

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
April 14, 1983

EVENING SESSION

COMMITTEE OF FINANCE

CONSOLIDATED FUND BUDGETARY EXPENDITURE

URBAN AFFAIRS

Ordinary Expenditure — Vote 24

Item 1 (Continued)

Mr. Shillington: — Mr. Minister, I want to deal with the other side of those estimates, and that's the capital side of municipal transit.

I want to say initially that it's one of those areas where I think we are penny wise and pound foolish to economize on. I know that conservative times are hard times and that necessitates some difficult decisions. But I wonder if we're wise to be doing it in the area of transit. I say that because, apart from the quality of life issues, which I'll leave for the moment . . . I doubt that you and I would be able to find agreement on that.

It strikes me that just purely as an investment the municipal transit should be promoted. What you don't spend on municipal transit, it seems to me you wind up spending tenfold in other areas — basically, streets and so on and so forth. The operating side of municipal transit is not bad. Your increases are not bad. I wonder though about holding the capital side.

It strikes me that buses wear out at something that should approach a constant rate. And I wonder what the rationale is for scrimping on the capital side of the municipal transit.

Hon. Mr. Schoenhals: — Mr. Chairman, just a very brief initial comment. I would be very interested in hearing the member opposite explain the rationale on how streets are going to cost more because we don't buy buses. I have a little trouble with that, and I'd be interested in how that developed.

In terms of capital expenditures we have . . . Admittedly there is a slight decrease in capital expenditures to the cities. Any essential requirements will be met. We could provide you if it was something you would like to see, the size of the fleets, the ages of the fleets in the various major centres. We will stand by this budgetary item. I think the cities are maybe not ecstatic, but certainly satisfied with it and I think the job will be done, the people will be serviced, and the service, in fact, considering the whole thing, will be increased.

Mr. Shillington: — Well, let me assist the minister then with an understanding of how the cost of streets and the cost of transit are related.

It strikes me that when you — and I think it strikes many thoughtful people — when transit is not readily available and convenient to the public, they begin to drive their cars, and that costs money. Cars are not driven from the suburbs to the downtown area

and back again without a very significant cost to the taxpayer. Taxpayers must maintain streets. The amount of maintenance and the size of the streets and the building of streets is a factor of the volume of traffic. It strikes me that to the extent that you can get people on municipal transit, and get them out from behind the steering wheel, you can actually save yourself money. It may cost you more in terms of the cost of the transit. But the cost of building and maintaining streets is going to be considerably less. So, I say to the minister that this should be viewed as a good investment and not as some sort of a left-wing frill that a Conservative government can bypass when it's in the process of looking for victims of its own folly.

Hon. Mr. Schoenhals: — Mr. Chairman, we said we don't look at transit as any left-wing frill. We see it as an essential service — one we're meeting. It would seem to me and I realize it's a relatively irrelevant topic, but that the heavier vehicles, buses being an example, if you wanted to discuss wear and tear and effect on the streets of the city, probably have a much greater negative impact than does a passenger car or a large number of passenger cars, but I'm not sure what that has to do with . . . Well, let it go at that.

Mr. Shillington: — I want to ask you a question, Mr. Minister, about the planning act. I want to go back to the capital, if I might — the capital side of bussing. Is there a formula by which you meet 50 per cent of the municipal cost on the capital side? Or, how exactly do you parcel out the niggardly allowance that you've provided?

Hon. Mr. Schoenhals: — The formula, Mr. Chairman, in answer to the question: in the cities of Regina, Saskatoon, Moose Jaw and Prince Albert, we provide 50 per cent of the operating deficits; in all other communities, we provide 75 per cent. Excuse me, 50 per cent of the capital costs, I believe is what we're discussing. My mistake. And 75 per cent in the other obviously smaller communities.

Mr. Shillington: — I would appreciate, just for general reference, the actual size of the grants in 1983, to the various communities. That's no huge partisan issue, but if you could agree to provide that at some subsequent time, I'd appreciate it.

Hon. Mr. Schoenhals: — That's no problem.

Mr. Shillington: — Mr. Minister, the planning act. I'm going to go through the same tirade that I've gone through on previous occasions about the length of time it is taking this government to get legislation before the Assembly.

We as an opposition need to see legislation as soon as we can if we are to give it proper study and a proper evaluation. What we've got from the government is such monstrously complex legislation as an act respecting the Department of Supply and Services — all the departmental acts. It must have taken someone five minutes to draft. We really need from this government, some of your legislation of substance. And this government is extremely slow in getting it before the Assembly.

I said to the finance minister yesterday, and I don't think he quite admitted the allegation, that . . . I suggested to the finance minister yesterday that you're either quite disorganized, and you're unable to get it ready or you are quite discourteous in not making an effort to get it ready and then hanging on to it until the dying hours of the session. I wonder, Mr. Minister, when we're going to see the legislation, the principle of which I gather had been decided some time ago, since you've discussed it in the media and outside the Assembly. Actually, before the last session concluded you were

discussing it, so I assume you must know the principles. When are you going to have it before this Assembly?

Hon. Mr. Schoenhals: — Mr. Chairman, I'm sure that the member had a little problem going through his tirade, as he indicated, with a straight face. There's no question that the legislation for this session will be introduced. There's plenty of it. There has been a large, large amount of work to do to reorganize and clean this place up. In terms of The Planning and Development Act, it is taking probably a little longer than legislation that your party introduced, for one very important reason. There is a tremendous amount of public involvement in drafting this legislation. We have a committee that involves members of the public, as well as the planning people in our two departments. We have had an option paper presented to every municipality, rural and urban, to all the various interest groups in this province. It's been a lengthy but, I think, very worthwhile process. The legislation is in final draft form and will be introduced in this session, in this spring session.

Some Hon. Members: Hear, hear!

Mr. Shillington: — Well, I grant you that, Mr. Minister. My plea was that the legislation would be introduced early in the spring session and not late in the spring session. You say it is a complex piece of legislation. I don't doubt that. It's going to take us, without your resources I might add, it's going to take us some considerable time to go through it as well. If we are to do a proper job of it, we need it early in the session and not late in the session. If you're having some difficulty with the slug of talent that you've got with you, imagine what it's like to be in the opposition with the meagre resources which are provided to us. We make up in quality what we lack in quantity perhaps. My plea, Mr. Minister, is that you will have that legislation before the Legislative Assembly at an early date, so that we can do our job, as I have no doubt you are trying to do yours.

Hon. Mr. Schoenhals: — Mr. Chairman, the House Leader will plan the introduction of legislation as I believe is customary. We are as interested as you are in getting that piece of legislation in early. We would like to have it available for as much of the 1983 construction season as possible.

In reference to your other question, I have no interest whatsoever in even trying to imagine what it's like to be in opposition. I'll leave that strictly to you.

Mr. Shillington: — No, I don't imagine that you will ever survive a change in government, or will ever know what it's like to be in opposition, Mr. Minister. It does seem to be a waste of time for you to try and imagine that.

I want to repeat a comment I made in the last session, Mr. Minister, because it still bothers me. And that is the balancing of conflicting interests. It seems to me that planning involves a conflict with the developers — the developers who want to maximize profit for private gain and the planners whose function it is to maximize community benefit from the use of land — and if the two were always coterminous, then I don't think you'd need planners. But of course they are not, because for developers to maximize the use of land will in many cases result in a sharp decrease in the public benefit acquired from the same land.

What has bothered me about your statements, Mr. Minister, is your comments that you want to cut away the red tape and make it simpler for developers to proceed. And you

have said that. I want to say, Mr. Minister, I am alarmed by that. Much of that red tape serves a very useful purpose. What you describe as red tape is the rules and regulations by which developers maximize community benefit, as distinct from developers' benefit, from the urban land. It seems to me you are squarely siding with the developers. The last thing on the face of the earth that at least Regina and Saskatoon — and I here do not necessarily speak for smaller communities — the last thing that the two cities need is any further weakening of the whole principle of municipal planning. It needs to be strengthened. I don't know how familiar you are, Mr. Minister, with the history of this city, but this city has suffered terribly from a lack of planning and from helter-skelter development which suited no interests but the developers'.

So I ask you, Mr. Minister, to reconsider what appears to be a bias in favour of the developers. I ask you to give the municipal planners, for whom you should be speaking . . . It's the minister of industry and commerce who should speak for the developers. You should be speaking for the community planning people. I'd ask you to reconsider your responsibilities and speak and defend those people.

Hon. Mr. Schoenhals: — Mr. Chairman, a rather long, drawn out, I guess it was a question. I'll try — respond to the various parts. First of all, it is very interesting to sit here and listen to a representative of a government that has been for all intents and purposes in power for 40 years telling us how this city has suffered from poor planning and then he proceeds to give me a lecture on planning.

I assure you that there is a necessary balance. We will, in the new act, protect the public. It will have as much protection as it has now. However, we will not make this province the type of place that it was until April 26th of '82, where it was totally unattractive for private investment in this province. No longer will millions and millions of Saskatchewan dollars be flowing out to Phoenix and Calgary and Vancouver. No longer will the pension funds, of this province even, totally invested outside this province. It will be attractive for people who want to invest in this province; private investors to do so.

We do not propose to remove any of the controls. We simply propose to refine them, cut down some of the time lines, streamline the whole thing.

The other basic principle on which that rewrite is being carried out is that of local autonomy. Then the cities of Saskatoon and Regina, under this piece of legislation, will have more control over their own planning and their own future than they have ever had in the past.

Mr. Shillington: — Well, I want to respond to the comment that this province . . . Somehow they lacked investment dollars in the urban scene. In fact, during the NDP administration, this province experienced unprecedented growth in Regina and Saskatoon; a growth that it is not likely to see under your wrecking crew, and a growth which certainly didn't take place during the Thatcher regime which preceded it. That was not because of the careful attention which the former administration paid to municipal planning, although I think it did under a variety of ministers. That was just a factor of growth, of economic growth.

This province experienced unprecedented economic growth during the last administration. That meant that the urban centres grew, and grew rapidly. Mr. Minister, we built . . . This is not part of your estimates, but the level of housing starts during the last administration is one that you can just envy, because you're never going to meet it.

It is true, Mr. Minister, and I'll perhaps get off the point with this comment, it is true that if you experience no growth, your need for municipal planning is very severely lessened. If you're not going to grow, you're not going to need near as much municipal planning, and if you people continue with your present wizardry of higher bankruptcies, high rates of unemployment, and no growth, I grant you that you may not have much use for municipal planning. But if you ever hope to shake this province out of its doldrums that it's in now, and get it moving again as it once did, you're going to do the people of this province a real disservice with your bias in favour of developers that you've exhibited heretofore.

Your last statement was a good deal more encouraging than any you've made to date, but I want to make the comment, Mr. Minister, that if you ever achieve anything in the area of economic growth, municipal planning is an essential part of that if the public, and particularly the urban centres, are to benefit from it.

Hon. Mr. Schoenhals: — Mr. Speaker, just a very brief response. The member opposite indicated that the province experienced unprecedented growth. I would correct him, and indicate that the government is the one that experienced unprecedented growth.

This party has faith in the people of this province. They do not need a government controlling every aspect of their life and driving that investment dollar out so they can invest it themselves. We will make it attractive for investment to flow into this province. We will not be the biggest land developers in the province of Saskatchewan.

Mr. Shillington: — On this regard, Mr. Minister, I'm going to leave that; I'm not going to embarrass you by asking you to expand on what's patently a hopeless case.

I do, Mr. Minister, want to go to urban development. I want to go to urban development. That's subvote no. 5. There was a decrease of two in the staff, and a decrease in the amount of money available of some \$32,000. It is not clear what effect — it's not clear to me at least — what effect the inclusion of the DNS estimates have, and I'd ask if you can't factor out the DNS estimates, and tell me what effect that had on these figures.

Hon. Mr. Schoenhals: — There's no impact from DNS.

Mr. Shillington: — So you've had a decrease of two in the staff. What positions have been chopped?

Hon. Mr. Schoenhals: — The classifications that have been removed are community planner 2, a research officer 2, both of which have been vacant since the time we came to power. There has been no personnel loss.

Mr. Shillington: — As I say, Mr. Minister, given the dismal economic record of this province, you may not need them. If this province continues on its present economic course, you might well not need them.

There's also a sharp decrease in the item, personal services . . . (inaudible interjections) . . . I'm going to have to contain myself from responding to the member from Moose Jaw who is not part of these estimates.

Mr. Minister, I would appreciate an explanation for the decrease in the other expenses

under that subvote. What does that signify?

Hon. Mr. Schoenhals: — Basically, the areas of reduction are \$17, 000 in professional services, which is services of consultants for special studies that we don't have on tap; \$600 for travel; 3,300 for CVA rental; \$150 miscellaneous, for a total of \$21,050.

