll take the member's word for it. I think it's pretty rough terrain to build a road on, but certainly all of those things are possibilities that we would look at in this planning process. I do agree with you that the potential for Cree Lake is unbounded, really. Sure, we'll look at that.

MR. THOMPSON: — Thank you very much, Mr. Minister. Mr. Chairman, I fully concur with what you have said in the planning of these roads, not only to open up the lakes that we have along these arteries for the tourist industry, but I full believe that with the proper co-operation it can be beneficial to the tourist industry, and the commercial fishing, and the trapping. I see no reason why there should be conflicts between the two. I know there are a lot of commercial fishermen and trappers who are in the tourist industry now and one sort of complements the other.

I believe that these roads are beneficial to everyone involved. I think a good example is when you hear somebody say that, well, we are going to build a road into an area and we are going to destroy the trapping, the fishing, and the hunting. In 1952 the road was put into Dore Lake, and most certainly the commercial fishing industry has prospered in that area because of the cheaper transportation. The trappers enjoy driving to their traplines in the Dore Lake-Sled Lake area because of these roads. I now see that the main arteries cut through Cluff Lake and from Pinehouse north are accommodating the commercial fisherman and the trapper in the Patuanak-Pinehouse area and in the La Loche area. Granted, they still have to drive up the highway and take their skidoos or dog teams and drive into these lakes, but it most certainly has been an asset to the commercial fishing industry and the trapping industry. I think that we have to take advantage of everything that we can in northern Saskatchewan to really establish an economic base — one that is needed so badly. Handled properly I don't think that you're ever going to have a conflict between commercial fishermen, trappers, and tourists — no greater than you are going to have in the South with the farmers and the hunters in that fall. That's a normal thing.

You will take a look at the Key Lake extension into the Cree Lake area?

There is an article that came out in the paper earlier this winter regarding the caribou

and the fact that the caribou herds had increased by about two-thirds. The biologists were kind of confused as to why this had happened. Could you indicate to the House if this indeed is a fact, that that caribou herd that migrates into northern Saskatchewan has increased that much? Have you taken any surveys since then to confirm what the article has stated?

HON. MR. McLEOD: — The information I have on the Beverley herd is the one you referred to that goes across the northern extremities of our province. I saw the article that you referred to; they talk about some exorbitant increase in the numbers. There appears to be some increase. We are encouraged by that, that there is some increase in the size of the herd. I think the reason for the extreme numbers that were given was because in the Northwest Territories, in that jurisdiction, they increased the size of the area in which they carried out the survey. More animals were counted in the survey, but they took in a much wider area so they counted a greater number of animals. But as far as the main body of the herd, we think there has been a good natural reproduction. They've had a good year, and we're encouraged by that.

I might add to that, as the member will know, we're into the caribou management agreement with the federal government, the Northwest Territories and Manitoba. We're dealing with two major herds, the Beverley and the Kaminuriak herds. We have local resource users on the board of management to monitor the herd and so on. Hopefully we can manage the herd for future generations and many generations to come.

MR. THOMPSON: — Thank you, Mr. Minister . . . (inaudible interjection) . . . Are you going to fly me home, Graham?

AN HON. MEMBER: — No, I can't fly you home.

MR. THOMPSON: — Mr. Chairman, and Mr. Minister, I know that you also carried out surveys in the centre, in the fringe areas and in the rest of northern Saskatchewan regarding the deer population, the elk, the caribou and the moose populations. Could you indicate whether we have an abundant supply (and I will specifically name them) of white-tailed deer, the elk, the woodland caribou (not the barren-land caribou) and the moose population? Could you just sort of indicate what your surveys have shown up to this date, and how these species are handling the situation as it is today?

HON. MR. McLEOD: — Okay, I'll give you a very general . . . As the member will know this varies from area to area in the province. White-tailed deer population throughout the province, according to our surveys, is holding pretty steady. We fell good about that. As the member will know, they had a very tough winter a year ago, and the deer-feeding program was successful. We feel it was a big success in terms of public relations as well as in terms of saving a good number of deer.

The elk population in the province is increasing. Woodland caribou population is holding about even. Moose population in the Hudson Bay area and over to the eastern side of the province is up, and the moose population in the western side of the province, where you and I are most familiar, is down significantly.

MR. THOMPSON: — Mr. Chairman, Mr. Minister, I wonder if I could get you and your department to make a commitment here today that you would take a serious look, once again, at going after the wolf population that we have in northern Saskatchewan. We always had an active wolf program before, and this has been discontinued — the poisoning of the timber wolf. I have watched the timber wolf in the last few years, and it

is expanded. It's just unreal. You see packs of timber wolves going around and you see the remains of their kills all over in the western part of northern Saskatchewan.

The trappers that I discussed this with tell me that the wolves are just taking right over on their traplines. Not only are they depleting the big game populations, but they can have a \$300-400 lynx in their trap and they come along and they clean up on the lynx, or the fox, or whatever they have in their traps. And I would ask the minister and his officials to take a serious look and discuss it with the local trappers.

I think that if we are going to have a successful wolf program . . . We need a wolf program now. In the old days, the wolves kept the population down on the game as it came up, but now we have all the wolves up in through all this country. Hunters can travel so far so fast — get on their skidoo and travel 50 miles into the bush, no problem at all, to kill these animals and take them out. I think that the world of the wolf is no longer valid.

I have seen timber wolves, how they kill animals and I tell you and I tell this House that they don't kill the weak and the sick. They take everything that there is. They eat them alive. I have come upon an animal that is still alive and being chewed up. My father was a trapper for many, many years and he has told me stories of timber wolves, that he has seen deer and moose, well they were actually . . . The hind part of the moose and the deer was eaten up. It was a healthy animal, still alive, and he came along and shot it. So I think that we have to take a serious look at the wolf program, the baiting of the wolf, because they are getting stronger and stronger all the time and they are running in big packs, especially on the west side. I wonder if you could comment on that, Mr. Minister.

HON. MR. McLEOD: — Yes, I'll comment on it. As I mentioned when we were talking about the populations of the various wildlife species — wolves in my own area as a matter of fact, in the Meadow Lake area — we have a program on and extending somewhat into the north from there. We have a program on this winter, an active program of baiting. It is an extreme problem with agriculturists, especially. You know, I get it from a constituency point of view. I get it from ranchers and so on who have wolves pulling down their cattle. We're monitoring it. Our wildlife branch people are monitoring it very carefully.

As far as the moose population goes, I indicated to you earlier, the moose population is down in the western side of the province, in Meadow Lake and that area. I guess what you could say that wolves . . . Well, the biggest effect that they could have on a moose population is that when the population is down, an abundance of wolves will certainly keep that population down, I'm not saying that they're the major factor in bringing the population down. But certainly we do have a baiting program underway this winter.

MR. ENGEL: — Thank you, Mr. Chairman. Mr. Minister, when a person from southern Saskatchewan listens to a minister from the North and a critic from the North, you sometimes begin to wonder if you're ganging up on us and are just going to throw us to the wolves down south, literally.

I have several questions and concerns there. One is that during my time I've watched the regional park program start with nothing happening in southern Saskatchewan and grow to where within a close driving distance we have a reasonably good regional park program down in the south country. Seeing where you've come from and where you're going and what your interests are, are you going to starve out the regional park program, are you going to make us go it on our own or are you going to continue with

the generous funding grants that have been in place, both maintenance and capital construction?

HON. MR. McLEOD: — I should preface my remarks by saying: am I ever glad you asked that question. I'll get into the details of that in a minute. But it's in a general way you ask the question: will we continue the generous funding that has been in place for regional parks? I should inform the House that what we inherited in the regional park program . . . I will go on record as saying the regional park program is a good program in terms of the service that it provides for rural and Saskatchewan people in an area that's much closer to where they live, and it's a good program, certainly, I've made that very clear to people within the regional park boards and so on throughout the province.

