

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**April 14, 1983**

The Assembly met at 2 p.m.

Prayers

**ROUTINE PROCEEDINGS**

**INTRODUCTION OF GUESTS**

**Mr. Speaker:** — I beg to inform the Assembly that Mr. Bertram Senaka Bandara Tittawella, Esq., Deputy Secretary-General of the Table of the Parliament of Sri Lanka, will be a guest Clerk-at-the-Table for the next three weeks. Mr. Tittawella is a graduate of Harvard Law School with a Master of Laws, and has been at the Sri Lanka Table since 1971. I ask all members to join with me in welcoming Mr. Tittawella to Saskatchewan.

**Hon. Members:** Hear, hear!

**WELCOME TO STUDENTS**

**Mr. Schmidt:** — Mr. Speaker, I'd like to introduce to you, and through you to this Assembly, 17 grade 8 and 9 students from my constituency from the village of Goodeve, Saskatchewan, and the local district. They are here with their teacher, Mr. Fred Bohay. They are in the Speaker's gallery. I want this Assembly to welcome them, and I hope they have an interesting stay here. I will be meeting with them at 3 p.m.

**Hon. Members:** Hear, hear!

**Hon. Mr. McLaren:** — Mr. Speaker, it's my pleasure to introduce to you, and through you to this Assembly, a group of 46 law class grade 12 students from the Yorkton Regional High School in Yorkton. They are accompanied today by their teacher, Mr. Ed Magus, and their bus driver, Mr. Clarence Westerhaug. They are touring the RCMP buildings, and our Legislative Building, and later on this afternoon I understand, the Museum of Natural History. We want to thank you for taking the interest to come and see us in the Assembly, and would ask the Assembly to welcome in the usual fashion, and I'll meet them at 2:30 after question period in room 255.

**Hon. Member:** Hear, hear!

**QUESTIONS**

**1982 PCS Annual Report**

**Mr. Koskie:** — Thank you, Mr. Speaker. I'd like to direct a question to the Minister of Labour, the chairman of the Potash Corporation of Saskatchewan. Mr. Minister, yesterday you filed the annual report for the potash corporation for the year 1982. I want to say that that report spells out a disastrous year for the Potash Corporation of Saskatchewan. The report discloses, Mr. Minister, the lowest production totals in five years, the lowest sales total in more than four years, the smallest profits since the corporation first began operations in 1976 — a total loss of revenue of \$141 million over 1981.

My question to you, Mr. Minister: in this annual report it shows that in 1982 the production at PCS potash mines fell about 35 per cent, but that the production of the private potash mines fell about 24 per cent. Mr. Minister, can you tell us: why did the Potash Corporation of Saskatchewan cut back its production so drastically in relationship to the private sector?

**Hon. Mr. McLaren:** — Mr. Speaker, the answer to the hon. member's question is that the private sector companies started cutting back in 1980-81, and that's the reason why we had to cut back more in 1982, because we didn't follow the trend of the markets that you should have followed.

**Mr. Koskie:** — Mr. Minister, a supplemental. A new question, Mr. Speaker. In the crown corporations committee, Mr. Minister, you were asked to indicate what the production percentage was held by Potash Corporation of Saskatchewan, and also the sales and also in respect to the inventory. I want to read the transcript of the crown corporations. And this is Mr. Blakeney on page 194, March 3rd edition of the crown corporation record:

Mr. Minister, in 1980 you produced about 37.4 per cent of the amount and sold about 37.8 per cent. And in 1981 you produced 37.2 per cent and sold 37.74 per cent, and the variations are minor.

And you went on to say that the figures are obvious; that it's almost identical. When asked in respect to what was the total inventory at the end of 1981, you indicated, while we were producing 37 per cent, selling about 37 per cent, that in fact our inventory was only 32 per cent.

Mr. Minister, how do you in fact justify the cut-back of production in the potash corporation when these are your own facts?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. McLaren:** — Mr. Speaker, when you relate the reduction of potash production in 1982 to 1981, the latter part of the year of 1981 started to go down, and you know it. The market trend started to do that.

In 1982 you kept producing from November, December, January, February at full production. Right up to the election and right after the election we found out that we had 1.1 million tonnes of production in inventory, with no more place to put it. That's right. We got 1.1 million tonnes at the end of April.

**Mr. Koskie:** — I'd like to ask a supplemental. Mr. Minister, the PCS was competing aggressively with the private companies for market. Why did PCS sales fall off 32 per cent last year, while the private corporation sales fell off a mere 14 per cent? Why?

**Hon. Mr. McLaren:** — Mr. Speaker, I'd like to quote some percentages. January, February and March of 1981, under your administration, taking that as 100 per cent. Let's look at January, February, March, 1982, still under your administration. In that year your market dropped by 50 per cent.

**Mr. Koskie:** — Mr. Minister, new question. Obviously, Mr. Minister, you seem to be indicating great confidence for this . . .

**Mr. Speaker:** — Order, please. The hon. member has the floor. He cannot be heard. Whoever is to answer that question couldn't hear him, and I would ask for order in the Chamber so that we can proceed in a fashion that can be meaningful.

**Mr. Koskie:** — Mr. Minister, I want to ask you: since you're indicating such confidence in your management for 1983, will you give us a prediction? Obviously, you have done a projection of profits for this year.

**Hon. Mr. McLaren:** — Mr. Speaker, our projection for 1982 — we could even have a deficit. When you look at the U.S. market and the PIK (Payment In Kind) program, where the people are being paid to put land out of production, how can you sell potash to somebody like that?

On the other hand, we are not laying down. We are taking a lot of moves like moving the office from Atlanta to Chicago. We're right in the middle of the market area right now. We got our sales people on incentives. They're out working. And the other thing is that January, February, March — the first quarter of 1983 — we are 33 per cent of the same three months that you were in office last year.

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Blakeney:** — Mr. Speaker, I direct a question to the minister in charge of the Potash Corporation of Saskatchewan. My question is really a simple one. The minister has indicated that there was a significant build-up of inventory in the first two months of 1982, the year for which he has reported. My colleague has indicated that that's not the information he gave to the crown corporations committee, but let's take the minister's statement for that as accurate.

If this is so, Mr. Minister, why did you not make a greater effort to sell that large inventory? Why, in the face of what you say was a large inventory, did you see your sales drop rather than increase, and your sales as a percentage of the amount moving from Saskatchewan drop rather than increase? Why did you see PCS sales drop off 32 per cent when private sector sales dropped off only 14 per cent? Is that the way to manage a large inventory?

**Hon. Mr. McLaren:** — Mr. Speaker, I've mentioned in this House before that the biggest market is U.S. market, and the U.S. companies are going to look after their own markets.

**An Hon. Member:** — They didn't when we were in office. We know that.

**Hon. Mr. McLaren:** — When you people were in office, we didn't have the downturn in the economy that we've been facing for the last two years. However, the thing is world-wide. It's not just in Saskatchewan. We've got 40 million tonnes of production in this world. We're only selling 28 million tonnes of it in this world. We're only 75 per cent capacity. PCS is going to be in there just the same as any of the other producers, and we'll be getting our share, which we've already started to indicate.

**Hon. Mr. Blakeney:** — Mr. Speaker, a new question to the minister in charge of the Potash Corporation of Saskatchewan. As I understood his answer, he said that they were losing our market share in the United States because the American companies were looking after the American market first. If this be so, Mr. Minister, how can you

justify giving the non-United States market, the offshore market . . . How can you justify joining Canpotex with the effect that our share of the non-U.S. market has plummeted from about 60 per cent to about 45 per cent?

**Hon. Mr. McLaren:** — Mr. Speaker, the opposition knows well that two more potash companies came into the system in 1982, which reduced our share. But I'd like to remind the members opposite also that during the same period that I mentioned before their administration lost 30 per cent in the offshore market from January to January — January '81 to January '82.

**Hon. Mr. Blakeney:** — Mr. Speaker, I direct a new question to the minister in charge of the Potash Corporation of Saskatchewan. The minister seems to be confusing whether sales are going down, which may be true because world sales are going down, or whether we are losing our share of the potash market going from Saskatchewan. I say to you, Mr. Minister, and I ask you, Mr. Minister, are you saying that the share of potash moving to offshore markets, provided by the Potash Corporation of Saskatchewan, was not approximately the same in 1981 as it was in '80, at 60 per cent? And are you not now agreeing that it dropped to 45 per cent in 1982?

**Hon. Mr. McLaren:** — Mr. Speaker, I'll have to ask the hon. Member to repeat his question. I couldn't hear him.

**Hon. Mr. Blakeney:** — Mr. Minister, my question is this: do you deny that PCS provided approximately 60 per cent of all the potash moved into offshore markets in 1980, approximately 60 per cent in 1981, and approximately 45 per cent in 1982? Do you deny those figures?

**Hon. Mr. McLaren:** — No, my recollection, Mr. Speaker, is that we were in the 55 to 57 per cent of the offshore market, and we dropped to 43 to 45 in the offshore with the coming into the marketing area with Kalium and PCA. We've got the potash industry . . . We're doing it, we're selling it as a group just the same as the Canadian Wheat Board, and I ask the members if they do not agree that the Canadian Wheat Board should go too then?

**Hon. Mr. Blakeney:** — Mr. Minister, a supplementary question. I'll ask it again because . . . Do you deny, sir, that of all of the potash that went from Saskatchewan to offshore markets, including any sent by Kalium and PCA, the share provided by the Potash Corporation of Saskatchewan in 1980, to use your figures, was between 55 and 60 per cent; in 1981, to use your figures, was between 55 and 60 per cent; and in 1982 was in a fact about 45 per cent? Do you deny those figures?

**Hon. Mr. McLaren:** — Mr. Speaker, I just finished telling the member opposite that we were in the 45 per cent range of the offshore market.