Mr. Shillington: — Well, I might have known, Mr. Minister, that you would be cutting away at the consulting services; you've cut one planner and one research position; you've cut away at the consulting services. I've yet to see the planning act, but I'll tell you, your activities to date frighten me, because what you have said to date about planning, what you've done in the budget, suggest that you're in the vest pocket of the developers, and, Mr. Minister, that's frightening. That's frightening.

An Hon. Member: — Ned, there's a rule . . . (inaudible) . . . to make sense. Now, come on.

Mr. Shillington: — Well, the member wouldn't know, because I don't think you'd know making sense if it run right over top of you.

I want, Mr. Minister, to get onto the issue of water. Are we going to do anything with this problem besides try and talk it to death?

Hon. Mr. Schoenhals: — Yes.

Mr. Shillington: — What?

Hon. Mr. Schoenhals: — Lots. I'm sure that the member is aware of some of the initiatives we have taken in this respect. I might ask: are we discussing a specific water problem, or are we discussing provincial water concerns?

Mr. Shillington: — . . . (inaudible interjection) . . . The member from Quill Lake took the words out of my mouth. It strikes me that you're talking them both to death, but pick your area and respond to either one. It seems to me that there are two streams of concern; one is the Moose Jaw/Regina problem, the other is what I might largely describe as the south Saskatchewan problem, the other communities in south Saskatchewan. I'm well aware of your activities, Mr. Minister; it has consisted of talking about it. But you've been in office for one year.

I dearly wish the member from Arm River was here, because I recall listening to him promise immediate action on such a critical problem and castigate the former government for what he considered their inaction. And there were actually people in Regina who actually thought you people were going to do something about it. Yes, there were people who were that misled by the whole process — actually thought you people were going to do something. That's largely been dispelled now. But nothing you have done, Mr. Minister, has brought one litre of water, one litre of clean water one bit closer to Regina or Moose Jaw. All you've done is describe what a huge, mountainous problem it is, and every time you talk about it, the problem gets bigger. And I wonder, Mr. Minister, I repeat: are we going to do anything with this thing but try and talk it to death?

Hon. Mr. Schoenhals: — Mr. Chairman, the member opposite indicated that a large

number of people actually thought we were going to do something about Regina water. I will remind him of two things: one, he indicated we've been here a year. They were here for 11 and did nothing about Regina and Moose Jaw's water problem. It's not new. We've been through all that. I won't attempt to carry on further on that. I have become familiar with a few of the member opposite's constituents, and I can assure you there are a large number of people who know that we will deal with this problem and in fact that the problem will be solved.

The situation with Regina/Moose Jaw I think is well documented. It's very public. We've made a public offer. The two cities have met once — are meeting again. In informal discussions with the two mayors, they feel they're moving towards a consensus of their own. We are waiting for them to come back. They indicated that in the very near future, in a matter of days, they will be back to us with their position on the thing. At that time we will react to it and carry on from there.

In terms of water problems general, and I would not, as was the habit of the party opposite, cut the province in half — water problems are not only southern problems. They are Saskatchewan-wide. And you are aware that we went on an extended tour. We heard well over 200 briefs, a large number of informal discussions with people all over the province. We have come back and we are analysing that data. We have announced a broad conceptual scheme of what we propose to do. We are in the process of putting that in place and attempting to work on these problems.

We don't have that final situation yet because, unlike what happened in the past, we did not go out with a preconceived idea. We went out to listen to the people. It's a habit of ours; we intend to continue it. And we intend to solve these many problems that are going to be with us for the next decade or more, probably continually. And we will work on them and I'm quite sure the people of the province will be very satisfied with the solutions we come up with.

Mr. Shillington: — I note all the members applauding except those from Regina and Moose Jaw, who know full well you can make those comments at this point in time; you can make those comments in March or April. But you know full well, Mr. Minister, the outrage that is going to descend on this province by summer-time, by summer-time.

Mr. Minister, my question to you is: are you prepared to enrich your funding? It seems to me crystal clear, that that is the key to breaking the log jam. You offered a sum of money which was clearly insufficient. Both of the mayors said that initially. They have met and studied the problem since, I admit they're studying it. They have little option given the pressures that will be on them, but they continue to search for a solution. But I would be very surprised, Mr. Minister, if they're not back to you saying, in order to solve the problem, or to build a pipeline if that's what it's to be, and I tend to agree with the member for Arm River that it does look like the solution. If they are going to solve the problem, they're simply going to have to have more from you than the penny tip that you provided them in your offer in January. So, I ask you: are you prepared to consider an enrichment of the funding package which you offered in January — if indeed it was January?

Hon. Mr. Schoenhals: — Mr. Chairman, we have indicated, time and again, that we are prepared to sit down and discuss this issue, negotiate with the cities. We have an offer on the table. They have not responded to this date. They have assured me that they will be responding very shortly. We do not propose to do our negotiating in public. We propose to sit down and deal with the problem.

Mr. Shillington: — I take it then that your offer of . . . I can't remember when it is, for the life of me — this winter sometime. Let's call it the January offering. I take it then, from what you've said, that that offer was not a final offer, and that you are in fact prepared to reconsider it, depending on what they put before you.

Hon. Mr. Schoenhals: — We have made a serious offer. We are prepared to sit down, discuss and negotiate. If that, in your terms, means that it is not a final offer, so be it.

Mr. Shillington: — Well, Mr. Minister, if you're prepared to enrich it, then we may have a pipeline started. If you're prepared to try and talk the poor folks to death, then I don't think we'll ever have a pipeline because they simply can't do it on their own. Are you prepared to enrich that offer, should the municipalities make a case to you that they cannot build it without an enriched funding package from the provincial government?

Hon. Mr. Schoenhals: — We have made a serious offer. We are prepared to discuss that offer. We are prepared to negotiate on the basis of that offer, and that is our position as of this day.

Mr. Shillington: — With respect to the other communities then — the second part of the problem — the other communities in Saskatchewan, many of whom claim to have as severe; a problem as Regina and Moose Jaw I think that many of those communities have not put up with the water these two cities have in mid-summer, but I haven't drank theirs either, so perhaps I'm no one to cast stones. Where are we going, Mr. Minister, with the others? I recall being in Estevan and asking the mayor there, 'What's your number one problem?' 'Water' I asked the question two or three times in different ways and got the same response — water.

An Hon. Member: — Were you in government then, Ned?

Mr. Shillington: — No, I wasn't. You people were in government. The problem now is that they never get to see their MLA. They're just delighted to have someone who's an elected representative there to talk to. They've almost forgotten what that breed of animal looks like. I ask you, Mr. Minister, where are we going with the balance of the problem with the other communities? What do you see as the next step? You've had your travelling road show. What follows hereafter?

Hon. Mr. Schoenhals: — Mr. Chairman, I can assure the member that the MLA for Estevan is very interested in his riding and they will be well taken care of by this government, and they are extremely interested in him.

As far as where we are going — we are attempting to deal with municipal water concerns through the program that we inherited as of today — the municipal water assistance board program. We inherited a two-year backlog as I'm sure the members opposite are aware — an underfunded program. We are attempting, in these times — I realize that it's very difficult — we are attempting to cut into that backlog and of course the applications keep coming.

We have indicated in the throne and the budget speech that we are proposing a water crown corporation to deal with these. It is in the conceptual stages. I cannot give you details on exactly where that will go at this time because, as I indicated earlier, we did not go to the people with preconceived idea. We took the data, tried to analyse it and

tried to answer the needs, and I guess that's the answer to your question. We will continue with the programs in place until we have a change but we are looking at a change. We hope to accomplish something in that respect.

Mr. Shillington: — What will the new crown corporation announced in the budget speech add to the mechanisms such as water supply board? What is that crown corporation going to add to the existing mechanisms of government?

Hon. Mr. Schoenhals: — As I indicated, Mr. Chairman, the corporation is in the conceptual stages. I think that's only fair to say. We do not have details at this time. I will attempt an answer though if you will. I could see it adding an alternative to the present funding arrangements, the grant concept that is in place now. But other than that I can't give you any more details.

Mr. Shillington: — Mr. Minister, you must have some notion of what it's going to do that the water supply board can't do — also a crown corporation, I might add. You must have some notion of what it's going to do or you wouldn't have introduced it unless you thought it was . . . unless you were doing it as mere cosmetics. So, I'd ask you again, what that will add that you couldn't have done through the water supply board.

Hon. Mr. Schoenhals: — Mr. Chairman, we have a concept. We've indicated what that concept is. We don't have details at this time.

Mr. Shillington: — So I take it you have no notion why you added this crown corporation to the water supply board?

Hon. Mr. Schoenhals: — I have no concrete facts. I would sooner deal in facts than notions.

Mr. Shillington: — No one will ever accuse you of fine tuning something too much before you introduce it. All right then, if you deal in facts, what facts caused you to announce a new crown corporation when you already have one — the water supply board?

Hon. Mr. Schoenhals: — A need that is province-wide rather than simply centred around Saskatoon.

Mr. Shillington: — Well, I may have missed something. Is the water supply board limited in its operation to Saskatoon?

Hon. Mr. Schoenhals: — The time I've been in this House, you've missed a great deal. Yes, the water supply board is a small quasi-crown in Saskatoon that sells Saskatoon's water to the potash mines and to a number of communities in that area; if I'm not wrong (and I very well might be), something in the area of 157 miles of pipeline. The towns negotiate the rates with the water supply board.

Mr. Shillington: — But, Mr. Minister, the water supply board's jurisdiction is province-wide. Existing activities may be centred in Saskatoon, but it can operate province-wide.

I'm trying to find out why we have another crown corporation which appears to be a clone of the one we have already. If you have some concrete ideas as distinct from

merely a desire to use some cosmetics . . . If you have some concrete ideas, then what were your ideas with respect to the new crown corporation?

Hon. Mr. Schoenhals: — There are probably two possibilities as far as the existing water supply board and the proposed crown. One would be to expand what is presently there to deal with the problem; the other would be to set something else up and absorb what is already there.

Mr. Shillington: — I may say I'm going to leave it at this. My colleague from Regina Elphinstone wants to get into the subject.

I may say, Mr. Minister, it looks . . . Given the imprecision of your answer, given the utter lack of an answer . . . Merely saying that, 'There are a couple of options we may consider — we don't have any ideas right now, don't have any thoughts, don't have any notions of what we want to do, just some options which are possible with a crown corporation,' strikes me that the whole announcement is long on cosmetics and very short on specifics.

Hon. Mr. Schoenhals: — Mr. Chairman, the announcement is an attempt to present an alternative to meet some needs. We went out and listened to the people. We did not come up with the answer first, and then go on a provincial tour to sell it, as was the habit of the other government — I think of the long-term disability program as a perfect example. We went out, listened to the people, determined what the needs were, and I don't think it would be any argument to indicate that we simply haven't had time at this stage to put the whole thing in place.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, I have questions in a couple of areas. I want to pursue the water utility a bit more, and refer to the several press reports which were very prevalent at the end of last month. This one is:

'The provincial government will establish a new crown utility corporation to distribute water to communities,' Finance Minister Bob Andrew announced Tuesday in his budget speech. 'The new utility will be similar in structure to the Saskatchewan Power Corporation and Sask Telecommunications,' Andrew said.

I'm wanting to know from the minister, in what regard will the new utility be similar to the power corporation or the Sask Tel structure. I'm trying to get a handle on what was intended by the announcement in the Speech from the Throne.

Hon. Mr. Schoenhals: — It will be similar, at least in the fact that it is a government-owned crown corporation. It will be available as a . . . I think what the minister — and I don't want to put thoughts or words in his mouth or thoughts in his mind — but I believe the concept was that, as with Sask Tel, we now have water utilities in existence; the option would be there for those to come on stream, but I do not have a great deal of details as to the exact functioning. As I have indicated a number of times, it's still a concept that has not been fleshed out. We simply have not had time to put the whole thing in place.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, it's I think fair to say, that utilities of this nature might broadly be divided into two categories: those that offer services to consumers, and those that offer services to other groups who serve the ultimate consumers. Saskatchewan Power Corporation is an example of the first, which

serves consumers. In many ways Ontario Hydro is an example of the second, where they deliver power to many other utilities who distribute it, usually a municipal utility who distributes it to the ultimate user. Now there are of course, a good number of municipal utilities distributing water in the province, and what I am now trying to ask is whether it is proposed, when the analogy is made to Saskatchewan Power and Sask Tel, that we are going to have a utility which delivers the product to the ultimate consumer, like Sask Power or Sask Tel, or are we going to have some other kind of a utility which delivers water to the existing municipal utilities?