As far as the agreements go, the member will know and a number of regional parks have been, I'm sure, awaiting the new budget, and we have been saying to them that it's under review for a good period of time. It's been under review for a very good reason. I believe it was overcommitted; the regional park program was overcommitted on the maintenance grant side, \$650,000. On the maintenance side of things there was a great deal of pure and unadulterated politics played with the regional park program, which is, in my mind, absolutely inexcusable. When you deal with these regional park boards and say, "Yes, you can have this regional park. You can build this or that." so much of it was coming directly out of the minister's office, from the minister's EA; I believe it was a Mr. Kenny.

In fact we even have cases where members of the legislature signed regional park agreements on behalf of the minister, which is not allowed according to the statutes, which is absolutely against the law. And it means nothing. We have situations where we had three or four packs, I believe it was four in number, that were signed or agreed to verbally on March 27, if my memory serves me correctly — March 27. That was a Saturday, I believe. About 8 o'clock that night, one Mr. Blakeney called an election. But at some time during that same day, out in the Assiniboia-Gravelbourg constituency, an office advised the above agreement was approved and signed. This is regarding the Wood Mountain Regional Park. Signing would be forthcoming. And I quote from this little information that I have:

Allen Engel, NDP MLA, Assiniboia-Gravelbourg, signed the agreement on behalf of the minister.

This park is in Mr. Engel's constituency and he signed the agreement on March 27, '82, the day the writ fell — a legal signing with no authority.

The kind of thing, Mr. Speaker, the very type of thing that the people of Saskatchewan saw through, the very kind of thing that the people of Saskatchewan said to us, as we were coming into power. "You people will win this election, and one of the reasons that you'll win this election is because of the type of blatant politics played with every program out in rural Saskatchewan that dealt with the urban governments, the rural governments, the regional park boards, the hospital boards, you name it. These boys played blatant politics out there at every angle." There's just an example of it.

I was glad that you asked the question about regional parks, and I would say that the questions about regional parks — the questions regarding the regional park program in next year's budget — I would say that they would be better directed there in terms of the directions that we'll be going. You can rest assured that the regional park program is

something that we believe in and that we will expand and we will make better than it has been.

MR. ENGEL: — Mr. Chairman, I'm glad you raised that regional park program, and I'm glad you introduced that evidence that we were prepared to meet with regional park boards. I accepted an invitation to go down to Wood Mountain. The regional park agreement was brought down by your staff. We had an official signing program. There was nothing illegal about that. I staked my reputation, saying that the funds . . . (inaudible interjection) . . . The minister said it was illegal, it was against the law. I'm saying I was asked down to a meeting. I assured those people that I'd stake my reputation that the funds that were promised, the matching grants that they were prepared to do . . . Election or no, I staked my reputation that that program would be followed through. I'm glad you funded it. We worked on the regional park program at the local level. We supported, Mr. Minister, the communities that wanted a regional park program.

Now I have one more question for the minister. I've had several requests from Mossbank, the community there. Mr. Chairman, I have time to wait for the minister to listen . . . (inaudible interjection) . . . Well, I don't think you can hear very good while you're talking, because you can't even hear while you have your mouth shut . . . (inaudible interjection) . . . I can get as nasty as I please.

MR. CHAIRMAN: — Order, order! Does the member have a question?

MR. ENGEL: — Have I got the floor?

MR. CHAIRMAN: — Yes.

MR. ENGEL: — Thank you. The issue I was going to raise, Mr. Minister, and I've talked to some of your staff about it — in Mossbank there is a golf course out in the rural area outside of Mossbank, near the old airport location where there used to be a training base. They have quite a piece of land there, and the people down there felt that their golf course would be much better serviced if they had some water. So they stuck their necks out a long way and had a jumbo dugout built. I think it cost them \$5,000 or \$6,000 which is a lot of money for a small golf club to be able to fund.

Some time ago they were talking about regional parks, but because of the location and the regulations as to how far apart regional parks could be, they haven't followed up on the development of a regional park there. Is there some kind of a program in place where communities that are developing a recreation facility close to their community — like a golf course and a recreation area — is there some source or some way we could help them with financing the funding of this water? Because, now that they've made the dugout and stretched their funding (and the local involvement of the people in the community there has been tremendous; they've been able to pay for the dugout), the water is no good to them if they can't develop it. They need pumps and irrigation and underground piping, and so on. So is there some kind of program where communities or towns can get some additional help to help fund that kind of a project?

HON. MR. McLEOD: — Before I get into the specific question about Mossbank I really should get into the specific question about what we talked about with the Wood Mountain Regional Park a little earlier. I said to you that it was blatant politics that you should go down to the regional park at Wood Mountain. Sure, you were invited. I believe that you should be; you're the MLA for that area.

AN HON. MEMBER: — That's blatant politics. I went to the meeting.

HON. MR. McLEOD: — No, no. You should certainly be represented there, and should be there yourself as a member. The blatant politics of it all is that on the day, the very day, that the writ for election was drawn you signed an agreement on behalf of the minister which none of your other members did. Well, I guess some other members probably did, but this particular one was done on that particular day. Now, the minister was not there. You say that the officials were there and so on. You had an official signing ceremony, I believe you said in your remarks.

AN HON. MEMBER: — To give them an assurance that that was in place.

HON. MR. McLEOD: — It is not an official signing ceremony unless the official who is allowed by statute to sign is signing. Okay. Now, I don't know if you're understanding this carefully, but I know in our caucus, if there is a regional park agreement signed, the Minister of Tourism and Renewable Resources will sign it on behalf of the Government of Saskatchewan by statute. Certainly the MLA for the area will be there, but the MLA won't be signing.

What I say, and you may misinterpret what I say, but I still call it, and I apologize if other people interpret it differently, but I call the day the election writ is issued, with you down there signing something that you had no authority to sign, blatant politics in the worst order.

SOME HON. MEMBERS: Hear, hear!

HON. MR. McLEOD: — I would reply to the specific question, Mr. Chairman, in regard to the Mossbank area that the member inquires about. I would say that any of these proposals that are coming in are certainly being considered. I don't say one way or the other about them, but you have laid out the information. I believe some of that information is now in the department.

AN HON. MEMBER: — Yes, it's been referred to.

HON. MR. McLEOD: — I know what it is. Sure, we'll look at those things in a provincial kind of strategy. I know the Department of Culture and Youth, in some of these cases where there are particular circumstances, may be involved and so on. But we'll look at in a broad way. The people will be getting their answer in due course.

You mentioned something about the distance from other regional parks and so on. We certainly have to keep some type of guideline in terms of how close these regional parks can be to each other, as I'm sure you'll understand. But we'll look at individual cases on their own merit, not on their political merit. Thank you.

MR. ENGEL: — I just want to assure the minister that in the regional park program when some of the parks were established and some of them were even closer together than they should be. I believe some of that was done in a political process. There was a time in Saskatchewan when a right-wing government was involved and tried to use that as political leverage.

If you're saying that my support and my enthusiasm for regional parks was blatant political, that's great. That's the kind of message I'll take down to the Wood Mountain

Regional Park meeting. Because this would be the first time in 11 or 12 years that I wouldn't be invited to their annual meeting. I am sure they will still do that. I can take the *Hansard* down with me. If the minister likes to think that they don't deserve an assurance . . . That's not the only one . . . (inaudible) . . . at St. Victor's. There were other parks I was involved in and I assured them that those kinds of programs should be met, and commitments they were making. It was just at the time and if the election happened to have been called that night, it wasn't called before —not to my knowledge — that it was even going to be called. I was surprised, as you maybe were, when I was travelling home from that meeting that the election was called. I was pleased that they had a contract in place. I am even more pleased that you signed the agreement hen officially; and that they got their funding that they were prepared to share in their own way; and that you didn't use politics to cancel that one. I'm glad that the local board was able to continue their improvements that they were doing. The parks down there are good.