**An Hon. Member:** — Lost.

**Hon. Mr. McLaren:** — Not lost. The reason — that we are sharing with two more extra potash companies in Saskatchewan. At the end of March of 1983, we are 8 per cent of the same period last year with you people in administration as far as the offshore sales are concerned.

#### **SPC Rate Increase**

**Mr. Shillington:** — I want to ask the minister a question, the minister in charge of SPC. I want to ask the minister: has SPC filed an application with the public utilities review commission for a rate increase, and if not, when do you expect this application to go forward?

**Hon. Mr. McLaren:** — Mr. Speaker, we have not as yet, but it will be forthcoming in the very near future.

**Mr. Shillington:** — Will you assure this Assembly and the business people of Saskatchewan that the SPC rate of increase which they request will be within your own government's inflation minus one guide-line?

**Hon. Mr. McLaren:** — Mr. Speaker, I cannot make any assurance whatsoever in that regard. I'll have to wait and see.

**Mr. Shillington:** — Why not?

**Hon. Mr. McLaren:** — Because it hasn't been arrived at yet.

**Mr. Shillington:** — Will the minister please inform this House and explain the justice in a government policy which freezes the rates of pay of those on minimum wage, controls the wages of some 30,000 other public sector workers, takes away the basics of life from those who are on welfare, and yet allows SPC a double-digit rate increase? Can you explain the justice in that, Mr. Minister?

**Hon. Mr. McLaren:** — Mr. Speaker, for the hon. member, I have not got the figure of what SPC will be asking for. Whatever we will be asking for it will be up to the public utilities review commission to study it. And if they decide it's too high I suppose they will cut it back; if they think it's fine . . . We'll accept whatever their ruling is, but we will put in what we expect we'll need to operate the Saskatchewan Power Corporation in the most efficient manner.

**Some Hon. Members:** Hear, hear!

**Mr. Shillington:** — Mr. Minister, if taking away part of the income of those on welfare is good enough for them, and if a freeze is good enough for those on minimum wage, why aren't the same guide-lines good enough for SPC with all its resources and . . . (inaudible) . . . ?

**Hon. Mr. McLaren:** — I guess, Mr. Speaker, that the difference is that we're building a power dam that's worth \$600 million and we're putting in natural gas that is worth \$350 million, and we're creating a lot of jobs and a lot of people will be getting jobs that are worth more than the minimum wage.

**Some Hon. Members:** Hear, hear!

### **Penalty Charges on SPC Accounts**

**Mr. Koskie:** — Yes. I'd like to direct a question to the Minister of Labour, the minister in charge, chairman of the Saskatchewan Power Corporation. I understand that on February the 1st, 1983, that SPC instituted a practice of charging a penalty on overdue electrical and gas accounts. Would the minister indicate to the House what that rate is?

**Hon. Mr. McLaren:** — Mr. Speaker, if I remember correctly it was 24 or 26 per cent.

**Mr. Koskie:** — Actually it's 26.82 per cent . . . (inaudible interjections) . . . 26.82 per cent. I want a supplement to the minister. Mr. Minister . . .

**Mr. Speaker:** — Order, please.

**Mr. Koskie:** — Mr. Minister, what is the justification of such a high interest rate on overdue electrical bills? If you do a comparison with the TransAlta power, it's 18 per cent. Are you trying to build up losses which are going to be incurred in SPC because of your mismanagement?

**Hon. Mr. McLaren:** — Mr. Speaker, everyone knows the reason for putting on penalties. It's to get the money in. And if we can get the money in, that means that the Saskatchewan Power Corporation doesn't have to borrow and pay the interest which the people of Saskatchewan would then have to pay anyway. But we have also considered, reconsidered that and we have reduced it to 1.5 per cent per month.

**Mr. Koskie:** — I would like to ask you whether in respect to the very high interest rate that you're charging on overdue bills, will this be submitted also for consideration to PURC (public utilities review commission)?

**Hon. Mr. McLaren:** — Mr. Speaker, no it will not be.

### **Nursing Home Construction**

**Hon. Mr. Taylor:** — Mr. Speaker, during Monday's sitting, I took notice of a question from the hon. Member from Shaunavon having to do with special care home construction and at the earliest opportunity I'm responding to his question. It was about the amount of money in the budget for special care home construction.

I want to inform this House that in the first two years of the mandate of this government, we have spent nearly \$11 million on construction and renovation of special care homes. This compares, Mr. Speaker, quite favourably with the record of the hon. members opposite who spent \$7.25 million in seven years proceeding the change in government.

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Taylor:** — Mr. Speaker, this \$11 million is four times as much as the previous administration spent on an annual basis. Mr. Speaker, in addition to the \$11 million on capital projects, we are providing another \$2 million — 2 million — for special care homes, for a total of \$6.1 million. I want to explain this \$2 million, Mr. Speaker, because it's very important to the service to people in special care homes. And that is that this \$2 million will be for pilot projects: for respite homes, senior day care programs, and for the care of those with behavioural problems.

Mr. Speaker, this is an entirely different philosophy than the old NDP milk-pail philosophy, and throw it out and hope the grant hits somebody. These are targeted to the needs of people.

**Some Hon. Members:** Hear, hear!

**Mr. Speaker:** — I'd like to caution the hon. member that question period, answers are to be given, but they're not to provoke debate. And it's the same when you ask a question. I'd ask you to be aware of that.

### **Funding for Community Switchboard**

**Hon. Mrs. Smith:** — Mr. Speaker, I took notice on Monday from a question from the hon. member from Shaunavon, and I believe . . . (inaudible interjection) . . .

**Mr. Speaker:** — I've given her the floor. You can have a chance later.

**Hon. Mrs. Smith:** — The member's question was in relationship to the telewriter service that was being transferred to mobile crisis. And his question was: is there any dollars being transferred with it? And the answer is yes, there is approximately \$66,000 that will be going to mobile crisis for that particular project.

### **Social Assistance Benefits**

**Hon. Mrs. Smith:** — I also took notice of a question yesterday from the member of Quill Lake, and he wanted to know if a cost analysis had been done on the regulations to do with the food allowance and the household allowance. And the cost savings that is estimated over the coming year is 1.4 million.

### **Nursing Home Construction**

**Mr. Lingenfelter:** — Mr. Speaker, a supplementary to the Minister of Health. The original question which I had asked in the original question was whether or not there was a \$2.4 million cut-back in nursing home construction from their last budget to this one. In his long tirade, he didn't answer the question, and I wonder if he could now do that: whether or not there is in fact a cut from 6.4 million in capital construction to 4 million in this year's budget.

**Hon. Mr. Taylor:** — Well, I don't think we have to discuss cuts. I think I indicated to the member that there's \$11 million in this two years, and that there is an extra \$2 million for targeted programs for expressed needs of the people out there in the care homes, the people that I've been meeting with in the last few days, and listening to these concerns. And that is putting the money where the needs of the people in Saskatchewan are, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Mr. Lingenfelter:** — Mr. Speaker, I will try one more time to find out from the minister on the nursing home care construction program, whether or not in fact there is a cut from 6.4 million to 4 million. Will he confirm or deny that question?

**Hon. Mr. Taylor:** — Well, Mr. Speaker, in my mathematics, 6 and 4 equal 10, and that's what's been spent and will be spent in two years on special care homes under this government. And that's a lot different than 7.25 over the last 5 or 6 years. Now who has the priorities, who's been listening to the people, and who are providing further needs? I ask the people of Saskatchewan to judge again as they did in April.

**Some Hon. Members:** Hear, hear!

### **Dismissals at Valley View Centre**

**Mr. Lingenfelter:** — Mr. Speaker, a new question to the Minister of Social Services. Yesterday in the House the minister referred to a number of firings at the Valley View Centre in Moose Jaw. She said that these firings had been put on hold, including the dismissal of world-renowned speech pathologist, Dr. Subhas Maharaj. Will the minister confirm this statement that these jobs have now been reinstated, are they on hold, or where do these 11 people now find occupation? Are they working for the Valley View Centre, or are they not?

**Hon. Mrs. Smith:** — Mr. Speaker, this was not in relationship to firings. What I had made yesterday was a statement that it would be reviewed, and that will be completed by Wednesday.

**Mr. Lingenfelter:** — Supplementary, Mr. Speaker. My question to the minister is: in light of the review that you have going on, is this individual now reinstated or is he still dismissed?

**Hon. Mrs. Smith:** — Mr. Speaker, the member received his notice from my department. I might also indicate that at that particular time there was also a position offered to him in the community health service clinic within Moose Jaw. As many other positions, they were also indicated where there were jobs available. That portion took place. I indicated yesterday to several people that what was announced yesterday did not mean that these people would necessarily have their job back. I wanted the information as to why those certain positions were let go, as opposed to the directive that had been given some months ago.

### **INTRODUCTION OF BILLS**

#### **Bill No. 16 — A Bill to amend The Public Utilities Review Commission Act**

**Mr. Shillington:** — I move first reading of a bill to amend The Public Utilities Review Commission Act.

Motion agreed to and the bill ordered to be read a second time at the next sitting.

### **WELCOME TO STUDENTS**

**Hon. Mr. Swan:** — Before orders of the day, I would request leave of the Assembly to introduce a group of students. I would like to introduce to the Assembly a group of students from the division 3 school in Rosetown. Today we have 25 students accompanied by their teachers, Mr. Purcell and Miss Harder. They're seated in the Speaker's gallery. They've made a fairly lengthy trip and were a little bit late arriving for question period, but I'm sure they have seen a portion of it and have had a chance now to observe how the Assembly operates. I hope that they have enjoyed the Assembly and if they would like to watch further, they're perfectly welcome to do so. I'll be meeting with you about 3 o'clock for pictures and for refreshments. I would ask all hon. members to welcome the students from Rosetown.