Hon. Mr. Schoenhals: — Mr. Chairman, my impression would be that the water utility will be the second . . . of the second type that the Leader of the Opposition indicated. In other words, a utility that delivers water to municipalities. Now I realize that that is not an exact model of the two that you used, and as the Minister of Finance used Sask Tel, Sask Power, he did use the word similar; he did not say an exact model. And my impression is that it would be a utility that would deliver the water to the municipalities.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, the minister will be familiar with the water supply board, which is a crown corporation established in 1966 by Mr. Thatcher's government and confirmed by legislation in 1972 by the government which followed it, and its function, I think can fairly be described in the words of the report, which say:

Essentially a regional water utility, the board is responsible for developing and operating multi-purpose water supply projects authorized by the Lieutenant-Governor in Council to serve municipal, agricultural, industrial, recreational, and wildlife conservation requirements in designated areas.

Now that one has been around for 15 years, and obviously it is unlikely that you would be creating another corporation whose functions are similar to the water supply board unless it's going to be a parallel corporation. That, however, sounds surprisingly like the corporation which the minister has indicated he thought it would be. And I wonder if he would distinguish between the concept of the water supply board as enunciated by the portion of the annual report, which I have read.

Hon. Mr. Schoenhals: — Mr. Chairman, as I indicated to the member's colleague in his absence a few moments ago, the concept — the details of which are not fleshed out — would be very much like the Saskatchewan Water Supply Board. In fact, there are probably two methods: the water supply board as it existed could be expanded from a regional to a provincial corporation, or we could establish a different corporation and absorb the one that's there. I don't think there's a whole lot of difference between the two, but in concept it would be similar — very similar.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, as the minister will know, the water supply board has a system that takes water from the, what I will call the north end of Diefenbaker Lake, and distributes it to a goodly number of communities as distant as Lanigan and Osler and Warman and Dalmeny.

Has the minister considered having the same corporation take water from a southern portion of Lake Diefenbaker and distributing it to some other communities, namely Regina and Moose Jaw, on terms similar to the way in which water from the same lake is distributed to Lanigan?

Hon. Mr. Schoenhals: — In terms of the Regina/Moose Jaw situation, we have considered a large number of different alternatives. That would be one that we have looked at.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, you have then looked at this alternative. Did it commend itself to you and, if so, what particularly commended it to you, and if not, what discouraged you from pursuing it?

Hon. Mr. Schoenhals: — Mr. Chairman, as we have indicated publicly again here this evening, we have made a financial proposal, if you will, to the two cities. They are reacting to that; they're getting together and responding.

The basis of that proposal at the time it was made was that the two cities would build, would own and operate that pipeline. In the interim, we have had . . . they have had a number of proposals put to them from private interests who would like to build the pipeline and lease the service.

The concept that the Leader of the Opposition indicates — something along the lines of the water supply board — has been suggested. The mayor of Moose Jaw indicated that as another alternative. I would imagine, at this stage then, once we have some type of agreement in principle on funding, we would look at the various alternatives, or maybe we'll look at the alternatives first. But, at the present time, we have not reached any conclusions as to how the pipeline should be built, how it should be financed. We are very interested in sitting with the cities and discussing that. If it fits within this concept of a provincial crown, that's fine.

Hon. Mr. Blakeney: — Mr. Minister, I am aware that you have made an offer to the cities of a cash and interest abatement offer, if they operated the pipeline. You tell me that you also considered the possibility of using the water supply board or a like crown agency to distribute water directly a utility, in the manner in which water is distributed to Lanigan.

My question was whether or not you found that to be a desirable option, not the only desirable option, because you've already made another offer to the cities, but a desirable option. What were the particular strengths of that proposal as you reviewed it?

Hon. Mr. Schoenhals: — Mr. Chairman, to this point, as I indicated, we have not made a proposal to the two cities in terms of the construction and the operating of the pipeline. We have made a financial suggestion, a financial offer, that they are assessing and will react to. In terms of which of the various methods we would choose to use, we have, to this point at least, indicated to the cities that we would get involved in the funding and we would expect them to go ahead and build it. Now, that could change.

In terms of the question on what the strengths would be, I would imagine that the obvious strength would be the borrowing ability of the province in terms of acquiring money for the project. The expertise that presently exists in the water supply board could be brought to bear on the thing. I would assume that those would be at least two of the strengths that this solution could bring to the problem.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, I refer the minister to a report in the *Saskatoon Star-Phoenix* earlier this month, just about a week ago, which quotes

the minister in the following terms:

Urban Affairs Minister Paul Schoenhals says he envisages the proposed crown water supply utility primarily as a financing body and pool of expertise for communities wishing to upgrade their supplies of drinking water. The utility, which will be a new crown corporation as outlined by last week's budget, is aimed at providing good water to communities with poor supplies or quality of water. Schoenhals, who will be responsible for the corporation, said Tuesday plans are at a conceptual stage but he expects the corporation to act as a borrower and lender as well as contractor on behalf of the community seeking better water.

Do I understand from that, Mr. Minister, that the concept is that the corporation would act as a contractor on behalf of the communities seeking better water, notably Regina and Saskatoon?

Hon. Mr. Schoenhals: — Saskatoon is very satisfied with its water. A couple of comments, first of all. I think there is an inaccuracy in the report in that it's never been declared that I would be responsible for the crown. I don't propose that that has been decided. At this stage I think that's a rather specific question.

In conceptual terms, it's possible that the crown could be involved in construction. I don't think that that necessarily means that that's how it will finally be structured. As I have indicated, we have not put the final details in place. There's been a time problem.

I think it's important to remember that when we talk about the crown corporation that we are not looking solely at Regina/Moose Jaw, solely at problems that can be solved with a pipeline. We are attempting to look at water-related issues on a provincial basis, the specific municipality, the municipal problems. One of the problems we've had to deal with has been a lack of a provincial policy for water use and we would hope to create a focus, if you will, where those types of concerns could be centred and that we would have in this province a policy that would lead to improvements, needed improvements in water related concerns.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, I refer the minister to a clipping in the *Leader-Post* earlier this month in which Urban Affairs Minister Paul Schoenhals who will be the minister in charge of the new company — the other one was a Mr. Johnsrude; this one is a Miss Daphne Bramham, who indicates that she understands that the Urban Affairs minister will be the minister in charge — and I'm not making that point, I just want to say that two people have picked up that view. What I want to do is quote:

Schoenhals said the new corporation will absorb the board, (I believe the reference is to the water supply board) and its assets, as well as all the water policy divisions of various departments and agencies, set broad policy for future water supplies, and assist in the financing of water projects.

You will note that at least that report is relatively specific. I will ask a relatively specific question. Is it your understanding that the new corporation will absorb the municipal water assistance board, and the functions now carried on by that board, under the aegis of the Department of Urban Affairs?

Hon. Mr. Schoenhals: — Mr. Chairman, the two reporters who the Leader of the Opposition has mentioned are both outstanding reporters and do a commendable job. I think the misunderstanding simply arises from the fact that I'm now responsible for the municipalities, and consequently the concern. The board that is referred to there is not the water assistance board, but as I indicated in an earlier answer, the Saskatchewan Water Supply Board. One option would be to absorb that board into the new crown, or to expand that board to carry on the duties of the new crown. I guess it's really not too relevant which way that happens, but the intent was that to the Saskatchewan Water Supply Board.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, I'm sorry I didn't make my question clear. I drew from the report that what they were saying was that the water supply board would be absorbed by the new corporation. But then it went on to say: 'as well as all of the water policy divisions of the various departments and agencies,' and the question that I'm really asking is: Does that include the municipal water assistance board which is a granting agency operated by your department as I understand it?

Hon. Mr. Schoenhals: — I must confess that I have a little trouble with detailed specific answers as I've indicated, but in general, the concept that is in place would be for the water assistance board to continue, and to put this crown in place in the initial stages as an alternative. In broad strokes, if I could, what we see needed is a centralization of water-related concerns.

As you are probably aware, at the present time somebody pursuing a water policy question could end up looking at as many as eight different departments of government. We would see, again in broad terms, a regulatory function that would exist in the Department of Environment. We would see possibly another body and another department of government who would organize and handle the policy — the things from Agriculture in terms of drainage, and the retention on the other hand, all the things that involve water — and try to develop policy that is province-wide to serve the needs of the people of the province.

So what we, again in broad strokes, would see happen would be a reduction from eight various agencies and departments to possibly three.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, just so I may clear up my own mind, the minister will be aware that under Urban Affairs there is a subvote 23, item 11, which has the grants under The Municipal Water Assistance Act. I'm not asking specifics on that now. All I am asking is: during the current government financial year ending next March, is it your assumption that The Municipal Water Assistance Act will continue in place and the municipal water assistance board will be dispensing grants under the provisions of the act in a manner somewhat similar to what has been the case in the last 12 months?

Hon. Mr. Schoenhals: — Absolutely.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, I'd like to turn to another series of questions. My colleague, the member for Regina Centre, was asking questions with respect to the potential multimodal use of the Union Station in Regina and you gave a number of answers there. I don't propose to go over that ground except to ask some rather narrower questions. I am not sure whether or not you will feel that you can answer them in your capacity as Minister of Urban Affairs.

I am asking about that particular building, and I perhaps will address the same question with respect to another building or two in the province. But I'm asking it with respect to the particular building of Union centre in Regina and asking whether or not in your transportation centre of bus and rail — a bimodal, to use your term — are you considering what value that building may have as a heritage structure and what alternative use it can be put to, if it is to be retained but not used as a bimodal centre?

Hon. Mr. Schoenhals: — We are obviously very aware of the heritage value of the building. The problem, of course, is that it's a federally owned building; a provincial declaration means very little. But the answer to the question: yes, we are considering a building and still make it a valuable part of the community. That is not to infer in any way that we have eliminated the bimodal concept.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, a good number of people think that the Union centre in Regina is a part of the history of the community, and one which is well worth preserving. I think a good number of people also feel that we ought to make a special effort to preserve heritage buildings. Many of those same people acknowledge that there are limits to the amount of financial outlay you can make to preserving a heritage building, and that far and away the best approach is to find the highest and best commercial use compatible with its preservation as a heritage building.

And the question I'm putting to you is: can you conceive of any higher and better commercial use for that particular building, consistent with its retention as a heritage building, than as a transportation centre, bimodal or trimodal or as many as we can get to use it?

Hon. Mr. Schoenhals: — I don't know if it would qualify as best use, but I would think that the multimodal transportation concept is certainly a great deal . . . a higher use than the bimodal. One of the concerns we have had is the fact that it is not a multimodal concept, and it possible could be.

I suppose there are a number of other commercial uses that the building could be put to. I wouldn't be prepared at this time to say which would be the best.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, when the minister refers to multimodal, what other transportation undertakings does he see as potentially using it? Is he referring to Regina city transit or a possible office for airlines, or what other particular transportation organizations does he conceive of as using it to make it more multimodal than bimodal?

Hon. Mr. Schoenhals: — All of the above.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, I refer now to the station in Moose Jaw, where many of the same considerations apply, and I won't repeat them all, except to ask the minister whether or not consideration has been given to the uses which might be made for that Union depot in Moose Jaw consistent with its preservation as a heritage structure, so that it would provide the best possible commercial use and therefore offer the least possible drain on the taxpayer by reason

of its preservation as a heritage structure.

Hon. Mr. Schoenhals: — Some consideration has been given to that by Moose Jaw. We have not given it formal consideration. Our position has been to deal with these issues, if you will, one at a time, choosing to deal with Union Station first.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, I don't know whether the minister heard this proposal by one of his colleagues, that it might serve as a bus storage unit, that is, maybe the building could be used to store highway equipment, particularly highway maintenance equipment for which there does not seem to be any use found at the moment . . . (inaudible interjection) . . . Yes, however I will resist putting forward any other proposals being suggested by others.

I want to return to a question that was asked by my colleague, the member for Regina Centre, and replied to by the minister, concerning the proposed expansion of the Hotel Saskatchewan. Would the minister indicate whether or not he has a reasonable assurance that that proposal will go forward and whether he's reasonably confident the expansion will take place, as I understood him earlier to say?

Hon. Mr. Schoenhals: — Your colleague from Regina Centre as seems to be his wont on many occasions, was making some purely speculative comments as to the future of development in the city of Regina. I indicated two projects that had been announced in the time that we have been in government. I could have mentioned the opening of the Victoria Square shopping mall, which had a little problem under the previous administration, but has since opened under the new open for business attitude of this government. I do not have any specific information about the Saskatchewan Hotel expansion proposal, other than what was released in the media towards the end of last year, I think.

Mr. Engel: — Thank you, Mr. Chairman. Mr. Minister, under grants under The Municipal Water Assistance Act, is this the subvote where small towns would have some funding on the expansion to existing sewer systems, or improvements to our water system?

Hon. Mr. Schoenhals: — Yes.