I think you have to go a long way to find a park like Thompson Lake, for example. I'd be remiss when I'm talking about regional parks, and not mention Thompson Lake Regional Park. I'd like to tell the gentlemen and ladies across the way that there's a regional park that's supported by agreements by 17 R.M.s — 17 municipalities are involved in cost sharing. Some municipalities, like Assiniboia, that still support Thompson Lake, have a regional park of their own that they're involved in in both cases. We have some good co-operation there.

My concern is that you won't get involved and play politics because this doesn't happen to be a seat you hold. It's the only seat in Saskatchewan where you came in third. Part of that was (and I'll take credit for that) that we were doing some good work there. So the regional park program needs to be supported.

One of the areas that I think needs to be continued and supported further, is regional park access roads. We had a good access road program in place, but I think there needs to be more beefing up. Some of the regional parks that are off the road a piece are really hurting because of the heavy maintenance on road building. Are you considering that as a special line on regional parks? That's my last question on that one.

HON. MR. McLEOD: — I'm glad to hear the member speaking in such glowing terms about the regional park program. I can only say that I wish the treasury board of the administration that you once represented here had been as generous with their praise of the regional park system, and the regional parks' need for access roads and of various other aspects of it, in the last number of years. We wouldn't have inherited a system with something in the order of \$650,000 overcommitted in maintenance grants, so there's no money commitments out there, and no money to cover it in the budget. That's why I say that's blatant stuff. All I can say to you is that we certainly concur with you. I've said earlier that the regional park program is a good one, and we intend to carry on with it.

Just for the record, I mentioned Wood Mountain, and I don't want to just single it out. There were four agreements that were questionable, to say the least, in terms of the way in which they were done. Wood Mountain was one of them, Sylvan Valley, Lemford Ferry, Meeting Lake, all four of those, I'm pleased to say — because we don't put blatant politics in our system — I have signed those agreements under the statute that allows me to sign them. Those agreements are going ahead, and I know the member will be pleased to hear that.

MR. YEW: —Mr. Minister, I want to reaffirm what my colleague has said in terms of the wolf-bait problem in northern Saskatchewan. I would hope that his comments were taken seriously, because that is a problem that's been expressed quite frequently in the past number of weeks. It was raised at the trappers' annual convention. As well, it's been raised at the community level quite frequently.

The other area I want to reaffirm, and express my thanks with respect to comments made by my colleague, is the area where he appealed for encouragement and support from your government, from this government — financial support and encouragement for the renewable resource users.

I raised a question here a few days ago with respect to the funding for the Saskatchewan Trappers' Association, Mr. Minister. I wonder if this is the right forum now to raise the question specifically. To date, what has your department committed itself to, in terms of the financial support for the trappers' association?

HON. MR. McLEOD: — The question, I believe, that you asked the other day was if the grant to the trappers' association has been reduced to \$25,000. The answer to that is yes. The grant to the trappers' association is \$25,000. That's a similar amount that goes to the other organizations such as Northern Saskatchewan Outfitters, and other organizations in the North.

Rather than give a large grant to the trappers' association as such, the money that we have in support of the fur industry is going directly to individual trappers through their fur blocks and in the form of incentive grants. Now, when I say "incentive", it is not a word that we find to be repulsive on this side of the House. We believe that people need incentives to produce and so on. It's been well-received by a number of trappers whom I've talked to, that the money is going directly into the fur blocks to the trappers, and it will be based on the amount of fur trapped in that area in the previous year. So the more you go out and trap, the more grants will come into the block in the following year. So there is incentive to the trappers and aspiring young trappers to get out and go. That's something that we believe in and we believe in that in all areas of endeavor, not only trapping.

MR. YEW: — You comment that you have placed before the trapline blocks some incentives in terms of dollars, Mr. Minister. I wonder if you may provide me with some more detailed information in respect to those grants submitted to those fur blocks to date. I'm a bit confused whether this allotment complements that allotment that was given to the trappers' association of 25,000. Is this over and above that 25,000, Mr. Minister?

HON. MR. McLEOD: — Yes, it is substantially over and above the 25,000. The \$25,000, to make it clear, goes directly to the trappers' association for them to conduct the business of their association and carry on the business of their organization. So that goes directly to them. The incentive grants are over and above that and they go . . . As I said before, they are based on the production. So, you know, there is no boundary on that. It can carry on, depending on how much production. If production goes up next year, those grants will go up substantially as well.

MR. YEW: — I wonder if the minister will be contemplating providing assistance, as well, in other areas that the association itself had been actively advocating, like the

trapper training program, the flying of trappers to remote, isolated areas where there is no access by highway or road, etc. I wonder if the minister may comment on that, briefly.

HON. MR. McLEOD: — Well, I think one of the programs that the trappers' association was involved in, and to some extent feel that they should still have control of, are the training programs. I know there have been kind of two schools of thought in the North in the trapping regions of the province regarding these and how they can best be conducted, how money can best be spent in training young people to trap and so on. But I believe the incentive grants will go some distance toward that, if trappers themselves are getting the money directly into their own hands in their own communities.

The incentive for the young fellow to go out with grandpa or dad and go trapping and learn the way that you learned to trap, I know, and the way that most others who have been successful in that business have learned, is to go out with somebody who is aware of the program, rather than to conduct it in a classroom in a very artificial situation which I don't believe has been all that successful. I believe, in some cases, it has been disruptive to many traditional trappers in the North. So we think we can go in this direction. While we see the need for some training of young people who can carry on a traditional industry, we still think that the best way to learn is by doing.

MR. YEW: — With respect to the federal NEED program I mentioned earlier during question period, Mr. Minister — unfortunately, we were cut off in our question period or the time flies by too fast — I wanted to get into specifics to date, assistance through the NEED program through all the prairie provinces to date. For Saskatchewan, I understand, they have a proposal there for a total allotment of \$3.2 million. To date, the North West Territories, Alberta and Saskatchewan haven't been able to take advantage of this program. However, Manitoba, as you've mentioned, has taken advantage of the program.

Now, for the Saskatchewan portion of this program, we have for Saskatchewan as I have mentioned, \$3.2 million earmarked over a period of three years. Now, for this particular current year, we have: for upgrading of vessels, that is repairing and renovating your boats or whatever type of boat you have, 18,000 allotted for that area; facility upgrading, that's repairing and renovating your fish plants and your related equipment, 1,288,000; upgrading of lakeshore facilities, another 193,000; and ice harvesting, 592,000 per year over a period of three years.

I wonder, Mr. Minister, if you would confirm with the legislature, that this program will be sought vigorously by your government, and if so, if you could indicate to the House whether or not this program will be made available for the residents of the top half of this province as quickly as possible.

HON. MR. McLEOD: — Okay, the NEED program that is administered by my colleague, the Minister of Social Services; there was 1.2 million of that that came to the Department of Tourism and Renewable Resources, to our jurisdiction for whatever job creation we have. As I indicated to you this morning in question period, there was \$340,000 of that; that's allocated for the ice plant, had the plant upgrading, ice harvesting, and all those kinds of things, okay? So, that's where it sits right now. I don't have any more specific stuff with me right now, but I could provide you with it, or sit down with you and explain the whole thing any time.

MR. YEW: — Okay, this is money that is available now, Mr. Minister, or has it been appropriated to the community level thus far? Just a brief question.

HON. MR. McLEOD: — It's been appropriated now to our regions of the Department of Tourism and Renewable Resources.

MR. YEW: — Thank you, Mr. Minister. I just want to comment, then I guess my colleague will want to adjourn the questioning on this certain item. I want to comment on the reforestation sector, Mr. Minister. I raised the question yesterday, I believe, regarding the clear-cut policy. I'm still quite concerned about it, and I know that many of our people in the top half of the province are concerned with regard to the clear-cut policy. This clear-cut policy, if I may, reminds me of the days when the United States came up with a policy to slaughter the prairie buffalo in order to weaken and have the Indians submit to moving into Indian reservations.