**Hon. Members:** Hear, hear!

### **ANNOUNCEMENT**



### **Annual Media versus Assembly Members Hockey Game**

**Mr. Klein:** — Mr. Speaker, with leave of the Assembly I would like to issue a report that apparently is the responsibility of the government whip.

Thank you, Mr. Speaker. It gives me a great deal of pride, accompanied by just some slight pain, to stand and report to this Assembly, as well to our viewing public, on our annual media versus members of the Legislative Assembly hockey game. This was held last night. Now I of course will deal with the entire matter in a neutral vein, with no show of favouritism, as is my usual habit. First off, the media finally did present us with an acceptable role of opposition and they should be commended for that.

**Hon. Members:** Hear, hear!

**Mr. Klein:** — Now, although I was the eldest participant, it is an unusual situation for me to report that, for a change, I was not the shortest. The media team goaltender, Marc Cotton, was by far much shorter than myself. But he did, however, do us short people well with his excellent performance. Now, with the media's permission, we also had one import who I will deal with later. He was also shorter than myself.

Now, we extended an invitation to the members opposite to join us in this event. Unfortunately they declined, with the reply that when they learned our MLA from Morse was to be our goaltender, they felt that his net would be open for business and therefore would be too much of a challenge to protect.

But I would like to advise them, however, that with the removal of our gas tax, we did not run out of gas in our defence. Mr. Speaker, it was obvious as the game progressed and in the heat of battle that, although both sides seemed to be slightly winded, the media eventually proved a little more windier than the politicians and appeared to be breathing somewhat easier.

Dealing now with the player shorter than I, recognizing that this game would be an obvious mismatch from the start, we chose as our import the Premier's 10-year-old son, David. Now it proved to be an excellent choice by us. Young David led our assault by scoring two goals. Now the performance of this young centre-man proved to be another problem that the media had in dealing with our excellent team. It was awkward for them to view our Premier in the role of a left-winger. The comment was made, however, that perhaps the Premier should stick to horseshoes, as his son certainly proved to be our ringer.

I might mention at this time, Mr. Speaker, that the referee proved to be extraordinarily fair. And, although this dampened our spirits somewhat, be assured it is the last game that John Duncan will referee for us.

The member from Regina North West proved on several occasions that his shot was as booming as his voice. He scored a goal, as did the Minister of Culture and Recreation, who seemed to enjoy the recreational side of his portfolio last night.

I would like everybody to know that on a serious vein our Minister of Finance showed his absolute wizardry this time on the ice. He turned our deficit around with his goal. And, as an aside, he celebrated his birthday yesterday, and last night after the game acknowledged that he has finally reached middle age.

Now, the member from Regina Rosemont dazzled and delighted the fans with his twinkle-toe style, and he also was one of our goal scorers.

And, finally, the member from Rosthern scored our final goal. He totally tired out the media, who tried to continually skate around him but in view of the long trip they could not accommodate that situation.

Now our team, too, was accompanied by full support staff that the media noticed, in that we have had excellent representation by our member from Saskatoon Riversdale, who was our cheer-leader.

And, Mr. Speaker, you will be interested in knowing that the Deputy Speaker of this House proved to be an excellent coach and represented your office with dignity.

Our final support staff was, of course, our veterinarian member from Weyburn, who acted as our trainer. Now it would be unparliamentary for me to say that the media played like a bunch of goats, and I can advise you, Mr. Speaker, that our trainer could probably have been of great service to them.

We were extremely well represented by members throughout the province who played their little hearts out for us.

And now I will deal for a moment, if I may, on the goal scorers for the media. Their team pretty well covered the entire spectrum of the media, and certainly their fans carried the balance to ensure that the media did have full and entire representation. Too numerous to mention, as well, but no question that I must heap praise on their stars. The offensive charge was led by Mr. Petrescue of the CBC, who maintains that he scored a hat trick. However, the official score clock seemed to be malfunctioning, and we are presently looking into this matter.

Dale Eisler of the *Leader-Post* proves beyond a doubt that his hockey stick is much sharper than his pen. He also scored a goal. A goal each was scored by the CBC representatives, Dan Oldfield and Terry White. Now we did tape an interview with them, Mr. Speaker, in which they very clearly outlined their skills at one of Canada's national sports, the grand game of hockey. We did question their ability in this regard, and I would be delighted to play that tape to this Assembly. However, unfortunately, due to technical difficulties the tape is not available at this time.

George Bentley of Broadcast News added a spectacular goal, and, Mr. Speaker, Ihor Sywanyk, one of our own legislative TV crew, also scored a goal. I believe he tried to arrange a showing of that tape on today's Legislative Assembly proceedings, but that is a no-no.

Radio Canada was represented by Denis Potvin who scored a goal, but on watching Michel, it was obvious he had no relationship at all to the hockey player by the same name.

That, Mr. Speaker, concludes my report, which I believe to be far more accurate had the media reported this contest to the Assembly.

I have before me their verbatim, but it does not, in my opinion, truly reflect the extremely close contest that it in fact was.

As I cannot deliberately mislead this House, due to fatigue on my part towards the end I did miss a moment or two of the action. However, it is my understanding that the game ended in a tie, or very close to it.

In closing, the Premier reminded the entire gathering later, which consisted of both teams as well as the fans, that there is so much more we can be.

**Hon. Members:** Hear, hear!

## ORDERS OF THE DAY

### COMMITTEE OF FINANCE

#### CONSOLIDATED FUND BUDGETARY EXPENDITURE

#### CONSUMER AND COMMERCIAL AFFAIRS

#### Ordinary Expenditure — Vote 4

#### Item 14 (continued)

**Hon. Mr. Sandberg:** — Thank you, Mr. Chairman. I'd assumed today that the hon. members opposite had wanted to continue the discussion that they pursued the day before, so I have brought along the chairman of the liquor board, Mr. Martin Pederson; the general manager of the liquor board, Mr. David Bock; director of finance, Mr. Al Dennett; and executive assistant, Mr. Gerry Cairns.

**Mr. Shillington:** — Thank you, Mr. Chairman. I just want to welcome back to the Assembly a former member of the Assembly who, I may add, knows what it is to play a lonely role in the Legislative Assembly. He was one of a kind for, I think, three years, if I'm not mistaken, so welcome back.

Mr. Minister, yesterday you indicated that, in your opinion, sales had remained constant over the last period of time. I would appreciate it if you would give me, at this time, the total volume, in dollars, total volume of liquor sales in Saskatchewan for the last five years, ending in 1982.

**Hon. Mr. Sandberg:** — Mr. Chairman, according to the annual report for the liquor board, 1981-82, total sales in '77-78 were 164 million; '78-79, 173 million (I'm giving approximations to the closest million); '79-80, 183 million; '80-81, 208 million; '81-82, 238 million.

**Mr. Shillington:** — Now, could you give me the same facts in ounces of spirits?

**Hon. Mr. Sandberg:** — Mr. Chairman, I can give it to him in gallons in volume. Mr. Chairman, in thousands of litres for '77-78 (again in the closest million); '77-78, 77 million; '78-79, 80 million; '79-80, 81 million; '80-81, 84 million; and then in '81-82, a drop to 79 million; - actually 78,565,000.

**Mr. Shillington:** — Do you have the figures for 1982-83 which year would have ended on March 31st?

**Hon. Mr. Sandberg:** — We don't have the figures finalized but all indications are that it would be about the same as the previous year, 1981-82.

**Mr. Shillington:** — The figures are interesting, Mr. Minister, because in '81-82 you break a long-standing trend for the rising per capita liquor sales. I'm wondering if your officials are able to account for this break in a trend that has gone on, I think, for some 10 years, which apparently broke in 1981-82. Are your officials able to account for it?

**Hon. Mr. Sandberg:** — Mr. Chairman, the member was in power when these figures were laid in this report. But I would assume that price increases had a great deal to do with it.

**Mr. Shillington:** — Well, Mr. Minister, that's why I asked you for the figure in volume rather than dollars. The volume increased from '77 to '80-81, and that was part of a trend which has gone on for many years. It broke in '81-82.

**An Hon. Member:** — We tried to slow it down.

**Mr. Shillington:** — You weren't in office then. It broke in '81-82. Are your officials able to account for the drop in sales in '81-82?

**Hon. Mr. Sandberg:** — Well, Mr. Chairman, according to the report, beer is undoubtedly the major component of the gallonage, or the litres, as it's indicated here. And in 1980-81, if you look at the consumption in millions of litres of spirits, it was 8,296,000; for wines, 4,151,000; beer, much greater volume, 71,610,000. The total, as I indicated earlier, Mr. Chairman, was 84,058,000 litres.

Now, because of the strike situation in the year 1980-81, the beer volume went up considerably. There were no strikes in '81-82.

**Mr. Shillington:** — All right. That's interesting, Mr. Minister. Can you give me the comparable figures for the other four years, break it down into beer, wine and hard liquor?

**Hon. Mr. Sandberg:** — All right. In '77-78, spirits . . . I will give them to you in the nearest million again unless you want . . . (inaudible interjection) . . . In '77-78: spirits, 9 million; wines, 4 million; beer, 64 million; for a total of 77. '78-79: spirits, 8 million; wine, 4 million; beer, approximately 67.5 million; for a total of 80 million. '79-80: spirits, 8 million; wine, 4 million; beer, 70 million; for a total of 80.5 million. '80-81: spirits, 8 million; wine, 4 million; beer, 72 million; for a total of 84 million. '81-82: spirits, 8.5 million; wine, 5 million; beer, 65 million; for a total of 78.5 million.

**Mr. Shillington:** — That is interesting, Mr. Minister. The hard liquor and wine have went up in 1982. Beer went down. That is interesting.

I want to ask you about a slightly different subject, Mr. Minister. You indicated that you had achieved savings of around a quarter of a million dollars in the amalgamation. I wonder, now that you have your officials here, if you could break that down into tidier pieces and let us know where that saving came from.