Mr. Engel: — Has your government made commitments for this funding for the coming year? Are there a list of towns that are waiting to go ahead with some projects from these funds; do you have a prepared list or is that . . .

Hon. Mr. Schoenhals: — If I understand the question it is: are there applications, are there approvals, are there projects under way? You would like that information?

Mr. Engel: — Yes.

Hon. Mr. Schoenhals: — That's no problem.

Mr. Engel: — If I can use a specific example, the mayor of Lafleche contacted me and suggested that they'd like to call tenders early for the extensions of their sewage lagoon, plus some improvements to their water system. Has that project received approval? Or is that just in the application stage, or where is that at?

Hon. Mr. Schoenhals: — The program is a little complicated. I can get the specific

one in a minute. But, in general terms, there are a large number of applications that are processed on a priority basis. There are basically three categories — I suppose it's as good a word as any. There are projects that have been approved. They may now go ahead, as in your case. If the project were approved, he would be free to go ahead and call tenders, carry out his work. There are projects that have been approved, have been completed and have been paid, but are waiting for their funding. That's a problem I'll get to in a moment. And then, of course, there'll be projects that have gone through the process and been paid off.

The problem that we inherited was a two-year backlog. In other words, once projects are approved . . . There have been so many in the past that funding has not kept up to demand. Consequently municipalities go ahead and do the work and borrow the money to pay for it. And then, when the grant comes through — when their turn comes for payment — they get the money and the government splits the interest costs they have to pay on a 50-50 basis. That's a rather unique concept in government. The problem is the waiting list that has been built up.

In terms of Lafleche, I could check this, but my understanding is that their application has not yet been approved, but will be coming up for approval at the next meeting or in the very near future.

Mr. Engel: — When was that application originally submitted?

Hon. Mr. Schoenhals: — We'll send you that information, if that's satisfactory.

Mr. Engel: — Can you send me that information, and then also as to just when they can expect to proceed? Because, they seem to be quite anxious. I was under the impression that they thought they had approval last year already — under last year's budget. And I would have raised it in the estimates, but I happened to be out at a Crow meeting the day your estimates went through. And when I got back they were done and I didn't get a chance to raise that one in the previous estimates last month. So, I'm quite anxious to get some assurance on that one this time.

Hon. Mr. Schoenhals: — Let me just clarify the information you want. In your initial question you asked about the total list. Do you want the total list of applications and approvals and so on? Or do you want the information specifically on Lafleche?

Mr. Engel: — There are several towns I've been meeting with that have some extensions proposals that they're planning on doing. If you have them listed out . . . I thought I saw that list of approvals someplace, and I've been looking it for it in my file. I can't find it. Now, maybe you've circulated a list to us, of the towns that are going on that. And if you didn't, I wouldn't mind seeing that.

Hon. Mr. Schoenhals: — Would it be satisfactory if we provided you the towns who are in the process — at some stage — who are in your constituency?

Mr. Shillington: — Mr. Minister, I'm wondering what it is about the Meewasin Valley Authority and the Wakamow Valley Authority that has you so irritated with them, because you have chopped their funding very, very considerably. I think these people have suffered worse than any other. I'm wondering: what is it about these concepts or about the people in charge that you find so distasteful?

Hon. Mr. Schoenhals: — I don't find anything about the basic rationale of the programs or the people that run them distasteful.

Mr. Shillington: — Well, why the decrease in the funding to both of them? Approximately 25 per cent funding decrease to Wakamow. The poor souls from Moose Jaw — mind you, they're coming to expect that; they after all had the heavy oil plant snatched away from them — but theirs is reduced by 40 per cent. So I'm wondering: why the drastic decrease in funding?

Hon. Mr. Schoenhals: — In answer to the member's question, I find it a little difficult to follow the analogy of a couple of existing, operating programs compared to an upgrader that was never in existence, and was never even a real concept, and I think that that probably should be straightened out and possibly stricken.

The two programs, as you indicated, have been cut 20 per cent in operating money. The rest of what shows on the base line is money that would have been used for land purchase that we have held back. The rationale for it is simply a matter of priorities. In the last few days in this House we've heard a great deal about social assistance and health care. We have indicated major percentage increases in those very important areas. We felt that these programs could, in these times, as a priority, could slow a little bit, still provide the services, especially within the two communities. We're quite sure that they will, and it was simply a matter of priorities. We chose to put essential services ahead of it.

Mr. Shillington: — Once again, your penniless state that you find yourself in as a result of the sort of management that we have been discussing of the potash corporation the last couple of days . . . This is unnecessary, Mr. Minister; the impecunious state of this government is unnecessary and it is unfortunate that the people of Moose Jaw and the people of Saskatoon have to pay the price for your gift of the potash markets to foreign companies.

Mr. Minister, I wonder if you are in charge of the Wascana Centre. It is not clear to me which minister is. If you're in charge of the Wascana Centre, I'd like to deal with that for a moment.

Hon. Mr. Schoenhals: — Mr. Chairman, interesting about the people of Saskatoon and Moose Jaw — and I know you'll call me arrogant; I might call you sanctimonious in return — however, we have two ridings in Moose Jaw, we have 10 ridings in Saskatoon, and I don't think I have to remind you which party represents all 12 of those ridings. I terms of . . . (inaudible interjection) . . . All right, I'll say . . . (inaudible) . . . In terms of Wascana, I am not responsible. It's always a Regina MLA. We had eight to choose from. We gave it to Mr. Currie.

Mr. Shillington: — Okay. I'm moving on, Mr. Minister, to community planning.

An Hon. Member: — 'Ouch.'

Mr. Shillington: — 'Ouch!' is right! The member for . . .

An Hon. Member: — Weyburn?

Mr. Shillington: — No, Assiniboia-Gravelbourg said it all when he said, 'Ouch!' when you mentioned community planning. There is a decrease in the staff and a decrease in the funding, and, an asterisk indicating that this vote has been altered to

effect certain changes in the organization. I wonder if you could expand on that comment in the asterisk. What changes were made and how has that affected the subvote?

Hon. Mr. Schoenhals: — Basically, the change is the consolidation of two branches, regional planning and community planning.

Mr. Shillington: — Why the decrease in staff from 40 . . . decrease of . . . (inaudible interjection) . . . No, it's actually 10.3. Why the decrease in staff?

Hon. Mr. Schoenhals: — In answer to the question, Mr. Chairman, I suppose that the task that the branch carries out should be indicated. The purpose is to integrate the planning functions of the department in one branch to achieve greater economies in the utilization of staff and administrative resources — I think you will agree, an admirable aim. The introduction of the new planning act will make the whole thing work better. In terms of the staff members that you indicated, the reduction, two of those were draughting positions which have been transferred to central surveys and mapping agencies. The other positions were all vacant. They have simply been removed. Nobody has lost their job.

Mr. Shillington: — What were the vacant positions?

Hon. Mr. Schoenhals: — The positions that were vacant that have been eliminated were a draughtsperson 2, times two (two of those); a director of the regional planning branch (since we only have one branch, we only need one director); community planner 3, community planner 2; community planner 3. Those community planners 3 — there was one in the Saskatoon office, one in the Regina office. An administrative officer 3; a community planning technician 1; and then three months of casual employment makes up the 0.3.

Mr. Shillington: — Were any of the vacant positions related to the function of this branch in approving subdivisions of lots? As I understand it, this section of your department has the responsibility for approving any subdivision of any lots and I'm wondering if any of these positions relate to that function.

Hon. Mr. Schoenhals: — Yes, Mr. Chairman, one of those, the community planner 3 from the Regina office. The duties there were subdivision review, development plan and zoning by-law review, advisory assistance to municipalities. The duties are now performed through consolidation of the two branches. The position formerly in regional planning branch is no longer required.

Mr. Shillington: — Well I want to tell you, Mr. Minister — and I'm not doing this in a particularly partisan way, although it's no doubt going to strike you as that — the operation of this community planning branch is a scandal among the lawyers and the civil engineers who have to deal with it. It's nothing short of a scandal. It is the most dilatory, inefficient operation that we have to deal with. I tell you, Mr. Minister, it causes no end of headaches. It just takes far, far too long to get a subdivision approved. Mr. Minister, simple subdivisions, which I do not believe takes any more than half an hour of someone's time to review and to check with the appropriate authorities, takes months and months and months.

Mr. Minister, I have an endless number of files of people who want to subdivide a lot who will wait months and months to get it subdivided. They've usually often got the

house built on the darn thing. The problem is that they can't get a mortgage because they can't get title . . . (inaudible interjection) . . . No, it is quite possible, Mr. Minister. . . . (inaudible interjection) . . . I know it's illegal and I am acting for someone who is suing the Government of Saskatchewan. I'm acting for someone who is suing the Government of Saskatchewan. Before you say so, I will admit that the legal suit did not arise under your administration. It arose under the former administration. And I want to admit, Mr. Minister, the problem did not arise under your administration. This problem has been with us for some time, so I say, I'm not making this a particularly partisan comment, but that branch is just scandalous. It causes endless amount of problems for those lawyers who deal in conveyancing, and our office does some of that, and I'll tell you it's an unbelievable headache.

When you have a client in, Mr. Minister, who has a subdividing problem, the first thing you do is you sit him down squarely on the other side of the desk and you say, 'Listen I've got to tell you about the community planning branch. I want to tell you how long it's going to take, and if you get it back in three months, you're lucky. But it's more likely six months.' And they'll say, 'Well, what's so complicated about it?' and you say to them, 'Nothing. Don't ask me. I just know that those people in Regina simply can't do the job in a timely fashion.'

Mr. Minister, I don't particularly expect a response except a defence. But I would ask you, in a non-partisan fashion, to review the operations of that branch. I don't think anyone will have a particular problem with it unless you're a lawyer or a civil engineer. But I really ask you, Mr. Minister, to spend some time talking to the civil engineers and the lawyers who deal with this. That branch is scandalous. And I'm disappointed that you've cut a position because you apparently need a good deal more. But I'm not particularly laying the blame at your administration's door, as your officials will no doubt tell you. I started a legal suit a while before you were in office trying to do something about this.

So I ask you, Mr. Minister — respond as you will, defensively as you wish — but I ask you to take the matter under advisement and review it because I'm sure I'll be backed up by any civil engineer or lawyer in the province who deals in this area.

Hon. Mr. Schoenhals: — Mr. Chairman, as the member indicated, his specific problem was not with our administration and I should indicate, it's not with our department. It's with the department of rural affairs that your specific problem is involved in the court that you have had, the case that you're carrying on. I'm glad you mentioned that because when you started on that point, I was going to indicate that your verb was in the wrong tense. Numerous cities have indicated that they are most happy with the change in the speed at which material is turned around.

In terms of the instances you point out: zoning for instance, the turn-round time is under a month. Subdivisions, I will admit, the department will admit, do take longer. There are a number of agencies that have to be dealt with and those things I'm sure you are aware — power, telephones, environment — it's a detailed review and does take some time. But I think it's the best . . . What you have just stood there and indicated is possibly the best argument I can think of for the rewriting of The Planning and Development Act. We believe that rewriting that act would do more than adding another person down in the branch, to solve a great deal of the problems that you have very well identified.

Mr. Shillington: — Well, I think you're going to find, Mr. Minister, that before you get

that brought up to date, you're going to need some more staff. You are not going to be able to solve the problem by rewriting the legislation. You're going to need some more staff. And to have cut one's staff, I think is to have gone in the wrong direction.

I also want to express, Mr. Minister, my disappointment that there should have been . . . once again, community planning was cut, the positions cut. I thought I understood the minister to say that community planner 2, community planner 3, community planner 3, etc. The major function of this branch is of course to provide the urban municipalities with professional planning and technical advice. I think you're weakening that when you're cutting the positions. You should be strengthening it rather than weakening it. I'm disappointed that that has been cut.

I want to go on to municipal management and finance, and again ask you, where the decreases in staff arise from?

Hon. Mr. Schoenhals: — What was the question?

Mr. Shillington: — Municipal management and finance: where are the decreases in staff?

Hon. Mr. Schoenhals: — Just a final comment on our discussion about the planning branch. The assumption that the party opposite continues to operate under is that bigger is better. We feel we can do more with less by improving efficiency, and I think the thing I mentioned in legislation is very important and we propose to, even with your disagreement, we're going to proceed along those lines.

In terms of the three branches that are under the one we're discussing, there are four position deletions in that; the management services branch, the deletion is a vacancy, an administrative officer 4; the municipal grants branch, the position is an administrative officer 3 — that one was responsible for the ambulance program has consequently been transferred to Health; in the property tax rebate branch, there are two clerk 2 positions, one temporary, one permanent; they were both vacant and they've been deleted.