This clear-cut policy, as I stated the night before, really diminishes the wildlife habitat of the northern areas. We talk about preserving our wildlife, we talk about preserving our environment. You know, it's a real question, this clear-cutting policy. It's a very serious question. I wonder, you know, if we could address ourselves to that question sometime, because that concern is growing every day. It's been mentioned on frequent occasions at the community level, and there's a growing concern about those areas up north where you come into a good environmental area a few years ago, and you go through that same environmental area, you see nothing but a desert — a desert. There are just no shrubs, no grass, no nothing. You know, where are the wildlife — the birds and wild animals — going to call home? There's just nothing there.

HON. MR. McLEOD: — Well, I think the member is painting somewhat of an alarmist picture in this sense, because clear cutting is a policy that's carried on in forest management programs everywhere where forestry is carried on. And wildlife lives in harmony with forest operations as well everywhere where it's carried on. The policy is something in the order of 100 acres. I know the picture painted by the hon. member is something of trying to develop some kind of an idea in people's minds that there'll be some type of a desert created by this, and certainly that's not the case.

A hundred acres is the largest block that's allowed at any one time, 100-acre blocks. And as you will know, you've seen them, these 100-acre blocks, and that's it. The blocks are allocated on a rotating type of a basis, reforestation goes in, new trees take a much better hold as we go on. And, as I said to the hon. member, your colleague, earlier, you know, we want to continue with an idea of farming a forest and regeneration and carrying it on for many generations to come. So, I would say that it's not reasonable to paint that drastic a picture as what has been painted by the hon. member.

In terms of wildlife users and traditional users of wildlife and people interested in the wildlife side of things, they have a good deal of input into forestry management plans and always have had. I don't think you'll see it deteriorating. My colleague, the Minister of Environment, last night in his estimates, to a similar question, talked about clear cutting, and you will know this too. Whenever a fire goes through or there's clear cutting or whatever, the good browsing material, the red willows and the poplar and that kind of good young trees come up in a natural way. And it's just excellent moose-browsing area, and the hon. member will know that. So, that's the natural ecology of the forest, and we just like to take advantage of that as we develop our forestry plans.

MR. YEW: — Mr. Minister, I thank you for your comments, but at the same time I'm afraid I'm going to have to dispute your assessment of the situation back there. I, for one, would enjoy taking you moose hunting in those clear-cut areas. I'll tell you, it would take us years and years to find live game in those areas. It is very, very drastic to the resource user at the local level.

You know, I wanted to comment in using the United States scheme in years back. It seems to me that this is a scheme as well to eliminate altogether the trapper, because it just diminishes the trappers' chance of making a decent living out of those areas. Anyway, I'll leave that line of questioning. I see we're running out of time. I guess I'll leave the rest up to my colleague. Thank you very much.

HON. MR. McLEOD: — One comment in reply to the situation about clear cutting and how it affects trappers. It's an interesting thing to note for people who aren't really relating well to this conversation, what I'll call a conversation regarding the North. There's more fur trapped in Saskatchewan in the prairie southern region than there is trapped in the northern forested region — more fur trapped in the prairie settled region in southern Saskatchewan. So I just wanted to make that comment to make sure that the point is clear.

MR. YEW: — If I may, just one final comment. That's because most of our northern areas have been clear cut right to the ground where there's no wildlife habitat left.

MR. THOMPSON: — Thank you, Mr. Chairman. Mr. Minister, I've only got a few more questions and a few more comments. Then we can get through with this department, Mr. Minister. You can pass this over to me in writing; it doesn't have to be here. What are the names and positions and salaries of all the members in the minister's staff? You can just pass that over to me.

HON. MR. McLEOD: — I could send this over to the member. I just want to make the comment, I have two people in DTRR that work in my office: one secretary, one executive assistant. Those two people replace three secretaries, and, I believe it was two and it may have been three, executive assistants of the former minister.

MR. THOMPSON: — You'll pass that information over to me? In closing, I want to just make a few comments and reinforce some of the statements I made and urge you and your department to continue to develop our tourist facilities in Saskatchewan. In particular, I want to encourage you to provide, as we discussed before, more campsites and things like this, and facilities, to create more jobs and opportunities for recreation.

I want to also make one other comment that I'm very pleased to see that you are planting as many trees as you are planting in the forest industry to provide these jobs for our students and our university students and graduates that are coming out.

I also want to make another comment that we were very aware of the problem of clear cutting in the forest industry that was being utilized, and there was a great need for replanting of that forest. As you are aware, that is why we expanded the nurseries in this province — these are the nurseries where you're getting these 13 million trees to plant. I think that we did a pretty good job in that field, leaving you with a good system of nurseries so that you can get out and plant all these trees, and as you say, expand on the number that we had planted.

I want to also encourage you, Mr. Minister, and your department, to continue to

develop the lakeside hatcheries in Saskatchewan. I think that lakeside hatcheries are very important. We realize that we have to carry on a restocking of our lakes — not only our forests, but our lakes. I know that there has been some work done on lakeside hatcheries, and I would just encourage your department to continue that.

In closing, I want to ask you to extend my best wishes to Bill Klassen, and I sincerely hope that he has a speedy and a full recovery in the sickness that he does have. With that, I guess, Mr. Minister, I would like to take this opportunity to thank you for the answers that you have given me, and your staff. You've been fully co-operative of my questions, and I wonder, Mr. Chairman, if it's all right, we could go through these by number, rather than number and figures, and if we could just go 1, 2, 3, 4, down, we're prepared to go.

Item 1 agreed to.

Items 2 to 28 inclusive agreed to.

Vote 39 agreed to.

CONSOLIDATED FUND BUDGETARY EXPENDITURE

TOURISM AND RENEWABLE RESOURCES

Capital Expenditure — Vote 40

Items 1 to 6 inclusive agreed to.

Vote 40 agreed to.

SASKATCHEWAN HERITAGE FUND BUDGETARY EXPENDITURE

TOURISM AND RENEWABLE RESOURCES

Provincial Development Expenditure — Vote 40

Item 1 agreed to.

Vote 40 agreed to.

SUPPLEMENTARY ESTIMATES (NO. 3)

CONSOLIDATED FUND BUDGETARY EXPENDITURE

TOURISM AND RENEWABLE RESOURCES

Ordinary Expenditure — Vote 39

Items 1 to 4 inclusive agreed to.

Vote 39 agreed to.

SUPPLEMENTARY ESTIMATES (NO. 3)

CONSOLIDATED FUND BUDGETARY EXPENDITURE

TOURISM AND RENEWABLE RESOURCES

Capital Expenditure — Vote 40

Items 1 and 2 agreed to.

Vote 40 agreed to.

SUPPLEMENTARY ESTIMATES

CONSOLIDATED FUND BUDGETARY EXPENDITURE

TOURISM AND RENEWABLE RESOURCES

Ordinary Expenditure — Vote 39

Items 1 to 11 inclusive agreed to.

Vote 39 agreed to.

MR. CHAIRMAN: — I would like to thank the minister and his officials.

CONSOLIDATED FUND LOANS, ADVANCES AND INVESTMENTS

SASKATCHEWAN HOUSING CORPORATION

Vote 40 — Statutory

Item 1

HON. MR. HARDY: — Thank you, Mr. Chairman. I introduce my staff here. To my left here, we have Stan Willox, general manager of Sask Housing; behind me here, Alex Fowlie, assistant general manager. Directly behind me, we have Leo Larsen, executive director of finance; to my right over here, Tom Carter, research.