**Hon. Mr. Sandberg:** — If the member from Regina Centre agrees, Mr. Chairman, I'll send these figures over to him.

**Mr. Shillington:** — While I'm waiting to receive those: since May 8th, 1982, have any new positions in either the liquor licensing commission or liquor board been created?

**Hon. Mr. Sandberg:** — Mr. Chairman, technically you could say there is a new position. Previously, the chairman and general manager acted in one capacity. Now we have a chairman and a general manager — two people for those positions now, whereas there was one before.

**Mr. Shillington:** — All right. I understand that the gentleman on your right is the chairman. Who's the general manager then?

**Hon. Mr. Sandberg:** — The general manager is Mr. Bock.

**Hon. Mr. Shillington:** — On the side other than your right then, if that offends the member from Prince Albert.

Was the additional position of the general manager then taken into account in these savings? Did you deduct his position from your savings, or is this a gross figure?

**Hon. Mr. Sandberg:** — Well, I'll explain it this way. The vice-chairman of the liquor board, the present vice-chairman, Murray Wilkie, has indicated he's going to retire this summer. Mr. Bock will, in effect, be filling that slot.

**Mr. Shillington:** — Okay. So do I gather that you're going to abolish the position of vice-chairman once the incumbent retires? Is that what you're telling us?

**Hon. Mr. Sandberg:** — Yes.

**Mr. Shillington:** — Were there any other new positions created? Was there a new position of a regional supervisor created?

**Hon. Mr. Sandberg:** — No.

**Mr. Shillington:** — Were there any positions filled which had not been filled for more than a year?

**Hon. Mr. Sandberg:** — None have been filled that have been vacant for a year.

**Mr. Shillington:** — With respect to the rental of the premises, how many square feet . . . First of all let me just, we'll go back one step. With respect to the rental of the premises, the saving that you gave us there was space rented by the liquor licensing commission. Is that accurate?

**Hon. Mr. Sandberg:** — Yes.

**Mr. Shillington:** — How many square feet was it?

**Hon. Mr. Sandberg:** — Roughly 5,000 square feet.

**Mr. Shillington:** — And was the lease terminated when the . . . or will it be terminated when the space is vacated?

**Hon. Mr. Sandberg:** — Since the licensing commission has moved over the Park Street address, we are negotiating with government services to take it over, to take the lease over.

**Mr. Shillington:** — How many square feet then were leased by the liquor board?

**Hon. Mr. Sandberg:** — The liquor board does not lease premises.

**Mr. Shillington:** — How many square feet are owned by the liquor board?

**Hon. Mr. Sandberg:** — There is enough space at the Park Street facility to accommodate the liquor licensing commission.

**Mr. Shillington:** — How many square feet are there at the Park Street facilities?

**Hon. Mr. Sandberg:** — We don't have an accurate figure on that, Mr. Chairman, but we'll certainly provide it to the member from Regina Centre.

**Mr. Shillington:** — Has part of the Park Street facilities been renovated, or will part of it be renovated, in order to accommodate the liquor licensing commission?

**Hon. Mr. Sandberg:** — Mr. Chairman, it will not be renovated although there will be some modular partitions put in there to accommodate licensing section.

**Mr. Shillington:** — So I gather that the liquor licensing commission and the liquor board will share space formerly occupied entirely by the liquor board. Is that what you're telling the House?

**Hon. Mr. Sandberg:** — Mr. Chairman, they will and shall be accommodated in space at 1660 Park Street, the liquor board premises, which was underutilized. And the liquor licensing commission was needlessly moved out of there over a year ago causing this extra \$106,000 a year rental of the premises on Albert Street south. So they will be put into space that has been underutilized over the past year.

**Mr. Shillington:** — On a different subject, Mr. Minister, have there been any increases in the cost of permits in the last three months, let's say?

**Hon. Mr. Sandberg:** — No.

**Mr. Shillington:** — There was no increase in the cost of non-sale permits from \$5 to \$10, and of sale permits from \$7.50 to \$25? I was told there was, but my information may be inaccurate.

**Hon. Mr. Sandberg:** — Not in the last three months, Mr. Chairman, but for the member's information it will be effective on April 18.

**Mr. Shillington:** — That raises an interesting question. It is not a peculiar habit of the minister of consumer and corporate affairs, but it has been a habit of this government, and that is not to make public announcements about price increases. You're not the first person to do it, but it's a peculiar habit of this government, of never making these announcements.

Heretofore, under various administrations — and I'm sure the chairman can tell you — under various administrations a price increase was always the subject of a press release, and the announcement was made to the public. I may have overlooked the press release on this one, but I didn't see it, and I'm curious as to why no announcement was made, if indeed no announcement was made. Now, as I say, I may have overlooked it, but I don't recall having seen it, and I guess the initial question should be was this in fact the subject of a press release and a public announcement?

**Hon. Mr. Sandberg:** — Mr. Chairman, during my budget address on April 7, I believe it was, I announced that the liquor board had instructed me — pardon me, the government had instructed the liquor board to raise an additional \$9 million. The following day there was a press release and an announcement by the chairman of the liquor board announcing the price increases for beer, wine and spirits and also the price increases for special occasion permits, both sale and non-sale.

**Mr. Shillington:** — Okay, I may have missed the press release then.

Mr. Minister, I want to ask you about advertising. As you know, this province has laws with respect to advertising that other provinces do not. Specifically, some of the media are excluded from carrying advertising — and it's not the case in some other provinces. I'm wondering if the minister has been the subject of any suggestions by any of the distillers or breweries or wine-makers that this — or any members of the media — should be changed and if any change has been seriously considered.

**Hon. Mr. Sandberg:** — Mr. Chairman, the liquor board has been reviewing all policies, and advertising is one of them, just as the government has been reviewing all policies of the government as a whole over the past 11 months.

**Mr. Shillington:** — Well, I would appreciate the minister's views on that very subject — the subject of advertising in the media by breweries, distillers, or wine-makers.

**Hon. Mr. Sandberg:** — Mr. Chairman, the request for electronic media advertising and print advertising has been an ongoing situation with this government. The previous administration — I'm sure they'd been approached probably every year for the last 10 years that they were in power, and I would say that that is an ongoing process that has been followed with this new administration as well.

**Mr. Shillington:** — Well, Mr. Minister, the former government made it crystal clear that they were adamantly opposed to any increase in the advertising for liquor. Are you similarly adamantly opposed to any increase in the advertising of liquor?

**Hon. Mr. Sandberg:** — Mr. Chairman, this government has taken that matter under review and under consideration.

**Mr. Shillington:** — Well, what's your . . . I asked the minister for his comments on that. Am I going to receive them or is the minister simply too cowardly to give me your comments on liquor?

**Hon. Mr. Sandberg:** — I would remind the hon. member that I'm not too cowardly to comment on that. I would comment that I particularly, I personally do not hold a position on whether advertising should be here or not. I will vote on it if it comes to a vote when our caucus would review the matter — when this government would review

the matter.

I would remind the member opposite that advertising is coming into this province through the cable systems now from the American stations and in the print. It's coming in from magazines and other periodicals that are published and produced in all other provinces except Saskatchewan. So those advertising dollars are going to create jobs in Manitoba, Alberta, B.C. and son on, and not here.

However, I don not have a position on advertising. I would leave that for my colleagues to decide as a group.

**Mr. Shillington:** — Well, I want to say, Mr. Minister, I think this is a good deal more clear-cut than some of the other issues that we raised.

**An Hon. Member:** — Would you like to join our caucus?

**Mr. Shillington:** — No, I have degraded myself in many respects, but I don't think I'd ever slink quite that low, to join the caucus opposite.

I want to say to the minister (if you can hear me over the top of the braying that sits between you and I), this issue seems to me to be a good deal more clear-cut. I think one can make an argument for light beer at Taylor Field; it may be more innocuous than everything else that's drunk there.

One, I suppose, could make an argument for some additional outlets. There may be some communities in the province which are too far from an existing sales outlet. So one could make an argument for some additional outlets. Mr. Minister, I just don't know what the good arguments are for trying to push the consumption of alcohol through advertising. It has to be common ground between you and I that the existing level of the consumption of alcohol creates problems.

As I said the other day, you can go right across the treasury benches and virtually everybody, virtually every minister, has his budget inflated and bloated because of some problem that alcohol creates. I am not a teetotaller, but you'd have to be awfully blind to the society in which you live not to accept the proposition that the existing consumption of alcohol is at levels that create some severe problems. What earthly argument can there be for even considering the matter?

All the advertising can do, Mr. Minister, is to: (a) line the pockets of the media; (b) increase the profits to the breweries, distillers, and wine-makers; and (c) increase consumption. And if you don't accomplish the latter, if you're not able to increase consumption, then surely you're not going to increase the profits of those who make the liquor, and ultimately they're not going to advertise.

So, I ask the minister, what argument can there be for even considering the matter, even considering allowing advertising of liquor?

**Hon. Mr. Sandberg:** — Mr. Chairman, I would like to see the member opposite's evidence that advertising does create greater consumption, not presuming that his province is going to allow liquor advertising. But from the indications that have been made to me by provinces that do carry beer and wine advertising on the electronic media, and spirits on the print, is that advertising does not intend to create consumption, but what it does is shift the market share. If this manufacturer does more



advertising than this one, he gets a greater market share.

The same occurs in the marketing of automobiles. For example: if General Motors does more advertising than Ford or Chrysler, they'll get a greater share of the market. And the indication is that this is what is happening in other provinces that do allow advertising: British Columbia, Alberta, Manitoba, Ontario, Quebec, and I don't have the stats for, or the information for the Maritimes in front of me at this time.