Mr. Shillington: — With respect to revenue sharing, I want to relate to you a comment which I'm sure is not very new. I'm sure you've heard it before, and frankly I'd heard it before — I saw it in the newspaper. It's the suggestion that the revenue-sharing formula is unfair to Saskatoon and Regina, unfair to the cities, and the comment was made by Andy Gilewicz, city commissioner in Saskatoon. I heard it from Regina people as well, and I know you've probably seen it, and I would appreciate your comment on it, Mr. Minister.

Hon. Mr. Schoenhals: — Mr. Gilewicz has indicated his consternation at the grievous error he made the night of the budget. There has since, if you have read the *Star-Phoenix* completely, been an editorial comment correcting his mistakes. The point of the whole thing is that the cities, towns, villages, every urban municipality in this province, received a 7 per cent increase in the unconditional portion of their revenue-sharing grant.

I have in my hand a letter from the city of Yorkton. It's one of a large number of letters that are flowing into my office expressing their thanks for the 7 per cent increase. The reason that it shows on the bottom line there as something in the area of 3.5 is simply

that in the conditional portion of the pool, the ambulance funding — as you should be aware — has been transferred to Health.

Mr. Shillington: — I'm not quarrelling with the 7 per cent figure. I did my sums, and frankly I came very close to 7 per cent. I wasn't quarrelling about that and I don't think that's what Mr. Gilewicz was saying in this article. I want to read you a portion of it:

Gilewicz said the present formula appears to prejudice large cities in favour of the large number of small communities. He suggested the statistical technique of relating municipal expenditures through municipal populations may be insufficient to determine fiscal need. He said other factors have to be taken into account by governments, such as an adjustment to the June population estimates to reflect the post-secondary student population that places a demand on municipal services during most of the year.

I don't think he's talking about the 7 per cent here. I know the comment was made and withdrawn. He is referring here to the formula, and I would appreciate your comments on his criticisms of the formula.

Hon. Mr. Schoenhals: — I suppose the answer to the point that the member has made is that these problems are not something that started this year — these are longstanding; they were there when your government was here. We are in a year-long negotiating process with SUMA (Saskatchewan Urban Municipalities Association). The reason that we have frozen the equalization portions, the indices for determining the amount of money, and given everyone 7 per cent is so that we were not forced into a rushed negotiation to determine how that revenue-sharing program would work. We want to try to come up with an answer that will meet the needs of the communities for a period of time. That was a suggestion of SUMA's, one that we readily agreed with. Consequently, over the course of this fiscal year we will be going through a totally detailed study with SUMA on their total funding package. All the problems that we inherited will be looked at in that year-long study.

Mr. Shillington: — Well, let me say, Mr. Minister, by way of general comment, that it is of extremely limited relevance to this member, and I think to most of the population of Saskatchewan, to say, 'The problem didn't arise in our administration.' I frankly don't think there's a lot of viewers out there who actually think that at this point in time that's very important, because you've been in office a year, and surely there should have been some improvement as a result of that election.

But, Mr. Minister, with respect to your specific comment, do I take it that you are renegotiating the formula under which revenue sharing-grants are made, and that you hope to work out some of these problems in the oncoming year? Do I take it you are actively renegotiating this formula?

Hon. Mr. Schoenhals: — As has become rather common, you totally missed the point of what I said. The point was that you had the problem for years, and did nothing with it. We are acting on it and all those problems . . . (inaudible interjection) . . . Yes, yes we are actively negotiating for this total fiscal year with SUMA on all aspects of urban municipal funding.

Mr. Shillington: — With respect to regional planning, Mr. Minister, I'm wondering where this shows up in the *Estimates*. It used to be a separate subvote, and it disappeared somewhere. Did this go into community planning, or what happened to

regional planning in the *Estimates*? I just was curious as to how this was shown now.

Hon. Mr. Schoenhals: — Mr. Chairman, I will repeat exactly what I told you when we talked about the rationale for the reduction of community planning services. That branch is — pay attention — the consolidation of two branches: regional planning and community planning. Am I going too quick?

An Hon. Member: — No, you're not.

Hon. Mr. Schoenhals: — Good.

Mr. Shillington: — Well, the minister is getting a little testy. I tell you, Mr. Minister, that we've got a couple of hours more of this, not on these estimates, but on your Culture and Youth estimates. So I'd advise you to try and keep your patience in check while we deal with these estimates.

Mr. Minister, with respect to water assistance, are these grants provided on a formula basis, or on a discretionary basis, or how are the grants arrived at?

Hon. Mr. Schoenhals: — Formula basis.

Mr. Shillington: — Is the formula simple enough that you can relate it in 25 words or less?

Hon. Mr. Schoenhals: — 50 per cent of eligible costs for sewer and water, for towns and villages, up to a maximum of \$300,000.

Mr. Shillington: — And did you meet all eligible requests this year? All eligible requests?

Hon. Mr. Schoenhals: — I'm going to have a little trouble maintaining my patience. We have been through that in some detail with your colleague in front of you. Not only in terms of Lafleche, but in terms of the whole province. No, we inherited a two-year backlog. We are attempting to solve that problem, another of the ones that we inherited. We admit that we have not made much of a bite in it. We presently make approval, the community then goes ahead and does the work, there is then, in most cases, a waiting period before the money is advanced. The community pays for it, borrows the money to cover, when our money comes they pay it off and we share the interest costs 50-50 with the community. I trust that . . .

Mr. Engel: — Thank you, Mr. Chairman. Mr. Minister, you never answered that aspect. You promised you'd send me a list of those that are in the process or waiting for it in my constituency. I think the point my colleague is making; what percentage of the people that would have loved to get involved in this program but are on that waiting list. I think the minister actually created a backlog by not fulfilling that commitment last year on the projects that were in the process. There's that waiting period in there that that money, wasn't forthcoming in last year's subvote.

Hon. Mr. Schoenhals: — Regardless of what you think, you are dead wrong.

Mr. Engel: — How much was committed for last year's revenue sharing? On this municipal . . . On that 50 per cent sharing that you do through this subvote . . . Yes.

Hon. Mr. Schoenhals: — The approved budget in '82-83 was \$4,500,000, the budget in '83-84 is \$4,800,000, almost a 7 per cent increase.

Mr. Engel: — I'm aware of that. The question was: how much of the \$4,500,000 estimated last year was taken up?

Hon. Mr. Schoenhals: — All of that money was expended last year.

Mr. Engel: — How much was in the budget in the estimates prior to this one? The first estimates that came out?

Hon. Mr. Schoenhals: — Last year's budget - \$4,500,000.

Mr. Shillington: — With respect to the neighbourhood improvement grants. The neighbourhood improvement grants are a fraction of what they were and I wonder if we might have an explanation of that, Mr. Minister.

Hon. Mr. Schoenhals: — Mr. Chairman, for the member's information, the program was a cost-shared program with the federal government. The program was terminated by the federal government in 1978. The federal government has confirmed December 31, 1983 as the final date for payment of all claims. There is no cut-back, that is simply the draw down that is left on the grant program.

Mr. Shillington: — With respect to urban parks, Mr. Minister. The city of Prince Albert were studying a park which I understand was of concept similar to the Meewasin Valley Authority or the Wakamow Valley Authority. I think they call it Little Red River Study. I understand that the city of Swift Current had a similar study. The question is: did these projects ever proceed beyond the question of a study or where do these two matters stand now?

Hon. Mr. Schoenhals: — The studies have been completed, 50 per cent paid for by provincial government, and decision and implementation has been deferred for one year.

Mr. Shillington: — On both of them — is that what I understand?

Hon. Mr. Schoenhals: — Yes.

Mr. Shillington: — With respect to the board of examiners — I got a list of who sat on this about six weeks ago. I just ask you to confirm that there have been no changes in the makeup of the board since February 1.

Hon. Mr. Schoenhals: — There has been one change. Mr. Forrest Peterson has replaced Mr. Tom Hart as the SUMA (Saskatchewan Municipalities' Association) representative.

Mr. Shillington: — The community capital fund: the question is whether or not any project application were denied under this program?

Hon. Mr. Schoenhals: — If I understand the question, it's whether any applications have been denied; the answer would be yes. Applications that did not meet the criteria of capital funding — mistakes by some municipalities that have attempted to process

applications for operational.

Mr. Shillington: — Just one final question with respect to the EMO (emergency measures organization): again, why the decrease in staff?

Hon. Mr. Schoenhals: — The responsibility for the transportation of dangerous goods has been transferred from the emergency measures organization to the Department of Highways.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, this has to do with the grants for recreation and cultural facilities — not the new program, but the old one and the circumstances under which emergency grants or special grants are made to some of the communities who have had problems and there were certainly a number under the previous government, and I suspect, a number under this government. And my question really is: are they dealt with on an ad hoc basis, or is there some sort of a formula or other pre-stated criteria that deal with those sorts of problems, which almost inevitably arise?

Hon. Mr. Schoenhals: — Those types of problems are not dealt with by Urban Affairs.

Item 1 agreed to.

Item 2 agreed to.

Item 3

Hon. Mr. Blakeney: — Referring to community planning, a reference has been made to a new planning and development act. Is the minister in a position to indicate when the provisions of the act will be public?

Hon. Mr. Schoenhals: — It's public as soon as it's introduced in the House — during the spring session. Is that the question? . . . (inaudible interjection) . . . During this session.

Hon. Mr. Blakeney: — What you're saying is that you expect to have the act come in during this session, but you're not . . . Let me put it the other way. Are you able to be more precise than that? Is it likely to be soon or is it likely to be some weeks from now?

Hon. Mr. Schoenhals: — That's a decision for the House Leader, and I imagine it depends on how quickly we get through the business of the House.

Mr. Shillington: — I want to pursue that, because the minister from consumer and corporate affairs said that the other day. I assumed it was just a slip of the tongue, but I've heard that repeated twice now. Heretofore it was not particularly a function of the House Leader to orchestrate introduction of legislation. Legislation was introduced when it was ready. It was his function to orchestrate its passage through, by calling one bill or the other. But its actual introduction was simply a factor of getting it in as soon as it was ready.

The minister of consumer and corporate affairs suggested to us the other day that it was their intention to deal with estimates first, and then go on to legislation. Is that what

the minister's saying when he's saying it's a function of the House Leader — that you're not going to introduce the legislation until we deal with the estimates?

Hon. Mr. Schoenhals: — No, I don't believe that's the intent of my statement. We'll introduce that bill as soon as we can. I have indicated to you, and I would indicate to the Leader of the Opposition, we are as interested as you are in getting that piece of legislation before this House at the earliest possible date. We would like to have that piece of legislation in place for the construction season in 1983.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, may I just urge the minister to follow the course of action he is now outlining. It has been my experience that almost regardless of the amount of consultation you may have done in advance of bringing in legislation, there is somebody, and frequently some important groups, who have not fully acquainted themselves with the circumstances until the legislation comes into the House and it begins to be talked about in the press.

Under those circumstances, the earlier one can introduce the legislation and call it for second reading (not necessarily to dispose of the second reading, but simply to have it discussed in a way which will cause a story or two to be written, and people to apprise themselves of the contents), will possibly avoid any circumstances where people who ought to know about the bill and ought to be informed about it have an opportunity so that they will not be deprived of an opportunity to say something, and to respond to it.

I'm not saying anything the minister doesn't agree with, but I'm simply saying that even with legislation which . . . I think of an education bill which we introduced and which was around for months and months, and which was circulated very widely, but when the final draft came in there were people coming around indicating that they hadn't really been aware that all this had been going on.

No doubt the community planning people are perhaps a small constituency than the education people, but they're a very considerable constituency in themselves. And there are a great number of people, be they contractors or councils of small municipalities . . . The cities will know, of course, but the councils of small municipalities, all manner of other people who are affected by this type of legislation . . . I think it is desirable that they have every opportunity to contribute and I know that you will have consulted them, but I urge early introduction.

Hon. Mr. Schoenhals: — I concur with the majority of your statements. I should indicate that community planners . . . I have a meeting arranged with them. I will be meeting with SUMA (Saskatchewan Urban Municipalities' Association) tomorrow, basically for the purposes you have indicated. I will emphasize one more time that we have undertaken a very wide, far-ranging opportunity for public input to this time. We will continue along that line. I apologize that the opposition has not been included in that, but we will introduce the bill as quickly as we can in this session and give you time to pursue it.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, I apologize for spreading the ambit of this discussion, and perhaps some of it might well be done under legislation, depending upon what sort of legislation is introduced. One of the really difficult problems of community planning is to give the cities and major towns some voice or veto power in the development which takes place in the municipalities around them, without giving them the power to usurp the functions of the operating municipalities, the RMs, or others which may be around.