MR. SHILLINGTON: — Thank you, Mr. Chairman, although it won't be extensive. I want to begin in a fashion which I know members opposite will say is typical of me. I want to begin by congratulating the minister. It has to do with Harry Van Mulligen. I want to congratulate you on recognizing that you had made a mistake, correcting it, and bringing the matter to an end. I want to congratulate you, Mr. Minister, on your handling of that in the latter days of the affair. I wouldn't have raised it because I would have thought the matter at an end, had it not recurred with Sharon Young. I'm not going to ask you to comment on that; that wasn't your disaster. You people are becoming rather adept at spreading these disasters among the various ministers.

I am, Mr. Minister, interested in your interpretation of Mr. Justice Dielschneider's decision. I would appreciate knowing what you think he said with respect to your right to transfer employees for political reasons.

HON. MR. HARDY: — Mr. Chairman, I don't think I would like to comment on what the

interpretation is. There are legal advisers who do that for me. Certainly, I'm not a legal mind, in any way. We have people of that qualification. I'm sure the Attorney General could answer that for you much better than I could. I certainly won't be doing it today.

MR. SHILLINGTON: — Let me rephrase the question. Would you give me your view of what your right is to transfer employees for political reasons?

HON. MR. HARDY: — Mr. Chairman, no, I won't give him my reasons. I don't think anybody else would give any other reasons. Reasons for transferring of employees can be many reasons, and certainly my interpretation would be my own personal interpretation. I'm sure he has one of his own. They may vary a little bit. I assume they do.

MR. SHILLINGTON: — I'm going to try this one more time, Mr. Minister. I wasn't asking you for your reasons for transferring Harry Van Mulligen. You gave them in the House in a fashion which was, if nothing, candid. What I'm asking you for is not your reasons for doing anything. I'm asking you for your position on your right to transfer an employee for political reasons. Do you have the right, or do you not have the right?

HON. MR. HARDY: — I guess, Mr. Chairman, to answer that, I think that it's been answered in the courts. I'm not prepared to say one way or another about the courts. That's what courts are all about. Certainly, however the situation was, rightfully or wrongfully, that's not my decision to be made.

MR. SHILLINGTON: — One more time. Mr. Minister, you candidly admitted you transferred him for political reasons. You then said outside the House . . . You were asked if you'd do it again. You said yes you would, but you'd wait till after Christmas if you'd known there was going to be such a terrible fuss about it. I'm going to ask you that question now: if you had to do it over again would you do anything different?

HON. MR. HARDY: — That would be very easy to answer. Certainly I would do it differently.

AN HON. MEMBER: — Wait till after Christmas.

HON. MR. HARDY: — Well, wait until whenever you want. But I think you asked me if I would do it differently. Yes, I would. It has been stated, regardless of how the implications come out here, there was a job for the gentleman and there was one there for him to do. It still hasn't been done yet, by the way — the job.

What it does in relation, it really probably hurt the northern people more than it hurt Sask Housing because we had a job up there. When we took over northern housing, you know the shape it was in. there were overruns in total of excess of \$9 million; there were houses left in disarray; there were buildings that were partially completed that were literally destroyed. There was reason, I would honestly say, to send somebody up in there to look into see what was needed, how these could be corrected, what we should be doing as a housing corporation in regard to housing for the North. That was the job we were going to give him to do, regardless of the court injunction which said we couldn't. It hasn't been done yet; we haven't found somebody to go in there yet. That's where it sits.

MR. SHILLINGTON: — I know, Mr. Minister, I believe you. You had a big job to do and you sent your favorite man up to do it. I want to congratulate you on your choice.

I want to get on to another issue. I want to leave that issue. I want to get on to the issue of public housing. I was disturbed to hear the other day that some public housing units were being administered by a private real estate firm. It had been my understanding that heretofore, those public housing units were leased by a board of volunteers. I now understand that certain housing units are leased by Adam Niesner. I would appreciate, Mr. Minister, knowing how many units were given to him to manage. I want to know where they are, and I want to know why, in the name of all that's sensible, would you administer public housing through a private real estate firm?

HON. MR. HARDY: — Well, Mr. Chairman, in answer to the hon. member's question, first of all, they are family units and they're the middle-income group of people. What we have done is — they're for middle-income people; they're not necessarily for low-income ones — we've put them out to the private sector through tenders, and the tenders come in at about 2.5 per cent administration cost. Doing it through the housing authorities was between 4 and 5 per cent cost. These are non-profit units, so in reality we're really saving the government some money.

MR. SHILLINGTON: — Now, I want to know the formula for remunerating the real estate firms involved. What is the formula for their remuneration?

HON. MR. HARDY: — Mr. Chairman, in regard to the one group here in Regina, they're at 3 per cent and they're just standard management remuneration type of forms.

MR. SHILLINGTON: — Would you confirm, Mr. Minister, that these units are leased to tenants on a rental formula which is based on income?

HON. MR. HARDY: — Well, it's interesting that you brought that up, because over the last six months I have been talking with my federal counterpart in regard to doing that — in fact, in regard to doing a little more than that. We looked at averaging the middle income with the senior citizens' income, to in fact save subsidy for the province of Saskatchewan. The federal government, as you'd be aware, were a bit reluctant at first, but we've been negotiating with them. There's a possibility that we could in fact bring some of the market rents in these units up to a fair market value, a fair market rent, and bring the lower income ones in below. So they'd all be living in the same standard, paying what they could afford pay. I think it's a new way to go, a new direction.

MR. SHILLINGTON: — Well, do I take it from that four-minute speech that the answer to my question was yes, they are based on income?

HON. MR. HARDY: — No, they're not. It's non-profit housing. I'm sure the hon. member knows. He sat on the government side for a long time. What we're suggesting is amalgamating both the non-profit group, fair market value, and the rate-to-income group. It hasn't been done yet. If we can do it, it will certainly be, I think, great for the people, especially the senior citizens and those who have been left out of some of these areas. They could go into a fair-market-value apartment and at the same time live and have the same accommodations that some of the lower-income ones who, at present, probably have a little more advantage because they've had the recreation area when some of the senior citizens have sort of been left out. Because they don't fit into the low-income one, they can't have the recreation facilities in some of their rental units. So it's sort of a dual combination. We think it's a good direction.

MR. SHILLINGTON: — I would appreciate, Mr. Minister, if you would send me in writing

the formula for establishing the rents. It is based on the size of the apartment, is it, or whatever it is?

HON. MR. HARDY: — We'll give it to you in writing.

MR. SHILLINGTON: — When? I'm still waiting for the Minister of Government Services to answer some trite questions I asked her last year. In fact, she waved them at me the other day but won't give them to me.

AN HON. MEMBER: — We're still waiting for Romanow's from 1975.

MR. SHILLINGTON: — You are not. Well, you didn't ask for them again, if you are. If the member is waiting for Mr. Romanow to answer questions on agriculture, which is what you must have been asking, you're going to wait quite a while.

HON. MR. HARDY: — You know, it varies so greatly. It's based on the low end of the market. It's really whatever the market rent is in the city of Saskatoon or Regina. It's where the two units were put up.

MR. SHILLINGTON: — Okay. I'd appreciate a statement of that in writing. I suspect that the formula is more complex than what you've just; I'd appreciate a statement of that in writing . . . (inaudible interjection) . . . And the minister won't respond to that.

HON. MR. HARDY: — Basically, as you well know, in any rental industry it goes to the size of the unit and the rate of the rate charged within the community. So there's a formula there, but it varies from size to size, and probably from month to month, or whatever the changes are.

MR. SHILLINGTON: — The reason I raise it is because, Mr. Minister, I have some constituents . . . A good part of this public housing is actually in my riding. I had some constituents raise a concern about the manner in which it was being leased. Heretofore . . . (inaudible interjection) . . . yes, he'll see that that doesn't happen next time.