**Mr. Engel:** — Thank you, Mr. Chairman, Mr. Minister, you're suggesting that advertising only shifts consumption and you'd compare somebody advertising a Chevrolet or a Ford and I decide which one to buy. I don't eat my Ford every night, or two nights or three nights. Have you, or any of your staff, watched the federal media (I don't remember whether it was 'W-5' or one of those broadcasts that night), when they did a display on 'Bud' and the new advertising when Budweiser moved into Ontario, and the amount of beer consumption that was increased by that classy, high-pitched advertising of Budweiser? Have you the figures on that television production where some study was made on that?

**Hon. Mr. Sandberg:** — No, to the first question, Mr. Chairman. But it's indicative that when any brewery puts on a sales push that the consumption, the volume of that particular product, increases for that period of time of the heavy marketing or the heavy advertising.

**Mr. Engel:** — Mr. Minister, I was particularly interested in that Sunday night broadcast because of my definite concerns about advertising, what television advertising does. And they made the point very clearly that when they moved in with the new product and went with this Bud-type ad that the total beer consumptions went up by close to 30 per cent in that short period of time. And I think that the minister should carefully re-evaluate his position on that because with those high-class ads when people are watching their television at night, you know, it's bound to make them consume more. And you can't compare that with buying a product that you use, like an automobile. I think that was a fallacy to use automobiles and compare it to anything we consume, be it hamburgers or french fries or pizzas or beer.

I think the liquor one is the one that is, during prime television time when families and people are sitting around at home and watching their television, that is going to spark an additional consumption there that I think we took a strong stand on in our caucus. We decided not to go with further advertising.

I think when you compare the per capita consumption in Saskatchewan and Alberta, you'll find that the consumption where the advertising was on was much higher.

**Hon. Mr. Sandberg:** — Mr. Chairman, the hon. member is citing many hypothetical situations here. Number one, there is no liquor, beer or wine or spirits advertising here in Saskatchewan at this time. I appreciate him presenting his views. He's not going to tell me what my views are or what the government's views are on it. You dug a figure of 30 per cent out. I don't know where you got that figure as to consumption going up 30 per cent because of one particular marketing or advertising campaign.

**Mr. Koskie:** — To continue this debate just a bit, it seems to me that the minister has indicated, in effect, that advertising will not increase consumption. He is really saying that it's a question of sharing or increasing one's share within what, I guess he claims, is

a static and fixed market. Is that in fact what you're saying? Because obviously it's false. What about the young people who are not of drinking ages, for whom the advertising reaches into their homes? Are they not in fact using advertising to bring them on to using the consumption of the products? And it's not a part of that static market; it's a part which is not a part of the market, but you are still influencing or potentially influencing those who are not in the market-place at the present time. What have you got to say in respect to that?

**Hon. Mr. Sandberg:** — Again, Mr. Chairman, I don't deny the hon. member from Quill Lakes's views in regards to advertising. There is no advertising in the province at this time. If — if and when — advertising should come to this province for beer, wine and spirits, that would be the proper time to debate as to whether it's going to influence consumption or influence young people.

**Mr. Koskie:** — I'd like to beg to differ with you. I really think that what is necessary . . . I'm going to ask the minister if he'll give us a commitment that before his government allows the advertising of alcoholic beverages he will in fact commission a study of the effects of advertising of liquor in various jurisdictions, and that he will bring such report before this Assembly, indeed set up a legislative committee as we did in the past, under the Faris committee. And I think if the minister would start there by reading that, it indicates both that advertising and availability of liquor increases the consumption. That was the evidence that the legislative committee found previously: advertising and availability of liquor increases the consumption.

And I am concerned about that, because certainly those were the results of the previous. And it seems to be that the minister hasn't appraised himself, or apprised himself of that information. But will he in fact give a guarantee that before he relaxes the laws of advertising of alcoholic beverages in this province, that indeed a legislative committee, or a least a reputable group of individuals be commissioned to submit to this legislature a report on the basic effects of advertising of liquor? Will you give us that commitment?

**Hon. Mr. Sandberg:** — Mr. Chairman, I can assure the member opposite that if and when this government, if it should consider alcohol advertising in the province of Saskatchewan, that we would not do anything precipitously; that we would study and carefully get input from all groups involved in the province of Saskatchewan — everyone, everyone. And we would be very conscientious in any decision that we made. And I can assure the member from Quill Lakes that we have a responsible government here, and that we have 56 members versus eight there; and we have 56 honest, conscientious young people, old, old and young, male and female, which you didn't have in those days. And we will indeed, before making any decision on this very serious matter, consider it very, very carefully.

**Mr. Koskie:** — I agree with part of the minister's statement, that he's got an old group there. As I said, 11 months in office and already too old to govern.

I appreciate the minister's comments. I am not particularly convinced that we will get the sort of independent review from the comments that he had made . . . (inaudible interjections) . . . It was a legislative committee's report, and there were members of the opposition and members of government on that committee and therefore you went out around the public. However, I have at least some form of a commitment here, and I want to say to the minister that we on this side will certainly hold you to that commitment.

I want to say on another area, the other day you indicated that you had amalgamated the liquor board and the liquor licensing commission, primarily for the purposes of savings. And then I looked at a news release here which indicates that beer, wine, and spirit prices are going to rise. And you know what the reason for the increase is, it says in this press release? It says, 'The increases are a result of higher administration costs.' That's the reason they gave for the increase in the price of booze.

On one hand you're saying that the amalgamation is bringing in savings. You should have, with the amalgamation, been able to have a more efficient, apparently, administration. But here on the other hand, what you're saying is that you had to increase the liquor prices because of the higher administration costs. Can you be consistent in giving your answers?

**Hon. Mr. Sandberg:** — I would remind the member for Quill Lakes — and I've been informed that he is a lawyer — I would remind him that possibly he should learn to read a little bit better. Those increased costs for administration were not for administration in general. It was for the administration of special occasion permits — special occasion permits — not for the administration of the liquor board in general.

**Mr. Koskie:** — I thought I had a good point there, Mr. Chairman.

In respect to your amalgamation, I want to say that we indicated that there is some potential conflict and primarily from the standpoint that, on the one hand, you're selling and, on the other hand, are promoting sales. On the other hand, you are in effect policing the licensees.

I just want to read a point here that is made in the *Leader-Post*:

A traditional argument for having government keep its hands off business is that once in business itself government may be less than willing to slap its own hand.

Saskatchewan Progressive Conservatives like to use that argument during the days in opposition, as they asserted that the NDP government could not at once run say a uranium mine and effectively enforce environmental and other rules relating to the government-owned enterprise. (Now it goes on.) Now in office, the Conservatives apparently have lost their inhibitions about simultaneously wearing the businessman's Homburg and the policeman's cap. What's worse, the government, by proceeding with plans to amalgamate the provincial liquor licensing commission and the liquor board, is in effect proposing the cop shop be located at the water-hole.

That's the view of this article.

I just want to say that you went on to indicate that you were going to have a saving of some 276,000. This article says:

Under questioning from (it doesn't say . . . ) the NDP MLA, Ned Shillington, Consumer and Commercial Affairs Minister Jack Sandberg defended amalgamation on the basis of a \$276,000 saving expected as a result of the amalgamation.

Now they go on to say that by a logical extension, why not add to the savings by including the alcoholism commission, the savings, and if there is not conflict?

What I want to indicate is that there is some concern because the two bodies, the liquor board and the liquor licensing, have obviously a distinct, different roles to play. The liquor board is selling the liquor to the licensees and the liquor licensing commission is to effectively police the licensees, and as you said, also give them advice. What I want to ask you is: how do you justify having the two, which are somewhat opposite in their function, under one administration?

**Hon. Mr. Sandberg:** — First of all, Mr. Chairman, I have great faith in people, great faith in people. I have great faith in the new chairman of the liquor board. He is an honest, talented gentleman who can do the job very well, and will do the job very well. I have confidence in my staff, who are talented, competent people. We will have a licensing committee that will make responsible decisions. There will be no conflict of interest whatsoever.

And I might go back, and I might refer, Mr. Chairman, to a report in 1973 when you were in government, Saskatchewan liquor board and liquor licensing commission's survey of executive processes, at that time when Mr. M. Koskie was a special assistant to the premier, a special assistant to the premier. That report says:

We recommend that the Saskatchewan Liquor Board and the liquor licensing commission be directed by one chairman.

I don't know what that proves. It doesn't prove a thing.

**An Hon. Member:** — That's right. It doesn't.

**Mr. Koskie:** — There are reports done by government and reports done by government. It's when the report is acted on that it becomes policy of a government, Mr. Minister, and only then does it affect the people of the province. A report won't hurt anybody, so don't answer it in that way, and don't give me this: that you have such faith in people. I do, too. I have great respect for judges, great respect. And I'll tell you we don't set up the judicial system to have the judge, the prosecutor and the defence lawyer and the judge. We don't do that.

**An Hon. Member:** — Run that by me again, Murray.

**Mr. Koskie:** — Quite a bit runs by you. And, you know, I'd be here all afternoon repeating myself, if I had to run it by you often enough so that you could understand it.

**Some Hon. Members:** Hear, hear!

**Mr. Koskie:** — Mr. Chairman, I'll come back to order if you will keep that member there on that side a little bit quieter.

So the thing is, Mr. Minister, you can't get around it by saying, 'I have faith.' Of course we have faith in people, but having faith in people . . . What you do . . . You do not set up a situation that there could be a particular conflict in directing two ventures which are somewhat opposed — one in distribution, one in control. How do you get around that potential other than saying that you have faith in people?

**Hon. Mr. Sandberg:** — Mr. Chairman, we've looked at this very carefully over the 11 months that we've been in government, and I can just reiterate to what I've said previously, and add to it that the final report, the final report of that special committee on liquor laws In January of 1973 — the Faris committee — the recommendations were: one, two, and getting to three . . . Three pertains to the chairman of the Faris report of 1973, that the chairman, that the same person be appointed as chairman of the liquor board and the liquor licensing commission, in order to promote closer liaison between the board and the commission, and that the position of chairman be a full-time position.