In a great number of places in North America that problem has not been adequately solved and you get highly undesirable suburban or urban development. We have, for the most part, avoided the worst of that in Saskatchewan, and I wonder if the Minister would give us some outline of his philosophy of what voice you think the city of Saskatoon, or take another city if you like, ought to have in the zoning decisions and the community planning decisions with respect to land which is not within the corporate boundaries of the city of Saskatoon, but is in the surrounding areas, say in the RM of Corman Park or some other area.

I don't mean to put the Minister on the spot with any buzz-words of regional government or anything like that. I'm just asking what the general philosophy is.

Hon. Mr. Schoenhals: — We have already consulted with all the urbans and rurals, and rural/urban conflict, I suppose, as a synonymous term with what we're discussing, is one of the thrusts of the legislation. I don't know if we will come up with any magic solutions. There are in place now, opportunities for co-operation, if you will, between the groups in order to solve problems. Those will continue and be expanded. There will not be a fourth layer of government, if you will. On the other hand, that type of co-operation and problem solving is a major concern and we are attempting to address it. I don't know if I've answered your question but that's where we're at.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, at one time it was required . . . If one wished to subdivide land within five miles of the city of Regina, within five miles of the corporate boundaries of the city of Regina, a consent from the city of Regina was necessary. I don't know whether that's still the law or not. It was one mile with respect to towns, and a half a mile with respect to villages, and there was, in effect, a buffer zone where the urban had some veto power. I don't know whether that was a successful manner of approach or not, but I'm asking whether that is still the situation and whether you have any further comment on that particular issue.

Hon. Mr. Schoenhals: — No, that power does not exist at this time. The urban municipality, in this case, Regina, does have to be consulted through a district commission, but the final authority rests with the jurisdiction within whose boundaries the subdivision is taking place.

Item 3 agreed to.

Items 4 and 5 agreed to.

Item 6

Hon. Mr. Blakeney: — What is the function of this branch in . . . Is this the one that administers The Municipal Water Assistance Act or does it have other functions, and does it have other functions?

Hon. Mr. Schoenhals: — The answer is yes, it does, and there are other functions. If you would like, I would simply list them for you. The major programs delivered by this branch include The Municipal Water Assistance Act, The Water Pollution Control Assistance Act, the Qu'Appelle Municipal Waste Treatment Interim Subsidiary Agreement on Water Development, Lloydminster Special Water Grant, Agricultural Service Centres Agreement.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, referring to the Qu'Appelle agreement — and I think this is spread over a couple of departments and I would direct it to you — could the minister advise what activities of a cost-shared nature under the Qu'Appelle agreement with the federal government are to be carried out during the current financial year?

Hon. Mr. Schoenhals: — Mr. Chairman, under that program I can only give you that that is involved in our department. For 1983-84 the work proposed at Moose Jaw is the construction of irrigation laterals and installation of equipment, work proposed for Regina Beach includes construction of a sewage lagoon, possible pumping facilities for effluent irrigation. There is also one other small program, \$12,000 for the village of Tantallon; it's a separate program and under the same heading.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, referring to effluent irrigation and referring to the experiment which has been carried on in the Moose Jaw area, south of Moose Jaw. In this area, could the minister advise me whether that, any participation by the Government of Saskatchewan in that venture is through the Department of Urban Affairs?

Hon. Mr. Schoenhals: — Yes, that's the Moose Jaw item that I just outlined.

Hon. Mr. Blakeney: — Could the minister advise the committee about whether or not that experiment is considered to be a success? Is it likely that effluent irrigation is likely to offer opportunities for the disposal of the effluent that is now in a good number of sewage lagoons about, and offer a useful source of soil nutrients as well?

Hon. Mr. Schoenhals: — Just to clarify, if I could, it's not an experiment. The experimental portion was carried out at Swift Current a number of years ago. This is an operational project that's designed to take the, solve some of the problems in the Qu'Appelle that you are familiar with. Yes, it's been successful, it's something I think that has possibility for some positive implications in dealing with the water, the sewage concerns in the province.

Hon. Mr. Blakeney: — This is a more generalized question. If the minister feels someone else should answer it, fine. Has the department reached any conclusions as to the extent to which the water quality problems in the Qu'Appelle River, particularly algae bloom problems in the summer, the extent to which that is caused by urban sewage problems, and the extent to which it may be caused by the application of agricultural fertilizers and the extent to which it may be caused by some other causes, known or unknown.

Hon. Mr. Schoenhals: — I believe, Mr. Chairman, to the Leader of the Opposition, that is a question better answered by the Department of Environment. Just as a comment, during the water hearings we were informed at one of our stops that last year the water in the Qu'Appelle, especially in the lower end, they felt had made some dramatic improvements and so, hopefully there are some positive things taking place through this program.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, I was out for a period and it may well be that this matter has been covered. But have we had any comments on the government's intentions with respect to the construction of the Rafferty dam? Have you given any policy statements on that?

Hon. Mr. Schoenhals: — No.

Hon. Mr. Blakeney: — Very good. Mr. Chairman and Mr. Minister, referring to a project which is from time to time mooted, and sometimes called the Rafferty dam project, there was a report some time ago that a \$30 million figure in discretionary money referred to by Urban Affairs Minister Paul Schoenhals was a possible source to finance the pipeline, and we dealt with that. The story suggested that it also might be a source — if I recall the story right — that it might be a source of money for the Rafferty dam. Would the minister give us a statement on the present position of the Government of Saskatchewan with respect to the construction of the Rafferty dam?

Hon. Mr. Schoenhals: — Well I don't believe that the construction of the Rafferty dam could be construed as an urban problem, but I will indicate that as of today there has not been a decision reached on whether or not to proceed with that project.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, one of the purposes of the dam is alleged to be industrial and domestic water supply for Estevan. It would be presumably also for flood control and for other purposes. Does the Government of Saskatchewan have any studies under way at the present time with respect to the possible construction of the Rafferty dam?

Hon. Mr. Schoenhals: — Mr. Chairman, the proposal for the Rafferty dam grew out of the Souris Valley study — 'Souris Basin Study,' I believe it was called. I'm not aware of any studies currently under way by this government on that topic.

Hon. Mr. Blakeney: — Now I'm referring to some comments attributed to the Minister of Finance, Mr. Andrew:

More details emerged Thursday on Finance Minister Andrew's announcement of a new crown corporation, including the possibility that Rafferty dam might be among the projects the utility will oversee. Rafferty dam would 'Certainly be within the gamut of the new crown water utility,' Andrew said, 'although there is still a lot of head-knocking to come before it will go forward.'

My question really to the minister is: in what agency of the government is this head-knocking taking place? If no studies are going ahead under water assistance or any other agency of Urban Affairs, is the minister aware of any studies, head-knocking or otherwise, being carried on by any other agency of the Government of Saskatchewan?

Hon. Mr. Schoenhals: — As I indicated, I'm not aware at this time. It doesn't mean that there aren't studies going on. My interpretation, and I again don't want to attempt to put words in his mouth or thoughts in his head, but I believe that the Minister of Finance was referring to the habit, if you will, that this government has of talking to the people before we make those types of major decisions. And I think head-knocking in that term meant that the government, through whatever agency, would be doing a lot of talking with the people in the area, the people who will be impacted upon.

Hon. Mr. Blakeney: — I noted, Mr. Chairman and Mr. Minister, that the minister said that the government will be doing a lot of talking, and I . . . (inaudible interjection) . . . Yes, but I'm now asking about the talking. We've heard many times that the government

listens, and that's very fine but, my question really was, did you listen when you were down at Estevan, to the proposals for the Rafferty dam, and when are you likely to be in a position to do something other than listen? When will you start talking? Are you prepared to dialogue with them as opposed to simply listen mutely?

Hon. Mr. Schoenhals: — Mr. Chairman, I believe that the people who attended the water hearings in Estevan, and there were a number of proposals and discussions on the Rafferty dam, would be very satisfied with the amount of listening and talking that we did, in terms of a definitive answer on when the project will go ahead. I don't have that at this time, if that answers the question.

Hon. Mr. Blakeney: — Yes, Mr. Chairman, that's very helpful. So, you obviously have talked with them down there, as opposed to listen. And, what I'm asking the minister is: would you tell the House what you told them, about Rafferty dam?

Hon. Mr. Schoenhals: — We told them that before we made any decisions, we would dialogue with all the interested groups. I don't believe that at that hearing, on that morning, in a very crowded room, in a constricted amount of time, we were able to hear all the interest groups involved, but we indicated that we took note of their concerns, that we would continue to dialogue with them and with other interest groups, prior to making any final decisions.

Hon. Mr. Blakeney: — Yes, and well, we had the member for Weyburn saying it was a splendid meeting, and there's no reason, therefore, that the committee shouldn't have the full benefit of all of the policy statements that the minister made at this excellent meeting. And, I know that the people of Estevan and Weyburn are far too shrewd to assume it's an excellent meeting simply because someone is listening to them. That is highly desirable, but they also would like to know what the government is saying. And, what I'm . . .

An Hon. Member: — I don't know why. It's never happened before. I want to know why this never happened before.

Hon. Mr. Blakeney: — Well, the suggestion is that they may have wanted to know why it never happened before. I doubt whether that's the case — I suspect they wanted to know whether it was ever going to happen in the future, and, I think that's the question I direct. Whatever it may have been done or not done in the past is a matter of interesting history. What is going to happen in the future is a matter of policy, and that is what I am asking the minister. What is the policy and what statements of policy have you made with respect to Rafferty, on behalf of the government of

Hon. Mr. Schoenhals: — I would like to expand, if I might, on the comment of my colleague from Weyburn. People all across this province, during those two weeks indicated to us that this was, indeed, a unique experience for them to be able to come and actually have input before government decisions were made. I repeat: we went and listened, we took note of their concerns, and we did not go there to tell them what the policy was. I can assure you that we will return. Having taken note of their concerns, having assessed them, we will reach a policy, and we will make that policy known in due course.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, I wonder if the minister would advise us of what particular concerns with respect to Rafferty is he now considering. You heard, doubtless, a number of concerns expressed with respect to a Rafferty dam

project and you are now considering them. Would you outline what are some of the major concerns that were expressed that you are now considering?

Hon. Mr. Schoenhals: — ‘In terms of concerns,’ I believe was the question. A couple, for instance, that were expressed to us in terms of the flooding — a considerable amount of very worthwhile agricultural land might be inundated — that was a concern that was expressed. Some oil wells would be flooded — that was a concern that was expressed. A couple of people indicated that living downstream, the dam might break and they’ll all be drowned in a tidal wave. There were a number of concerns expressed to us. We’ve considered them all or are attempting to.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, have you, or any one of your colleagues — and if so, you could indicate which colleague — held any discussions with any officials of the state of North Dakota or the Government of the United States with respect to any possible joint financing arrangements for Rafferty?

Hon. Mr. Schoenhals: — I have not and I’m not aware of any who have, but don’t eliminate it.

Item 6 agreed to.

Item 7

Hon. Mr. Blakeney: — Mr. Minister, have there been any changes in the personnel of the provincial planning or appeal board?

Hon. Mr. Schoenhals: — Yes, Mr. Chairman, there have been changes. The current make-up of the board is Mr. H.E. Wellman from Saskatoon; Mr. M. Butterfield from Swift Current — in athletic terms those are hold-overs. The rookies are D. Pratt and P. Breese from Regina, as well as A. Hosie from Regina, B. Pultz from Saskatoon and G. Richardson from Semans. The chairman is Mr. H.E. Wellman.

Hon. Mr. Blakeney: — Would you know whether Mr. Richardson is the same person who was the Progressive Conservative federal candidate for the Lake Centre constituency?

Hon. Mr. Schoenhals: — I can tell you very honestly, sir, I do not know.

Hon. Mr. Blakeney: — You don’t know any Mr. George Richardson from Semans. That’s not known to you. Well, I’m disappointed.

Hon. Mr. Schoenhals: — Mr. Chairman, my colleague, the Minister of Health indicated that he is in fact the gentleman you referred to.

Hon. Mr. Blakeney: — Could you tell me what line of business Mr. D. Pratt is in? What is his occupation?

Hon. Mr. Schoenhals: — Mr. Chairman, I don’t have that information with you. If the Leader of the Opposition wishes, we could send him a thumb-nail sketch on the membership of that board, if that’s what he wishes to know.

Hon. Mr. Blakeney: — I’m wondering whether the minister knows, let us say, what

line of business Mr. Breese is in. You have recommended these people for the planning appeal board. I'm curious to know whether you know their background.

Hon. Mr. Schoenhals: — At the time that I was making the recommendation — I'm not personally familiar with these people — I was working off information that was printed. I am prepared, if it is your desire, to send you a thumb-nail sketch on each of the members. The answer to your specific question would be the same as the previous one.

Hon. Mr. Blakeney: — Some of these people I know and I'm frankly surprised the minister doesn't. I'm asking whether the minister knows, not . . . Do you know what line of business Mr. Hosie is in?