I gather from the comments that were made to me, that the housing was leased by a board of volunteers who attempted to weigh the applications, and give the housing to those who needed it most. They were concerned because they were informed by the realtor involved that that criteria no longer exists. And they are now being leased on some other criteria which may be first-come-first-served, but they were disturbed because the realtor was not making any attempt to give the public housing to those who need it most.

HON. MR. HARDY: — Well, just to clarify that, to be sure that both avenues were checked or looked after, we are in continual contact with the housing authority in regards to those who need it. In fact, the Regina Housing Authority has been contacted to ask if there are ones that they'd like to put into there, and they go on the same type of list as anybody else. So I think the role is identically the same, except it's handled by the private sector instead of the public sector.

MR. SHILLINGTON: — Mr. Minister, surely you'll admit that a private realtor is not geared, either by training or aptitude, to determine who needs a suite most. Surely his entire training, his entire career, is geared toward determining who is the best tenant. We didn't build this public housing at considerable expense for the best tenants. The

best tenants have no trouble getting housing at an affordable cost. It's some of the others. A lot of them, my seatmate would agree, are native, who have difficulty getting housing. They may not be the best tenants.

So I say to you, surely your private realtor is going to lease those with a different approach than what the public housing authority would have taken. And I do not understand why we would go to a very considerable expense to build public housing only to put distance between ourselves, and the means by which that housing is delivered to the tenant. Surely the means by which the housing is delivered to the tenant is the key to achieving the goal for which the public housing was established: to provide housing for those who couldn't find it. Surely you have alienated one of the things that is key to that program achieving its goal. That is why I raise it, and I would ask you for the definitive statement on how Adam Niesner is determining who gets a suite and who doesn't. And it's Adam Niesner Realty. I don't suppose he's involved personally.

HON. MR. HARDY: — Well, as the hon. member probably well knows, as I said a few minutes ago, we're looking at this bringing in the rent income as well as non-profit, with a non-profit group. And probably the main goal of it all is as we've said from the start, that it's a pilot-type project. We had the right to intervene at any time, if we see or feel it's not being handled properly. We're in consultation with the housing authority, if they have any need for people to go in there. And also I would like just to remind you that you must realize, fully realize, that those that are selected on the housing authority board for Regina come from the people in the city of Regina, so indirectly it is handled by the private sector. They're a selection board. So really and truly, you're back to the same thing. It's still a board selected. So you haven't changed very much.

MR. SHILLINGTON: — Well, if you're suggesting, Mr. Minister, that the Regina Housing Authority and an apartment realtor approach a rental problem with the same point of view, I frankly don't know who you've insulted the worst, because neither one would like the statement. Of course they have different approaches. They have a different background, a different reason for being.

Mr. Minister, will you give me, either now or in writing, a statement of the criteria by which that real estate firm is selecting tenants? Will you give me that either now if you know it, in writing if you don't?

HON. MR. HARDY: — I suppose to save time we'll put it in writing and have it sent over to you in the near future.

MR. SHILLINGTON: — Okay. I want to complain again — I know it won't do a bit of good — about the length of time it's taking to get answers. And it's not directed at you, Mr. Minister; this is the first thing I've asked you for. But it is directed at some of your colleagues. Some of the questions we have answered are time consuming. Some of them are straightforward. I want to congratulate the Minister of Labor. Whatever differences we've had, he was courteous in responding. Some of the ministers have not and we have waited an inordinately long time. And I hope, Mr. Minister, that the courtesy that you have shown to date will continue when you come to answer the questions. I hope we'll get the answers in a timely fashion and you won't delay them until after your next set of estimates or whatever the goal of some of your colleagues is, I'm not sure why they're delaying them.

I want to discuss for a moment the housing problem for private sector housing. I want

to make the comment that I've made before, and this is what your programs caused a good deal of anguish, a good deal of unemployment because in fact they came much later than they should. Your mortgage interest reduction. . . It should have been obvious, even to someone with the limited experience of this government, that the mortgage interest reduction program wasn't going to get a lot of houses built and it didn't . . . (inaudible interjection) . . . It did not.

You then introduced another program which you very appropriately did not give a name to. You didn't justify its existence with a name. On September 13, you issued a press release. I gather it was an abysmal failure. There were just a pocketful of people applied under it, which is what we predicted.

What got the housing market going was in fact the federal program, the federal \$3,000 grant. That's what pried the market loose. I will admit that the fact that you copied that and doubled it has lent some assistance to the market. The market is now slowly but surely picking itself up by the bootstraps. I am not sure how long the program is designed to continue. I would hope that your program would continue well into the future. I would hope it would continue to the end of, perhaps, 1983, because I think it is going to take that long before we see the kind of housing market that we used to take for granted two or three years ago. And I would hope, Mr. Minister, that if you have any opportunity to speak to your federal counterpart, you would urge upon them a continuation of their program.

HON. MR. HARDY: — You've given me an opportunity to say a lot here. I don't know if I'll say too much. First of all, just to make a note that Saskatchewan last year had a 15 per cent increase in housing units built in the province over the previous year, and second of all, to start with, our 13.25 per cent mortgage had a great deal to do with it. We have set the ground rules. We set a set of ground rules out, I suppose you'd say, before we brought in an initial program. You're talking about the Saskatchewan Home Purchase Program. It is only an initial program set out to sort of fill in the gap before we come with what we call a real program — then we'll come with a build-a-home program.

I think you can find out, and certainly the industry will tell you, that it has probably been the most dynamic program this province has had in a long time. It has done exactly what we've wanted it to do. It has created a great deal of interest. It has created a great deal of work and jobs in the province. I don't know how many applications to date we've had. We have had over 5,000 inquiries for applications to date. I think that we have moved very positively toward making housing available for the people in the province of Saskatchewan.

I'll just add to that the point that of the first applications that came in, about 40 per cent of them were rural applications, so we're actually helping the rural people, to 40 per cent of the total building, which is certainly creditable.

MR. SHILLINGTON: — I'll give you credit for this, Mr. Minister: you at least were able to copy a good federal program that worked. The next series of questions I have are straight informational questions.

I would assume that your GM would have them. If he hasn't, it would be satisfactory to give them in writing, but I would assume that he's got them at his fingertips.

I would like to know the number of starts in the co-operative house-building program. I should have added, in 1982; it was the year under review.

HON. MR. HARDY: — In regard to that, there were 336 in the calendar year of '82.

MR. SHILLINGTON: — I would appreciate a list of low-rental housing projects in 1982. I think that is something that you may want to deliver in writing. I assume it's fairly extensive, but I'd like a list of the low-rental housing projects in 1982, if you'd undertake to provide that.

HON. MR. HARDY: — Mr. Chairman, that's a pretty long list. I'd spend half the day reading it off, but what we'll do — we'll forward it over to you.

MR. SHILLINGTON: — That was, in fact, my suggestion. The home energy loan program. I'm not sure what you have discontinued and what you've retained. Is the home energy loan program still being continued? I know it's administered by SPC, but it gets generous coverage in your annual report, so I'm taking the opportunity to ask you, since your annual report gave it such generous coverage.

HON. MR. HARDY: — Just to tell you the number, there were a little over 900 — in the calendar year — applications. It's continuing, as far as I know, and it's continuing in the same manner as it was with the previous government.

MR. SHILLINGTON: — Okay, the farm housing — how many starts in 1982 in the farm housing program?

HON. MR. HARDY: — In the calendar year, there were 124.

MR. SHILLINGTON: — That's not bad; you exceeded 1981. Non-profit housing for 1981 — I'd appreciate knowing how many starts, and I'd appreciate knowing (I think these are all apartment blocks are they not?) the number and location of the start. You may want to deliver that in writing.

HON. MR. HARDY: — I assume the member is asking for 1982, not 1981. There were 725.

MR. SHILLINGTON: — The non-profit rental housing — I'd appreciate knowing how many starts and the communities in which those starts were. You may want to give that to me in writing.