**Mr. Koskie:** — You can hardly justify yourself. I'm not going to carry this on, but it's really ludicrous for the minister to get up and say . . . start pulling out a report which hasn't been acted upon. And obviously I could argue that the report was wrong or weak or something of that nature. One could take the opposite view of it, and he could say that government decided it shouldn't use it because of the conflict. But leave that as it is.

I just want to say that certainly we have great confidence in the civil service of this province, and always have had, and certainly hope that there will be no problems in this area.

I want to go on to one other area. This may have been asked when I was called out to speak to the press about the potash corporation report. I just want to ask the minister, in respect to special vendors in his proposed legislation: why will he not in fact put a specific number into it, rather than wide open? At least, as I said before, then you could meet some of those situations, as you indicate, but don't tell me that . . . You indicated when you spoke to the bill that there would be 100 to 150 applications that you had in. I guess my question is to you: why won't you put a specific limit, at least, in the act, rather than open-end it?

**Hon. Mr. Sandberg:** — Mr. Chairman, the amendment to The Liquor Act that this government will be putting forward does indeed ask for a lifting of the limit to the numbers of special vendors in our hamlets, villages and towns in Saskatchewan. Because we do indeed have . . . I don't have an exact number, but I would say it's somewhere in the neighbourhood of 100 or so who want special vendors in their towns for various reasons. We will be applying a realistic criteria — a realistic criteria — when these communities apply for special vendor. We're not saying where they're going to go. The communities have to ask for them first, and then have a special option vote. Then the application would be accepted by the liquor board, and the criteria will have to come into play at that time. It will be a responsible criteria.

The previous administration made representation — the MLAs made representation — to the liquor board to have special vendors added all over the place in this province. And I could quote many, many situations and many specifics, if we want to get into that.

**Mr. Koskie:** — You said you had a realistic criteria. Would you outline your proposed realistic criteria?

**Hon. Mr. Sandberg:** — The general criteria, Mr. Speaker are: the size of the community — it's obvious that there has to be a certain market area; the proximity to other liquor outlets — if we have a special vendor in one town, we don't want to put another one only six miles away like they did in one instance; and of course, we have to

take into consideration the viability, the viability of that business community.

**Mr. Koskie:** — In your proposal to amend the number of special liquor vendors to an unlimited number, and as a consequence, the potential for increasing the availability of consumption, I want to ask you in respect to the liquor board stores: some of them are in leased premises; is it the intention of the government to change those which are not in government-owned stores, but rather in leased stores? Have you made any reviews or decisions in respect to changing those over to special vendors, rather than, say, liquor board stores?

**Hon. Mr. Sandberg:** — The liquor board, Mr. Chairman, under capable management, is looking at the options in that area. For example, in Cabri, they recently put in a new shopping centre in that town. It wasn't efficient for the liquor board to operate a full-blown store in there, and so a special vendor was put in there, instead of having a government owned and operated liquor store. So we're looking at the options. We want to look at each individual operation to see what is the most efficient way to operate it.

**Mr. Koskie:** — Can the minister indicate to me what the general criteria was in the past under the previous government's administration, what criteria used so far as volume was concerned in going from, say, a special vendor to a liquor board store?

**Hon. Mr. Sandberg:** — There hasn't been any . . .

**Mr. Chairman:** — Order. The minister is trying to answer a question.

**Hon. Mr. Sandberg:** — Mr. Chairman, there hasn't been any change in policy from when they were administration, to where we are now, but the general criteria that the member for the Quill Lakes referred to was in the area of \$300,000 to \$400,000 volume per year.

**Mr. Koskie:** — I'm pretty well finished, Mr. Minister, but I just have one other matter that has come to my attention, and that is that football fans may soon be able to buy light beer at Taylor Field, and the city council, of course, has already voted on it. I'm just wondering whether you have, in fact, had discussions with the city and indicated that if the council agreed that then there would be no problem. Is that the situation? Have you had discussions with the council in respect to putting light beer at Taylor Field?

**Hon. Mr. Sandberg:** — No.

**Mr. Koskie:** — City council has, in fact, indicated in their vote that they are in agreement with it. Under your checking out and getting the consensus of the people, will this be sufficient I order for you to allow them to proceed with the light beer in Taylor Field, if the city council has indicated that they are in agreement? If they apply for a licence, will you in fact accommodate them?

**Hon. Mr. Sandberg:** — Well, I see according to the *Leader-Post*, Tuesday, April 12th, that Alderman Harry Van Mulligen voted in favour of the beer sales rights . . . (inaudible interjection) . . . I wonder what his affiliation is?

But, Mr. Chairman, yes, the liquor board is studying what has gone on in other jurisdictions in relation to light beer at professional sporting facilities. And they have made no recommendation to me at this point. And if and when a formal application does come forward from the city, which it hasn't, my officials will study that. They will

make a recommendation to me, then I have to take it to all of our 56 members — 56 of them, Mr. Chairman, and we will decide as responsible young and old people, men and women, after input from the people of Saskatchewan, what should be done in the matter of light beer at Taylor Field.

**Mr. Koskie:** — Specifically, I asked you whether, in your view, after you do all your studies and so on that the city council has in fact apparently voted in favour of having it at Taylor Field . . . What I'm asking you is: is there any other further procedures in which the people of Saskatchewan, beyond the elected officials of the city of Regina, would have an opportunity to, in fact, vote on a referendum. How are you . . . What is the procedure that you have in having all of this input of the people of Saskatchewan on this very important decision.

**Hon. Mr. Sandberg:** — I would suggest that the member from Quill Lakes go to the open forum that is scheduled for April 26th in Regina, and I will be very interested in what the public input is at the open forum, and so will this government.

**Mr. Shillington:** — I really just had one more question, Mr. Minister. It concerns a controversy in Wakaw. I'm not muck-raking, but I would like to have the record set straight.

The allegation has been made, an allegation was made by a Gerald Kochan that he was laid off and that he was fired — and he was told it was for political reasons — and that a relative of the MLA, Ben Boutin, was hired. That appeared in a letter in the *Star-Phoenix* on April 12, '83. The officials, in an article to the *Star-Phoenix*, on April 6, '83, said that he wasn't laid off, and Mr. Boutin claimed he wasn't related to the person who took Kochan's job.

On April 8, '83 it turns out that he was laid off and that Mr. Boutin's relative has, in fact, been hired as a part-time worker.

Finally, in yesterday's *Star-Phoenix*, there's an allegation by a union official that the example is not an isolated one. I would appreciate the minister's comment on the whole affair.

**Hon. Mr. Sandberg:** — Mr. Chairman, there were some inaccuracies in the letter from Mr. Kochan — it's K-o-c-h-a-n — in his letter to the *Star-Phoenix*. He's indicated in that letter that he was a full-time employee; that's not so. He is a part-time employee who averaged seven hours per week. That is not full-time, Mr. Chairman — seven hours per week. He was not fired. He was not fired; that is not true. He is still further eligible for future part-time employment. The thrust of the liquor board is to broaden the base of part-time employees available. He, I am informed, was the only part-time employee available at a one-man liquor board store in Wakaw. If Mr. Kochan was not available, there would have been nobody else to take over should that one person be on holidays, be sick or be called in for a seminar or a teaching session or whatever with the liquor board. So they are expanding the base of part-time employees available. And also, Mr. Chairman, Mr. Kochan is also no longer available for employment later this month because he's going to Moose Jaw to take an electricians course at the Saskatchewan Technical Institute.

**Mr. Shillington:** — Well, Mr. Minister, the information available to us suggests there was not one part-time worker; there were two part-time workers. I want to ask you, Mr.

Minister, why you felt it necessary to expand, as you put it, the base of part-time workers. The information we have is that there was no difficulty getting part-time workers in that community when they were called upon. Why would you expand the number available if you didn't want to squeeze one out and let the relative of an MLA in?

**Hon. Mr. Sandberg:** — Mr. Chairman, it's common business sense when you're operating a retail operation that you need resources; you need people available to do the job. If this manager at this one person store, if the person there, is full-time employee, is away on holidays or is sick or at a training seminar, as I mentioned, and this one particular employee is not available, who is going to fill in for him? So it's only common sense to expand your base of part-time employees available. And it's indicated to me that this gentleman, Mr. Kochan, is going to Moose Jaw to take an electricians course. You're playing politics.

**Mr. Shillington:** — Mr. Minister, are you denying that for several years there were two part-time workers, that the arrangement was satisfactory, and that the manager of the store had no difficulty getting part-time workers with the two he had available to him?

**Hon. Mr. Sandberg:** — Over the years there have been other part-timers available. Apparently, according to the officials, there was a woman who filled in part-time. But Mr. Kochan was only employed a quarter of full-time. He has indicated in this letter that it was a full-time job. That's false. He was only employed for a quarter of the time. Full-time is 1,950 hours a year, and he was employed for approximately 550. For example, in 1980 he made \$4,800. Is that a full-time job? In 1982 he made \$8,200. Is that a full time job? That's not what is indicated in this letter.

**Mr. Shillington:** — Mr. Minister, I would appreciate an answer to the question. Was the arrangement not satisfactory to the store manager? Again, Mr. Minister, I correct you. I'm prepared to assume that your mistake was innocent. There was not one part-time worker; there were two. The manager had worked with the situation quite satisfactorily for several years. Why do you need another part-time employee? I say to the minister that all it does to expand your part-time base, as you put it, is to increase your managerial problems. If you've got two employees, part-time, who fulfil your needs and are doing a good job, why take on a third? I have run a business, and I still run a business, and I have part-time staff who come in to do typing, and I don't hire any more than I need. If you get one girl who'll come in and do a good job of typing, that's all you hire. You don't have six that you take in alternatively. All it does is increase your managerial headaches when you've got more employees than you need. And I say that to the minister: all the manager would have done to increase unnecessarily (as you put it) his base of part-time employees is to increase the managerial headaches. If you've got a couple who are doing the job, as apparently they were and had done for seven years, why not stick with it? Why indulge in this nepotism that was obviously a part of the operation?