Hon. Mr. Schoenhals: — I don't know what line of business Mr. Hosie is in. These people . . . (inaudible) . . . Regina. I do know what Mr. Pultz does. Would you like to know what Mr. Pultz does?

Hon. Mr. Blakeney: — I just asked about Mr. Pultz, Mr. Breese and Mr. Hosie and I take it the minister is not aware of what line of business they're in.

Hon. Mr. Schoenhals: — If it is important, I could ask my colleagues. Apparently Mr. Hosie is in real estate. I could ask one of my Regina colleagues or as I indicated, I can send you the information.

Hon. Mr. Blakeney: — Well, you can suit yourself. You're giving answers. You're giving the answers . . . (inaudible interjection) . . . I say, the minister may inform himself or not, as he sees fit; I would not undertake to advise him. Pratt, Breese and Hosie were the names.

Hon. Mr. Schoenhals: — We have two out of three. We've been successful . . . We've missed on Dave Pratt; possibly you could settle on hockey player, I'm not sure Breese is an engineer, professional engineer, has recently been transferred to Calgary and will have to be replaced, but as of this time is not. Hosie is in real estate. This is very similar to a lot of our question periods, but . . . (inaudible) . . .

Hon. Mr. Blakeney: — No, the point I am making is, it is my information that Mr. Breese is or was associated with Breese Realty . . . (inaudible interjection) . . . Well, that's your . . . The minister will, I know, correct me. And Hosie is connected with Hosie Realty and . . . (inaudible interjection) . . . There's no suggestion that there's anything wrong with the people. My point is whether or not active realtors should be on a planning appeals board. And I have real doubts as to whether people who are active in the real estate industry, currently active and who therefore have a very considerable interest in the zoning of particular parcels of land, quite properly so, should be acting in any quasi-judicial capacity with respect to appeals from local zoning regulations, and decisions. It is my belief that the provincial planning appeals board in effect does act as a tribunal from zoning decisions by local governments and I have real doubts as to whether active realtors, who are dealing daily with parcels of land whose value is very considerably affected by zoning decisions should be on the planning appeals board. I put that position to the minister, and would invite him to respond.

Hon. Mr. Schoenhals: — I'll take note of the comment. I don't agree, but I would think that the fact that Mr. Wellman is a city planner and Mr. Butterfield is a city manager, both returnees — members of the board that your government put in place — have an equal interest in the whole process. And I think it would be impossible to set

a planning appeals board in place that had the knowledge that was necessary to make, or expertise if you will, to make those type of decisions, without having people who had some interests in that.

There is only the one realtor on the board, and I am sure that as in any municipal government anybody with a conflict of interest would certainly excuse himself if he was personally involved in a decision.

Hon. Mr. Blakeney: — Well, Mr. Chairman and Mr. Minister, I would be surprised and I am surprised to hear the minister equate the conflict of interest that might be suffered by Mr. Bert Wellman, as a senior official of the city of Saskatoon, who I am sure would have no personal interest in any land the zoning of which was under consideration, and a member of the provincial planning appeals board who is in the real estate business. Nothing wrong with that, but who may well have a personal interest and whose business can, even if the personal interest is not direct, could be significantly affected by decisions of the provincial planning appeals board.

And accordingly, I think that there's a sharp difference between having a senior municipal official, like Mr. Wellman, and a person who is actively in the real estate business, even though if you are having someone who is active in the real estate business, I have no objection to Mr. Hosie as a person. I want to underline that. I've know him for many years, and I'm not raising any personal objection to Mr. Hosie. My objection is the undesirability of having people who are currently active in the real estate business on the provincial planning appeals board.

Hon. Mr. Schoenhals: — I'll take note of your concern, I might, just by way of clarification, indicate that Mr. Ed Breese, the realtor, passed away about a year ago. This is not he that's on this list.

Hon. Mr. Blakeney: — Without getting into this farther, there was more than one Breese in the real estate business in Regina. And, the . . . (inaudible interjection) . . . Oh, the son was in the business, too . . . (inaudible interjection) . . . Stand corrected. Son, who used to work for the government of Sask at one time. And Ed's son was also in the real estate business. But I will not get into this.

Item 7 agreed to.

Item 8 agreed to.

Item 9

Hon. Mr. Blakeney: — I wonder, Mr. Minister, if I might revert to the assessment appeal board for a relatively simple question. A relatively simple question. How does this board relate to the assessment commission — this free-standing body we have set up? I take it the commission makes judgements, and the appeal is to this board.

Hon. Mr. Schoenhals: — Mr. Chairman, I believe the Leader of the Opposition's question is the relationship between the Saskatchewan Assessment Appeal Board and the assessment authority. The assessment authority is the body that carries out assessment on behalf of municipalities and school boards, government agency. The assessment appeals board would be where people in dispute would take their appeals.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, just a brief comment on why

that amount is so much reduced. Has it been transferred to another agency?

Hon. Mr. Schoenhals: — No, that's a cost-shared program, federal-provincial. The federal program ended in 1978 — they've identified 1983 as the end of claims. It's the draw down.

Item 9 agreed to.

Item 10

Hon. Mr. Blakeney: — Would you give us a list of the towns now receiving benefits, or proposed to receive benefits under the industrial town. In fact, which ones have been designated industrial towns?

Hon. Mr. Schoenhals: — Is that two questions? There's one town scheduled to receive financing under this program this year, that is Coronach. Coronach is not the only designated industrial town, though. Do you want the list?

Hon. Mr. Blakeney: — I was going to ask whether there had been any designation of Nipawin.

Hon. Mr. Schoenhals: — No, not at this stage, but it's obvious something that has to be considered.

Hon. Mr. Blakeney: — And Coronach, although Lanigan or some others may well have been designated at some time in the past, Coronach is the only one where you anticipate will get any of this \$250,000.

Hon. Mr. Schoenhals: — The designated towns at this time are: Allan, Lanigan, Delisle, Hudson Bay, La Ronge, and Coronach, Coronach being the only one to receive funding this year.

Item 10 agreed to.

Item 11 agreed to.

Item 12

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, with respect to urban revenue sharing, and with respect to the formula, is it proposed to remove fuel entirely, or gasoline and diesel fuel entirely from the formula, so that the formula will swing only on sales tax, income tax and personal and corporate income tax?

Hon. Mr. Schoenhals: — As the Leader of the Opposition has indicated, the removal of the gas tax has necessitated changes in the indices that lead to the distribution of the pool. When we sat down to negotiate that with SUMA (Saskatchewan Urban Municipalities' Association), of course their position has been that it should be tied to provincial income or provincial expenditures. When we sat down to negotiate that, in regards to next years pool, it was determined that there wasn't time to reach an agreement. As a consequence, we froze that portion of the pool and added 7 per cent to everybody's unconditional funding for this year. We are in a year-long process of negotiation with SUMA, in which we will reach a decision on that specific item, and consequently it's still being negotiated. I can't give you an answer, exactly. We are also

opening that negotiation up to all areas of urban funding.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, the intention of the original urban revenue sharing formula was to anchor the formula, not to tax receipts or expenditures, but to tax bases. Thus, through personal income as opposed to receipt from personal income taxes, or corporate income as opposed to receipts from corporate income taxes, or retail sales as opposed to the receipt from retail sales taxes, so that the municipalities would not be affected by any change in the rate which the provincial government might make for its own purposes, and quite proper purposes. Obviously, that would permit fuel to be still a bases, although the rate has been changed to substantially nothing, because of the fact that it is now only collected on rail and air transport fuels. And it may well be, therefore, that that base should be eliminated from the formula.

Is it proposed basically to follow the same idea to arrive at a formula which is based upon, which is anchored upon tax bases, that accordingly is not affected by changes in rates that the provincial government may bring in? Or is it proposed to come up with some very different formula based either on provincial expenditures or provincial income?

Hon. Mr. Schoenhals: — Mr. Chairman, the point I was making when I introduced those other concepts or other ideas in the negotiations was that was SUMA's (Saskatchewan Urban Municipalities' Association) position. SUMA has indicated that they would prefer to have the base tied to either provincial income or provincial expenditures. For our part, we are listening and negotiating. We have not finalized the position, and as it's early in the year we are intending to go through a 12-year, through the fiscal year negotiation process to arrive at something that meets the needs both now and in the future and is acceptable to both parties.

I don't know if I'm skating around the answer you're looking for, but that's the status of the negotiations.

Hon. Mr. Blakeney: — I'll just make a very brief comment. I think there's a lot to be said for using the tax base rather than the tax, and I think there's a lot to be said contrary to the currently stated SUMA position. If the currently stated SUMA position had been in effect when the gas tax was removed, you can know that SUMA would not have likely accepted that. They would have said: you have affected our revenues; now you must compensate. That is what provinces have done consistently with the federal government and that is why basically the federal-provincial ones have tended to be based upon tax bases rather than tax rates, and they have been a great deal more successful when they have been so based in latter years.

So, for what it's worth, I offer that comment, since in my judgement what we need for our urbans is a predictable flow of cash which they know they are going to get within given limits, which is not materially affected by decisions which the provincial government may make, on quite other grounds, as to the rate at which they raise money or the rate at which they spend money. And it strikes me that if we are to make our urbans as independent as possible, then the way to make their financing independent is to tie it to things which are not ordinarily within the purview of the province to change; that is, the retail sales or the personal income or the corporate income. These are simply not able to be changed by a provincial government and therefore . . . and I'm not suggesting for one moment that a provincial government would change them

adverse to the urban simply to be adverse.

But provincial governments can make decisions with respect to how much money they raise and how much money they spend on grounds which are perfectly proper. A restraint program may or may not be proper. It could affect the amount of money you give to an urban when your purposes are very different from theirs. I make this comment, I don't know whether you wish to add any, but it would be . . . I would urge the minister to consider a basis which is effectively independent of provincial government, of being affected by decisions made by the provincial government for quite other purposes.

Hon. Mr. Schoenhals: — Mr. Chairman, I take note of the very legitimate points that the Leader of the Opposition has made. For the most part, I agree with the majority of what you said. I'm aware of it. I believe what we are attempting to work toward is some type of predictable funding for the urban municipalities, both in terms of the growth of the pool and its allocation. And I think that the points you make are well taken and we will certainly take them into consideration.

Item 12 agreed to.

Item 13

Hon. Mr. Blakeney: — Are there any payments to the city of Regina under that, under that vote this year?

Hon. Mr. Schoenhals: — Yes, \$100,000.

Hon. Mr. Blakeney: — I take it has, Mr. Chairman and Mr. Minister, I take it that has to do with some of the changes to the sewage system. For what purpose is it?

Hon. Mr. Schoenhals: — Mr. Chairman, we're not exactly sure. It'll be for upgrading their sewage system. The majority of the work has been done in the McCarthy Street area. If it's essential, we can sent the information.

Item 13 agreed to.

Item 14 agree to.

Item 15

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, am I correct in assuming that this represents a 20 per cent drop in grants to the Meewasin Valley Authority, to the formula grant?

Hon. Mr. Schoenhals: — Mr. Chairman, the Leader of the Opposition is correct. We will be introducing legislation very shortly to reduce that 20 per cent. It's a statutory funding as I'm sure you are aware.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, I want to express my great regret at the decision which the government has made to reduce the funding for Meewasin and Wakamow and Wascana Centre. And Wascana Centre is not strictly under this vote, but the principle, I take it, is to be applied to all three park authorities. And I want to express my regret because the sums involved are relatively small. I will

speak to Meewasin and Wascana. The sums arrived at were arrived at in effect by negotiations between the Government of Saskatchewan, the city and the university, and in the case of Meewasin at one time, the RM, which is not now relevant.

The provisions of the act were essentially the enactment of an agreement made whereby the various participants agreed that they would provide a minimum amount. All recognized that there would be years when it would be inconvenient for one party to provide their full share, and later it might be a year when it would be inconvenient for another party to provide the full share. But they all committed themselves and I think in the case of Wascana at times it was inconvenient for the city of Regina, but they none the less put up the money. At times it was inconvenient for the province of Saskatchewan and it has been widely reported that at one time or another Mr. Thatcher's government felt that they were hard-pressed, but they always met their payment. This has meant that in the case of Wascana the funding has been something which could be counted upon.

This is particularly important, I think, for Meewasin and Wakamow where they are new and where they therefore need to know that their funding for the first several years is secure so that they can make sensible and rational plans for long-range landscaping improvements. It is not, I suppose, to be suggested that a cut-back of one year of 20 per cent will necessarily be fatal but it does open the floodgate. It is clear that the funding for these parks is now not as was previously thought to be the case — a statutory funding pursuant to an agreement arrived at by three parties, which could not be unilaterally changed — but is now something which will be at the discretion of the provincial government to which discretion the city and the local authorities in the university will have to respond.