HON. MR. HARDY: — I think we'd have to give that in writing, or we'll be here until tomorrow morning.

MR. SHILLINGTON: — I know; I recognize that. Infill housing. I want to congratulate the corporation on the infill housing program which took place in the heart of my riding in the Cathedral area. I want to say, Mr. Minister, that he did a great deal for that area. It's an area which is not beyond rehabilitation. They may recall the government which initiated the program.

I want to say, Mr. Minister, that it has achieved its objectives which I think were: (a) to rehabilitate an area; it did rehabilitate the area, and (b) to provide affordable housing to

people who couldn't afford it; it has achieved that I would urge upon the minister that if this were a pilot project — that's my memory — you continue with this set of projects. I think it was a very worth-while project. I may not get the next one in my riding, but it doesn't matter. It was just, I think, a very good project.

The urban natives purchase of existing home. How many units were purchased in 1982?

HON. MR. HARDY: — First of all, to comment on the infill program, it was a very good program, but be very much aware that it's also a very expensive program. The subsidy written down by the province is great.

In regard to the number of urban native homes purchased —175.

MR. SHILLINGTON: — Residential rehabilitation. I'd first of all appreciate your confirmation that the criteria for residential rehabilitation hasn't changed. If that's accurate, then I want to know how many new loans were approved.

HON. MR. HARDY: — First of all, no, it hasn't changed. Second of all, there were 1,121 loans committed in 1982.

MR. SHILLINGTON: — Home modification for the physically handicapped, again confirmation that the criteria hasn't changed. If that's accurate, how many grants in 1981?

HON. MR. HARDY: — No, it hasn't changed. There were 117 grants since . . . 1982, you mean, do you not?

MR. SHILLINGTON: — The Warm Up Saskatchewan program. I ask you what the status of this program is. Is it still continuing? I understand it is. If so, how many loan applications were there in 1982?

HON. MR. HARDY: — In regard to the Warm Up program in 1982, no, it hasn't changed to date. There were over 7,000 applications.

In regard to the HELP program, I should have mentioned a few minutes ago, it's going to probably be used a great deal more because of, again, this build-a-home program. It seems to me most of the homes, or a good portion of them, are using that extra \$3,000 interest free loan to give additional qualities to their homes, as far as future heat requirements go.

MR. SHILLINGTON: — For those series of questions I had with respect to Sask Housing, Mr. Minister, I want to thank you and your officials for the courtesy and co-operation you've shown the opposition in these estimates.

SOME HON. MEMBERS: Hear, hear!

MR. SHILLINGTON: — May I say, Mr. Chairman, I think the precedent set by my colleague for Athabasca was a good one: just read the numbers and not the figures. We don't particularly need the figures.

MR. CHAIRMAN: — It's not to be voted.

SASKATCHEWAN HERITAGE FUND LOANS, ADVANCES AND INVESTMENTS

SASKATCHEWAN HOUSING CORPORATION

Nil Vote

CONSOLIDATED FUND LOANS, ADVANCES AND INVESTMENTS

SASKATCHEWAN HOUSING CORPORATION

Vote 49 — Statutory

MR. CHAIRMAN: — I'd like to thank the minister and his officials and we'll go on to urban affairs.

CONSOLIDATED FUND BUDGETARY EXPENDITURE

URBAN AFFAIRS

Ordinary Expenditure — Vote 24

Item 1

MR. CHAIRMAN: — Would the minister introduce his officials?

HON. MR. SCHOENHALS: — Thank you, Mr. Chairman. I'd like to introduce Dave Innes, the deputy minister, on my left; Keith Schneider, the assistant deputy minister, is right here on my right; Laura Joorisity, the manager of the accounting services; and Don Bennett, the director of administration, back behind me.

MR. SHILLINGTON: — Thank you very much, Mr. Chairman. It will come as no stunning surprise to the minister to hear that I'm going to lead off on the question of water supply for Regina and Moose Jaw.

I want to ask you, Mr. Minister, since I detect a more co-operative approach to the cities, I want to ask you if you are prepared to reconsider that rather paltry offer that you made to the municipalities. I want to briefly remind the minister of the figures I put to your Premier today, and that is that Lloydminster was given a grant of \$5 million — sorry, that's \$10 million. The city of Regina was offered just twice that, with a population vastly in excess. What you did, in fact, if my memory serves me correctly, you offered Lloydminster \$2,000 per capita. You offered Regina about \$60 to \$70 per capita, and I suggest that is absolutely illogical.

Of course it is going to cost Regina and Moose Jaw more to solve their water problems than it is Lloydminster, and of course they should get very considerably more.

The mayor of Moose Jaw, who is thought to be of one political persuasion; the mayor of Regina, who sometimes is assumed to be of another — both agree upon one thing, and that is that your offer was so low as to be absolutely unworkable.

I'm wondering if you're now in a position to tell the mayors that you're open for business; you're open for a more generous funding formula if other problems, such as

the current discussion about whether there ought to be a canal or a steel pipeline, are resolved. Are you open for a more generous formula, something that will work?

HON. MR. SCHOENHALS: — Mr. Chairman, the hon. member's opening remarks make the response a little difficult, because I'm not aware of any paltry offer. Obviously, something that could range as high as \$35 to \$40 million would be difficult to classify as paltry.

In answer to the question, we have indicated from the beginning to the mayors, to the councils, that we are interested in a response from them. We will certainly consider what they bring back to us. I should possibly reiterate that . . . You talk about rationale, there's no rationale for comparing what goes on in Lloydminster with what goes on in Regina. It's governed by a separate act as you are well aware. Its funding is shared by Alberta and Saskatchewan. In terms of capital projects, there's no rationale for paying for them on a per capita basis. It's simply not there, that was made very clear by the people in the series of hearings we've just completed. I think, if you just think about it, even you will understand that.

MR. SHILLINGTON: — Well, I would have hoped that the minister would have given it some thought and would have realized that that formula is so low as to be unworkable.

Let me ask you a question. Do you expect that the federal government will put more money into the solution of the water problems in Regina and Moose Jaw than the provincial government? Would you anticipate, reasonably anticipate, that the federal government would put more money in than you would?

HON. MR. SCHOENHALS: — Possibly I could answer that with a question. Would you anticipate that the federal government would put more money in rail relocation, in any number of civic projects that take place in this province? The answer would have to be yes.

MR. SHILLINGTON: — But surely, Mr. Minister, there's no basis for comparing rail relocation and municipal services. The rail system has long been a constitutional responsibility of the federal government. The maintenance and administration of that system is their responsibility. Municipal services, municipal government is a direct responsibility of the provincial government. Surely, it is wholly unreasonable to expect the federal government to do more than what you're going to do.

What you did, in fact, Mr. Minister, by giving them a \$10 million grant was put a cap on any contribution you might expect from the federal government. I would imagine that Mr. Lalonde felt you a great friend indeed, because when you put the \$10 million cap on your own grant, what you did was relieve him from any serious responsibility to do anything more.

HON. MR. SCHOENHALS: — I think it should be pointed out very clearly that we haven't made any grant, we've made an offer. We've made that very clear to the parties involved. I don't think there's any cap; I don't think we've made it difficult for the federal minister. I think we've indicated very clearly: here's a problem, a municipal problem. You indicated that municipal services are the responsibility of the province. I would suggest that municipal services are the responsibility of the municipality. We will continue to attack them in that way. The decision on how to solve the problem will be left to the cities. We will get involved in the funding; we have presented a scenario that we believe is fair. We are prepared to consider it. We are prepared to go to Ottawa in concert with

the cities and present a proposal to them. And if that, in your opinion, has caused some problems or has helped the federal minister to turn the thing down, I have a little trouble with the rationale.