**Hon. Mr. Sandberg:** — This Mr. Kochan is available for call-back. That's what I answered in the first reply.

**Mr. Koskie:** — Obviously, Mr. Minister, you indicate, available for call-back, but when you add to the number that are there for call-back, certainly the number of hours that he's likely to have and the income would be probably reduced by two more people. And the amount that he could earn would likely force him out of doing what he was part-time in the liquor store and whatever else he was doing, because obviously he left it because



he wasn't getting the same amount of work in the liquor board store in Wakaw.

So what you effectively did was to squeeze him out by adding in another one, and there is no other explanation than that he was squeezed out. And I think that that is unfortunate, because by the very history of the case, Mr. Minister, this man had worked there as part-time apparently for seven years?

**An Hon. Member:** — Seven years.

**Mr. Koskie:** — Seven years. So obviously he was satisfied with what he was doing, and he'd do his work, and for seven years the arrangement with the manager was satisfactory. Now, all of a sudden, you indicate that. 'Oh, but we needed another one.' And I don't see how you can possibly come to that conclusion, because the given situation worked so well in seven years. How do you justify that?

**Hon. Mr. Sandberg:** — Mr. Chairman, part-time work is part-time work. I'm sure the hon. member from Quill Lakes realizes that. If you are on a part-time basis you are subject to the fluctuations of the market-place, subject to fluctuations of need of the retailer. And it is also indicative, Mr. Chairman, that to get into the Saskatchewan Technical Institute in Moose Jaw you have to give six months lead time. You have to have your application in six months ahead of time. So, Mr. Kochan obviously knew that he was leaving the community of Wakaw to attend this electricians course in Moose Jaw.

**Mr. Shillington:** — Well, I'll say to the minister, Kochan has stated that the store manager called him to say he could no longer work there, even though his performance had been satisfactory — an allegation made, and it has not been denied by the store manager.

I just want to say before I leave the issue, Mr. Minister, that nepotism by itself is bad enough, but when nepotism goes so far as to replace workers whose performance is satisfactory, that's not just nepotism, that's cruelty. But I'm going to leave it, Mr. Minister, because the record of this government is so abysmal I don't suppose there's any particular reason to single you out. The nepotism and the patronage has been proliferated all through the treasury benches, extending, as it does, even into the Premier's office with his brother-in-law.

So if the Premier can find his brother-in-law a job, I don't know any particular reason why the member from Kinistino can't find his family a job. I suppose the standards that apply in the Premier's office ought to apply in Kinistino as well, so I'm going to leave it.

**Hon. Mr. Sandberg:** — Mr. Chairman, the store manager denies firing, as they refer to it, this Mr. Kochan. He denies it. It's an allegation; it has no basis in fact. This gentleman can write as many letters as he wants - letters to the editor — as their hacks and their flunkies out there are writing letters to the editor every day. And it's organized; we recognize it for what it is.

Item 14 agreed to.

Vote 4 agreed to.

**Mr. Chairman:** — I'd like to thank the minister and his officials for their time spent here, and we move to the next point of business.

**Mr. Shillington:** — Mr. Chairman, if I might, I want to join Mr. Chairman in thanking the minister and his officials for their co-operation throughout these estimates.

**Hon. Members:** Hear, hear!

## **CONSOLIDATED FUND BUDGETARY EXPENDITURE**

### **PROVINCIAL LIBRARY**

#### **Ordinary Expenditure — Vote 29**

##### **Item 1**

**Mr. Chairman:** — Would you introduce your officials, please.

**Hon. Mr. Currie:** — Mr. Chairman, I would like to introduce the officials from the Provincial Library. With me is Leah Siebold, sitting next to me. She is the Provincial Librarian. Sitting behind her is Marcel deLaforest, who is the director of administration. And to my right is Monty Fruman, who is the automation co-ordinator.

**Mr. Koskie:** — Mr. Chairman and Mr. Minister, I just want to first of all indicate that a very small increase was afforded to the expenditures for the Provincial Library. In fact, from the previous year, 1982-83, to the 1983-84, there was a rather very small increase of 3.7 per cent. I notice, in respect to the grants to the libraries, that they're in the neighbourhood of 7 per cent. What I am concerned about, as with other expenditures in education, is that the Provincial Library system will have some considerable difficulty in carrying on their work with a budget, in respect to 7 per cent. My understanding that many of their costs — books and so on — will in fact be increased 10 to 12 per cent, and as a consequence, I see that there's going to have to be some more further transfer back to the local municipal bodies for participation. What are your comments in respect to the sufficiency of funding, and who is going to be having to pick up the difference if you're going to maintain the same type of service as we had before?

**Hon. Mr. Currie:** — Mr. Chairman, the 7 per cent increase that has been allowed by the grants is, of course, 1 per cent below the inflation level. In talking to my officials, they feel that it will enable us to provide about the same level of service as we have provided in past years, that as far as internal service is concerned, although there has been a reduction there from the 7 per cent, that there have been many improvements that have been made, most important of which is the automation, and that this should help to make up for, to ensure that there is service that is on a par with the service that has been afforded previously.

**Mr. Koskie:** — Well, I note in respect to the situation in Moose Jaw, that outstanding mayor, Mayor Lewry, the other day in council, raised his voice the first time during debate over the Palliser Regional Library's request for a 10 per cent increase in its annual grant to \$10.11 a resident or \$343,144. So what I'm really saying is that . . . and in talking to officials in the Saskatchewan Library Association, they certainly have indicated to me that there are some concerns, with a 7 per cent grant increase, of being able to in fact keep up their purchases. They indicated that they didn't feel that it would be sufficient, that the book costs will increase by 10 to 12 per cent, and I would submit that that is a fairly significant part of their expenditures in respect to the operation of

libraries.

Nevertheless you have indicated what you have. I just want to say, Mr. Minister. I think the 7 per cent level of grants is miserly. I think that it will affect the standard and quality of libraries operating in Saskatchewan at such a high level under the former government, and that there will be some deterioration in the services.

I want to go on just to a couple other areas that have been . . . concern that has been raised. And there's some indication made to me that your government got rid of the extension services which previously was provided. Also, consultant services are some of the areas that they indicate have been cut or cut back. Can the minister comment in respect to that?

**Hon. Mr. Currie:** — Well, Mr. Chairman, first of all, in reply to the hon. member I want to assure him that there will be no deterioration in service. Now, to his question with regard to the disbanding, I feel that what he's referring to is the disbanding of the development branch of the library. This was initiative that was undertaken by the previous government, and this project was completed. And so, on its completion, the development branch was disbanded in July of 1982.

**Mr. Koskie:** — I understand that the disbanding of the development unit has not been particularly well received by the association.

There's one other area that is of concern to the association, and that is that the new government seems to prefer to hire out-of-province consultants to come to Saskatchewan for a few days on special issues. And it is their opinion that these do not work as well as in-house specialists. During the course of the year, can you indicate whether you had the out-of-province consultants doing any work in respect to libraries?

**Hon. Mr. Currie:** — In reply to that question, there have been none so far this year. I might say that we may have some consultative service in regard to the automation.

**Mr. Koskie:** — But their particular concern that they raised is that the government was in fact looking to outside consultants, and in particular they felt that these do not work as well as in-house specialists in respect to ethnic books and native books and children's books and selection. Has that been turned over to outside consultants on a very short-term basis, or is it still being done in-house?

**Hon. Mr. Currie:** — Well, the expertise that we do have on staff is what I think you refer to as in-house, and in the multilingual areas there are four staff members, and in the native area there are two positions.

**Mr. Koskie:** — This is a small ordinary expenditure for libraries. In respect to item 3, in particular, technical services, I see a very substantial cut-back in staff there. Would the minister indicate what the cuts were?

**An Hon. Member:** — We put in a computer; don't need as many people.

**Mr. Koskie:** — I asked the minister.

**Hon. Mr. Currie:** — First of all, I would start out by saying that the improvements that have been made in the cataloguing process have made it possible to operate the

activities with fewer staff. And as far as the staff positions are concerned, there were three temporary staff positions, and these positions were approved for the '82-83 recon project, and this project will be completed in December, or was completed. I'm sorry, will be completed in December of 1983. And the three positions connected to current cataloguing, I could just mention that current cataloguing is not backlogged at the present time.

**Mr. Koskie:** — Mr. Minister, I notice that out of permanent positions, that there were a loss of five permanent positions. Could you indicate what particular personnel were deleted? What were their classifications, the ones that were deleted?

**Hon. Mr. Currie:** — The positions that were deleted were three positions: one was a library technician 1, and two were clerk-typist 2's. In the professional services branch, one was a clerk-typist 2, and in the administration branch, there was a half-time for an accounting clerk 2.

**Mr. Shillington:** — A question to the minister on the participation of municipalities in the Provincial Library system. Could you tell me if any of the urban municipalities have given notice to opt out of the Provincial Library system? Perhaps, Mr. Chairman, it might shorten things if I notified the minister. I'd like to know not only who has opted out, who has given notice, but when the notice was given as well.

**An Hon. Member:** — Just urban?

**Mr. Shillington:** — Just urban, I'm not asking rural. I was just interested in . . . (inaudible) . . .

**Mr. Chairman:** — Could the member ask the questions from his feet, please, so it's recorded on *Hansard*?

**Mr. Shillington:** — Okay. I think, Mr. Chairman, I'd apologize for that. I know that may drive the *Hansard* wacky, but the minister asked me a question informally, off the record, and I answered informally. I think the process had been served, because he then knew what I wanted, but I would repeat it: I asked you about urban. I was going to ask the same questions in a moment about rural, but I just had divided the question in two parts.