I think that is a very, very major change in the entire nature of these particular authorities and the manner in which the funding is to be provided. If the minister could assure me that a formal agreement has been signed between all the parties involved, varying the previous funding agreement and that he is enacting what is essentially a formal revision of the agreements, then I would be somewhat reassured. But if, in fact, it is a decision by the Government of Saskatchewan which was made, and then the minister presumably asks the city and the university to agree to — and they can hardly say no, if the government has already said they'd made their decision — then I very much regret it.

And confining my remarks now to Meewasin. The item 15, subvote 29. I ask the minister whether or not there has been any formal agreement signed between the participating parties in Meewasin Valley approving of a change in the original arrangements and a reduction of the funding which was the statutory funding provided for in the act.

Hon. Mr. Schoenhals: — Mr. Chairman, there has been no formal signed agreements; there have been informal discussions between the city and the government — university's funding is basically government funding — there have been informal discussions.

Hon. Mr. Blakeney: — Does the minister say that the city of Saskatoon, for example, has — and they undoubtedly passed a resolution of the city of Saskatoon approving of the funding arrangement which is now incorporated in The Meewasin Valley Authority Act — had they been asked to pass a resolution approving of a different level of funding?

Hon. Mr. Schoenhals: — At this point, Mr. Chairman, they have not been asked to pass any resolution. They're certainly within their rights to continue to fund Meewasin at the present rate.

Hon. Mr. Blakeney: — I think that comment is revealing. Obviously they're within their rights to put any money in there. But that was not the idea. The idea was that the parties would commit themselves and it was not the unilateral decision of any one party to change the deal. The minister is suggesting that it is appropriate for the Government of Saskatchewan to change its bargain, and if the Government of Saskatchewan wishes to put in less than the amount provided for in the statute, then obviously, the other ones can make it up. That obviously is the case, but that is breaking the bargain.

How does the minister — what arguments does he use to support the position taken by his government that the previous arrangement, and a very formal arrangement it was, should no longer obtain and that he should propose that the arrangement be upset by legislation rather than be varied by the full agreement of all the participating parties?

Hon. Mr. Schoenhals: — Mr. Chairman, I would repeat what I indicated earlier in the evening, that it was basically, from our point of view, a matter of priorities that the funding that we have available in difficult economic times has been directed to what we consider the essential services of government. I think it's fair to say that in Meewasin's case, since the original act was put in place, there has been a considerable reduction in their area of control, in their area of authority. The Leader of the Opposition has indicated that Corman Park has been considerably reduced by further amendments to the act, and so in answer, it's simply been a priority question. We have made some difficult, and we believe, responsible decisions, and this was simply one that we felt at this time we had to make.

Item 15 agreed to.

Items 16 to 22 inclusive agreed to.

Item 23

Mr. Shillington: — Yeah. I'm here to ask some informational questions, here. I recognize that an agreement was signed some time ago, some weeks ago. I am wondering what that agreement provides for, and what that agreement will accomplish. To what stage will your latest agreement with the city and with the federal government and interested parties . . . To what stage will that take us?

Hon. Mr. Schoenhals: — The agreement, Mr. Chairman, will take us to the point where application is presented to the CTC for approval to enter phase 1.

Mr. Shillington: — Well, perhaps you will refresh my memory as to what phase 1 is.

Hon. Mr. Schoenhals: — Phase 1 is . . . The proposal is to move the CN lines which run through the north-west portion of the city, north outside the city limits.

Mr. Shillington: — Ah! So this does not affect the CP track. This deals exclusively with the CN tracks. Is that what I understand you to say?

Hon. Mr. Schoenhals: — That is correct if . . . From the agreement, if you will, phase 1 means the railway relocation project consisting of the relocation of CN yards, the interrelated CN main line and industrial tracks and the CP Lanigan subdivision line. There is that one small element . . . CP Rail is involved. Not the main line.

Hon. Mr. Blakeney: — I understand the minister to say, and I'm just refreshing my memory on this, that the contribution of \$1.27 million, together with the contributions by other parties, will do all of the work necessary — the engineering and other work necessary — to make an application to the CTC for the putting of the CN yards in the north-east corner of the city, if I may put it that way, and all of the CN portion, but will not involve any actual movement of track. That doesn't cover any of the project as such, other than the planning of it and the application to the CTC.

Hon. Mr. Schoenhals: — Yes, that's correct.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, I wonder if you can tell me what is thought to be the timetable for this phase 1. I think we all understand that phase 2 is a good deal more iffy. What is thought to be the timetable for phase 1 if all goes well?

Hon. Mr. Schoenhals: — The city of Regina hopes to go to the CTC in June or July of this year — originally intended for March, but as you're probably aware there was some community concerns out there and there's been some discussion about moving a little further north. They hope to go in June or July. There will then be a period of time while the CTC makes their decision. Once the decision has come down the estimated time for completion of phase 1 is five years.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, may I ask a narrow question with respect to the recent changes in the proposal of phase 1? As I recall it, there was a proposal, I think, acted upon to move the line as it goes past north-east Regina an additional some hundreds of yards to the north and perhaps to the east or north-east. I saw some curious reports. The argument is that it is really quite close to the housing development north of the Ring Road. One of the arguments that was advanced in favour of the moving was that it in effect meant that another strip of land was available for development. And I wanted to ask the minister whether or not that argument was sound, and if so, was the development intended to be residential in nature, in which case we simply compound our problem, or whether it was going to be industrial or something which could stand being a little closer to the tracks?

Hon. Mr. Schoenhals: — Mr. Chairman, I believe it's important to emphasize that the decisions regarding what will go in the application rest with the city of Regina. We are not actively involved in those decisions, other than the funding at this time.

As I recall the specifics of the incident, there is a certain amount of land. The proposal is to move the lines 800 feet to the north. And the reason, or one of the reasons at least, is that the land that will then be available for development, primarily residential but some commercial, is already serviced. And so the city would tend to gain from the sale of that serviced land, and so on. It's an 800-foot move.

The final decision on where, in fact, that line goes — whether it's 800 feet north, whether it's the original proposal, or whether it's somewhere else — rests with the CTC. And the role of the city is to prepare the thing and take it to the CTC for a decision.

Hon. Mr. Blakeney: — It may well be that the minister does not feel that he wishes to comment. But the . . . Some people in the northern portion of the city — in the constituency of the member for Regina North — are somewhat puzzled by this. Let me try to put the issue this way. They felt, as put to me . . . They felt that the line was going to be too close to the houses. So, they were asking that it be moved so it would not be any closer to the houses. And, Mr. Klein will be aware of some of the petitions. There is every prospect that the line will be moved some distance farther from the existing housing.

This decision was accompanied by comments to the effect that this would leave more land for development. Now, that puzzled the people who approached me saying, well, either they're going to put housing in there, which doesn't make sense because there's no point in moving it away from the existing housing, and merely put other housing in, which would then . . . The new housing would then be too close to the tracks, or they're going to put something else in there. Industrial and that's it, or light industrial, or something like that? And now the existing homeowner is saying, 'What else is going in there?' That latter question is the one which I am raising with you.

Hon. Mr. Schoenhals: — Mr. Chairman, a couple of points that have to be clarified. There's a 3,000 foot buffer zone indicated. You talked about the . . . (inaudible interjection) . . . 1,000? Excuse me, 1,000-foot buffer zone. The proposed serviced land is on the west side of Albert. All right? The concern of Mr. Klein's constituents — a concern that he has dealt with at some extent — as he presented it to me, is slightly different.

Their concern is not so much the line as the yards. It's the proximity of the yards that bothers them. With the proposed move 800 feet to the north, the yards will be taken an additional 425 feet away from the area of concern. And apparently there's a geographic buffer area that's fairly natural there, as well. And they seem, because of the excellent work of the MLA from Regina North, to be fairly satisfied with the present proposal.

Some Hon. Members: Hear, hear!

Hon. Mr. Blakeney: — I now think I may understand this, that the moving of the yards to give the additional distance between the existing yards and the existing housing north of the Ring Road, will in fact increase the distance between the existing housing and the yards. But the land for development, which was referred to, is not land in that existing gap, but land west of Albert Street.

An Hon. Member: — Right.

Hon. Mr. Blakeney: — Well, that answers it, and that, I think, will reassure some of them who felt that somehow some other development was going to take place in this increased buffer zone, and if it wasn't housing, what was it going to be?

Item 23 agreed to.

Item 24 agreed to.

Item 25

Mr. Shillington: — You are not going to start housing at this hour, are you? . . .

(inaudible interjection) . . .

No. No, no, Mr. Chairman, I think you don't understand. This is a different minister. Subvote 25 begins housing. That's a different minister; that's the Minister of the Environment. Well, in fact, I saw him go home, so, I assume you are going to call it 10 o'clock . . . (inaudible interjections) . . . Oh, oh, Local Government Board.

Yes let's skip this and do Local Government Board and get that out of the way. I'm prepared to do Local Government Board. In fact, I personally have no questions of the Local Government Board, so I look to my colleagues, do you have questions? . . . (inaudible interjections) . . . Then I think, Mr. Chairman, if I could just continue this, I think the rest of this should be adjourned till Mr. Hardy gets back — it's his items, the housing is done by Mr. Hardy . . . (inaudible interjection) . . . yes, but he's . . . The minister in charge is Mr. Hardy.

Hon. Mr. Schoenhals: — There are, however, a couple of other items beyond that in the estimates, under the Heritage. We'll just run those up.

Mr. Shillington: — We'll finish up the Urban Affairs.

CONSOLIDATED FUND LOANS, ADVANCES AND INVESTMENTS

URBAN AFFAIRS

Vote 62

Items 1 and 2 agreed to.

Item 3

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, I refer to item 3 of vote 62, and ask: what municipalities pursuant to downtown development agreements, what municipalities are likely to get loans?

Hon. Mr. Schoenhals: — Prince Albert.

Item 3 agreed to.

Vote 62 agreed to.

SASKATCHEWAN HERITAGE FUND BUDGETARY EXPENDITURE

URBAN AFFAIRS

Provincial Development Expenditure — Vote 24

Item 1

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, I refer to this CC fund, 12 million. I note the reduction which I assume comes about simply because of the fact that there's a lesser draw down now, people have picked up their money. How many years has this five-year cycle got to run?

Hon. Mr. Schoenhals: — Mr. Chairman, this is year four of five.

Item 1 agreed to.

Item 2 agreed to.

Vote 24 agreed to.

Mr. Vice-Chairman: — I'd like to thank the minister and his officials.

Mr. Shillington: — I just want to thank the minister and his officials for their courtesy and their co-operation throughout these estimates.

CONSOLIDATED FUND BUDGETARY EXPENDITURE

THE LOCAL GOVERNMENT BOARD

Ordinary Expenditure — Vote 22

Item 1

Hon. Mr. Schoenhals: — Mr. Chairman, members of the House, I'd like to introduce Oren Wilson, the chairman of the local government board.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, would the minister give a general statement of whether or not any local government are in financial difficulties to the extent that their affairs are being effectively managed or under trusteeship by the Local Government Board.

Hon. Mr. Schoenhals: — Since the appointment of the present chairman, there have been no communities in that state. He understands that there was one previously, and if that's essential information we'll certainly get it for you.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, I do not need the name of the municipality in this forum. I asked whether or not in the opinion of the minister and the chairman, any municipality including the one to which you referred is in significant difficulty, or are they likely to be able to meet their obligations as they fall due.

Hon. Mr. Schoenhals: — Mr. Chairman, there are no municipalities in grave problems at this time.

Hon. Mr. Blakeney: — Mr. Chairman and Mr. Minister, I don't want to delay the matter particularly. Could the minister make a general statement on the level of municipal debt. To what extent . . . could you give the level of municipal debt at April 1st, 1982 and compare it with April 1st, 1983 in broad numbers?

Hon. Mr. Schoenhals: — Mr. Chairman, in terms of average and changes in the debt levels, we don't have that information. I think, as the Leader of the Opposition is aware, the statute allows 25 per cent of assessment. The policy or the guide-lines that both the previous local government board and this one work under are to try to maintain debt load below 15 per cent of assessment and as of this time there are no communities running over that.

Hon. Mr. Blakeney: — I ask, Mr. Minister, a purely technical point. When there is a reassessment as there has been in a city like Moose Jaw recently, does that have the effect of significantly increasing their borrowing limit, either the official or the unofficial one?

Hon. Mr. Schoenhals: — Yes, the reassessment is taken into consideration and does in fact have that effect.

Item 1 agreed to.

Vote 22 agreed to.

Mr. Chairman: — I'd like to thank the minister and his officials.

Some Hon. Members: Hear, hear!

The committee reported progress.

The Assembly adjourned at 10:09 p.m.