MR. SHILLINGTON: — It hasn't caused any problems for your colleague, the member for Kindersley, because with an offer of \$10 million, you're not going to build any pipeline, and you're not going to cause any run on the provincial treasury. It isn't going to happen with that kind of formula. The mayor of Moose Jaw knows that; the mayor of Regina knows that. They have both said so. Surely, Mr. Minister, any rational discussion of this problem has to begin with acknowledgment by yourself that you have to do something more. Will the minister admit that the cost of a canal, ditch — whatever you want to call it — will the minister admit that the cost of that is at least equal to the cost of the steel pipeline? Is that something that we can take as a given in this conversation between us?

HON. MR. SCHOENHALS: — A couple of comments. First of all, it's interesting that you brought out the matter of the member for Kindersley. The speaker from Rosetown, and so on, indicates very clearly that what we are attempting to do, and hope to attempt to do, with the things we've done recently is end the ad hoc and individual attack on all these water-related problems that were the characteristic of your government. We hope to try to solve them on a provincial basis. And if you've been to Kindersley, know anything about Kindersley, you will know that their water problems are at least as severe as Regina's, if not more so. So I would point that out.

In answer to your question on whether or not one solution costs more than the other I can't say exactly, but I believe that if you read the Muirhead report you will find that they are in the ball park. The problem again, though, with the regional water solution is that you introduce a whole lot of other factors besides simply the taste and odor problem in Regina. On the pro side, you allow for some irrigation, you allow for extension of the system further to the east or possibly to the south. On the negative side, you have a great impact on the downstream users. And again, it points out the need, for the first time in this province, for some type of structure where you can look at water-related problems on a comprehensive provincial basis, and that is the approach we hope to take.

MR. SHILLINGTON: — Well, I may say I first of all disagree with the comment that the water in Kindersley is as bad as it is in Regina. I haven't been in Kindersley in recent times, I'll admit that; I haven't drunk it. I have been in most communities in this province within the last couple of years or so — that's the nature of the role I undertook — and I haven't tasted anything that comes anywhere near what the Regina and Moose Jaw water tastes like in midsummer. It maybe the view of the people of Kindersley that their water is as bad as Regina's, but I suggest that that is simply not the case. It may be the case with Kindersley, I don't know, but there aren't many communities which suffer the kind of problems we do. Mr. Minister, the water in Moose Jaw and Regina is undrinkable. You will be admitting that yourself in two or three months.

I know you may play games with the issue now. That's right. You may drink it now. You may play games with the issue now, but you'll all be running for cover by midsummer because the problem will be back on us again and you will be desperately hoping that you can hotfoot the issue around until the fall when the problem disappears again.

The problem with your hearings and your expansion and your global approach is that

you have made the problem so monumental that I'm afraid the solution will never come in my lifetime. Surely the problem, Mr. Minister, with solving all the problems in southern Saskatchewan, surely the problem with that approach is it's just too big a problem to ever manage with in a reasonable period of time. And there has got to be some solution to the Regina and Moose Jaw problem within a reasonable period of time. It will not wait for your global strategy, which I expect may not happen in the '80s.

Mr. Minister, I have a dark suspicion that your global strategy serves the same purpose as your penny tip — and I call your \$10 million grant your penny tip. It's intended not to be workable. I suggest, Mr. Minister, you are simply attempting to postpone dealing with the problem. And I know from experience, you can make a problem big enough that nobody expects you to solve it. And I suggest that's what you're unintentionally or intentionally in the process of doing, making the problem so immense that you can't solve it. Surely, Mr. Minister, it is more reasonable to deal with the Moose Jaw and Regina problem, as critical as it is — and as I say, you may deny that now but you'll admit it by midsummer — and solve the other problems thereafter.

HON. MR. SCHOENHALS: — You've obviously covered a number of points. I'll try to mention as many of them as I can remember. First of all, you indicate that Regina's and Moose Jaw's problem is more critical than Kindersley's, but the fact that you never drank the water there is an interesting statement. Kindersley's problem is not with quality. It's with having water. And there are a number of communities in this province facing that supply problem. I contend that that is probably at least as important, if not more important, than the one we face here.

In Rosetown they haul water all year round. It's worse than the Moose Jaw-Regina water. Now, that does not mean that we're not working toward solving this problem. We have committed, and we will continue to.

This problem, I will remind you, did not begin at the end of April of 1982. It's been here for 15 years, and I would suggest that your administration had every opportunity to make some moves in that direction and chose to do none of them. By going on this tour, by identifying these concerns, we have not created any problems. The problems were there, are there, and will continue to be there. And what we are attempting to do is come up with a rational strategy to solve them. At the same time, we have made an offer, a reasonable offer. We are waiting for reaction. Possibly, you indicate, the two mayors are of different political stripes. You could discuss it with the people of your political stripe and encourage them to speed up the negotiations because it's certainly been slow.

MR. SHILLINGTON: — But, Mr. Minister, I know of no solution which we can implement within this decade which is going to solve simultaneously the problems in Kindersley, Rosetown, Shaunavon, Regina, and Moose Jaw. You are going to have this province laced with canals. It'll make Venus look like a desert. There just isn't a solution on hand for the water problems of every community in the province. There is a solution at hand for the problems in Moose Jaw and Regina. Engineering work has been done.

Mr. Minister, let me ask you a question. It may not strike you to be as dramatic as it is, but the shutdown of that Ipsco plant is a very dramatic event in the history of this city. There aren't many people who live in Regina who don't know somebody who works at Ipsco, and the great fear is that that plant is not going to open up again. It's not a new plant. That company owns a new plant in Alberta. There's a widespread fear, and I sincerely hope it doesn't come to pass that the plant's not going to open up again. It's

very dramatic to this city. Has that shut down made no impression at all upon this administration? Has that not caused you in any sense to reconsider the inadequate funding formula which you put forward?

HON. MR. SCHOENHALS: — Again, Mr. Chairman, a couple of comments. First of all, when you indicate that it is impossible to solve all the problems, or any of the problems, it shows a distinct lack of understanding of the ground and surface water situation in this province, because these problems are not insoluble. They simply need to be attacked, and that's what we intend to do. In terms of Kindersley and Rosetown, which you chose to specify, the diversion from the North Saskatchewan that has been proposed a number of times is much simpler than the diversion you propose to solve this one.

Now, in terms of Ipsco, I think we went through that today. The Premier indicated our concern, indicated the things we've done in job creation, indicated we will continue to. It is a factor in solving this problem, but it is not the predominant factor. We are concerned, we have a great deal of feeling for those people. We would like to get them back to work. We have made an offer. We are waiting for somebody from the cities to come back and react to it in a formal manner.

MR. SHILLINGTON: — Mr. Minister, you've got a reaction. You got it in spades, and that is that the formula isn't good enough. Everybody told you that. Everybody from the mayor of Moose Jaw to the mayor of Regina to the executive director of the steelworkers' local to the officials at Ipsco — everybody told you that. Before the clock runs out, I would like a simple yes or no. Are you prepared to increase the level of funding to this project so that it may go ahead? They have asked; both mayors have told you, we've got to have more money. Heretofore, you've said, "No way." At least the Minister of the Environment admitted a mistake, and I congratulate him for it. Will I have a similar opportunity to congratulate you for recognizing the error of your ways? Are you prepared to admit that you need more money?

HON. MR. SCHOENHALS: — If I make one, I'll apologize. As a matter of fact, to correct mistakes you just made, no one has indicated formally that our proposal is inadequate. People from Ipsco spoke at at least four of our hearings, indicating that it was not a bad starting spot. They were now concerned that the cities had not responded. That's still our position. We're waiting for a response. The other groups you talked about, no one has indicated that it's inadequate.

Now, if you get your information from the press and so on, that has to be up to you. To our knowledge, we're waiting for a response.

The committee reported progress.

The Assembly adjourned at 1 p.m.