**Hon. Mr. Currie:** — The answer to the urban part is that there was just the one, and that was Swift Current, and they have renewed their application . . . (inaudible) . . . they have rescinded it . . . (inaudible) . . .

**Mr. Shillington:** — Okay, rural then?

**Hon. Mr. Currie:** — There are 20 rural, and just to put it on a comparative basis, last year there were 57.

**Mr. Shillington:** — There are 20 that are outside the system, I understand, that are not therefore making a contribution to their regional library system. Did you give me the number who are outside the system or the number who have given notice of their intention to leave?

**Hon. Mr. Currie:** — I gave the number who have given notice only, not outside the system.

**Mr. Shillington:** — Are there any who are outside the system, then?

**Hon. Mr. Currie:** — Yes, there was one municipality that withdrew in 1982.

**Mr. Shillington:** — So all the RMs but one are participating in a regional library system, or are there some who have never joined? They have been out for a lengthy period of time?

**Hon. Mr. Currie:** — Perhaps the best answer to that would be to say that 7 per cent of the population does not belong. In most cases they never did belong.

**Mr. Shillington:** — This is my last question, Mr. Minister. I was really asking you for a comment. It has been suggested by the regional libraries over a period of years and on various times and various occasions that it would make sense to treat libraries as one does schools and hospitals, that is, that participation is not voluntary, it is mandatory. And it seems to me that that has a good deal of logic. The logic is that the library service, I think in this day and age, is something that all of the province's population should have access to.

The system we have has produced a library system which is really pretty good, which I think is the envy of many other provinces. Why not complete the system? Make participation mandatory as we do with schools and hospitals. Treat it for what it is — in this day and age an essential service in our communities — and make the participation mandatory, because I suggest to you that the 7 per cent who are not in the library system are in fact free-loading. Now I'm not being derogatory about the local councils who are outside, but with every deference to the local government's, those which are outside the system, I suggest, are (a) not providing a necessary service for their electorate and (b) to some extent they're free-loading on everyone else. So I ask the minister: why not take the next logical step, make participation by all municipalities mandatory, and end this system which, I suggest, has outlived its time?

**Hon. Mr. Currie:** — Well, Mr. Chairman, in reply to the clearly philosophical question asked by the hon. member for Regina Centre, I think it has some merit, what he's asking about has considerable merit. If we have schools . . . Here what you're saying is if we have schools that are compulsory and it's a good thing for all children of Saskatchewan, why don't we do the same thing with library and library services? It does have some relevance. But this thing has been around, you see, for quite a long period of time . . . (inaudible interjection) . . . For 75 years, or since there's been a province, and you know what you're asking really is with one fell swoop we include . . . (inaudible interjection) . . . That's right, and quite frankly I agree with you to the point that we will offer the necessary leadership to see what we can do to bring that 7 per cent into the fold on a participatory basis, and using all the democratic means that we can and, you know, as far as the cost is concerned, these people are not excluded from gaining library service. As you are aware, they can. All they have to do is pay a fee and, in effect pay for their deposits, and so that they do have opportunity for service. So it's not as though they're excluded completely from that service and, as far as total participation is concerned, I would support that and be anxious to be working towards that end.

Item 1 agreed to.

Items 2 to 4 inclusive agreed to.

Vote 29 agreed to.

**Mr. Shillington:** — Mr. Chairman, I would like to join in thanking the ministers and officials for their assistance throughout these estimates.

## **CONSOLIDATED FUND BUDGETARY EXPENDITURE**

### **URBAN AFFAIRS**

#### **Ordinary Expenditure — Vote 24**

##### **Item 1**

**Mr. Chairman:** — Would the minister introduce his officials?

**Hon. Mr. Schoenhals:** — Mr. Chairman, I would like to introduce, on my left, the deputy minister of Urban Affairs, Mr. Dave Innes. On my right, the assistant deputy minister, Keith Schneider. Behind me to the left, Don Bennett, the director of administrative services. Behind me, Laura Joorisity, the manager of the accounting services.

**Mr. Shillington:** — Thank you, Mr. Minister. I want to begin by dealing with the multimodal station in Regina, Mr. Minister. Your admirers in the Transportation 2000 are back at it again, accusing you of torpedoing the project. The phraseology is mine, but the gravamen of that charge is identical to what was in the newspaper the other day.

I want to know, Mr. Minister, where the project now stands. Have there been any further negotiations? I would just appreciate an update on what has happened since we dealt with your estimates in February.

**Hon. Mr. Schoenhals:** — Mr. Chairman, we have had some negotiations at both the ministerial and the departmental levels. We have not reached a joint agreement, a final decision on the thing. We would hope to have a decision in the near future.

**Mr. Shillington:** — Well, you're like the tradesmen that I hire. When you say, 'When are you going to come in to fix the leaky faucet? Well, it'll be the first of the week.' I've been hearing 'shortly' from you for some time, Mr. Minister.

I want to know, Mr. Minister, what it was about the former agreement that struck you as being inappropriate?

**Hon. Mr. Schoenhals:** — Financial arrangements.

**Mr. Shillington:** — Well, could you be a little more specific?

**Hon. Mr. Schoenhals:** — We wanted to take the opportunity to review the province's involvement in the project. We wanted to look at some possible options. We wanted to present some alternative suggestions to the people from VIA.

**Mr. Shillington:** — Well, I've gathered all that or you would have approved it. Specifically what was it about the former arrangements which you felt were inappropriate?

**Hon. Mr. Schoenhals:** — We simply felt that, as we have found with a number of their agreements that we inherited, we could probably work out a better deal on the province's behalf.

**Mr. Shillington:** — It strikes me, Mr. Minister, that the proof of the pudding's in the eating. That project has been stalled ever since the Tory wrecking crew took office. Nothing has occurred. And there is no suggestion that that project is going to proceed so long as you insist on operating in breach of an agreement. I suggest to you, Mr. Minister, that you are breaching an agreement. An agreement was reached between the Government of Saskatchewan, the city of Regina, VIA Rail. I do not think the Government of Canada was a party to the agreement, but an agreement was reached, and all parties proclaimed themselves satisfied with the terms of the agreement.

I suggest to you, Mr. Minister, that you don't really have any quarrel with the terms of the agreement. Your problem is that, thanks to your mismanagement, you are so destitute and penniless that you can't complete the agreement. It is not that the arrangements are inappropriate. It is that you people have so poorly managed the affairs of this province that you just haven't got the money to do it. And that is a tragedy. And that is a tragedy, Mr. Minister, because it was, I think, a very worthwhile project, a very worthwhile project.

I want to list for you once again, Mr. Minister, what I think the benefits of that multimodal station were. It assisted in developing a portion of downtown Regina. You know, this is an old movie, Mr. Minister. The Thatcher government came in . . . Where is Mr. Lane? Where is the Attorney-General? He's gone.

The Thatcher government came into office in 1964 and a number of new buildings had been completed by the CCF, the latest of which was the SPC building. Do you know, Mr. Minister, how many new buildings in downtown Regina, how many public buildings were added during the Thatcher regime? Just as many as you have added during your first year. Not a single blade of grass. Not a single post. Not a single square of sidewalk was added to the downtown portion of Regina as a result of anything the provincial government did.

Mr. Minister, I suggest to you what we have is an old movie running past us. When the former administration were in office, the downtown . . . (inaudible interjections) . . . It's called the Tory wrecking crew. When the former administration was in office, the downtown portion of this city was being rebuilt. And I don't have to take you through that downtown that the skyline was radically altered, but all for the better. What has happened since you people have taken office? Everything that happened when the Thatcher regime was in office — absolutely nothing at all.

Mr. Minister, this is an old movie. I suggest to you . . . (inaudible interjection) . . . I wish I could turn it off. I genuinely wish I could turn it off and go back to the one that used to be in this province, whereby the government was a participant in rebuilding our cities. Because the downtown cores of this city and other cities are not going to be rebuilt unless the government takes an interest in it. . . . (inaudible interjection) . . .

I can see we're getting to them, particularly the Regina members, and the Weyburn member. And the Weyburn member — he knows that Weyburn was a benefactor of the former government's policy in rebuilding the downtown areas.

Mr. Minister, I suggest to you that what we are witnessing is a re-enactment of the Thatcher regime, when nothing, but nothing was done for this city in the seven years they were in office. You have been in office . . . You took over an ambitious, imaginative program, which had been proclaimed for a good deal of time. (I don't know if the minister's chair is uncomfortable, or what.) You took over and you just put it in the deep-freeze.

I suggest to you, Mr. Minister, that that's all we're going to see for the two or three years until the public get an opportunity to send you people to your deserved reward, which is back to the opposition.

**Hon. Mr. Schoenhals:** — Mr. Chairman, I will try to respond to some of the diatribe that was just delivered. First of all, as has been clearly established in this House, the legal opinion has been clearly established, the facts of the matter have been clearly established. There was no agreement reached. There was some principle discussions that were reached. That is all in *Hansard*. I won't go into it in any detail, other than to say that the agreement was not there.

Secondly, the original concept of multimodal was an excellent concept, in that it involved multimodal. The present dual-modal concept is not quite of the same calibre. And it's been the reduction in the involvement, is one of the things that has caused us to review that whole question.

As far as your comments about rebuilding the downtown core of Regina, a couple of thoughts certainly come to mind. Possibly one of the reasons you're sitting over there with that motley crew is the deal that you struck with eastern developer to redesign the Cornwall Centre. It certainly wasn't a popular deal in this city. I would also suggest to you that since we've been here, there have been two very major announcements: the McCallum-Hill Building replacement — the twin tower concept; and a major addition to the Saskatchewan Hotel. Now that's in 11 months. Those are private developments, and that may be a little tough for you to follow. But we believe that the people of the province are perfectly capable of developing the downtown, and we guarantee you that you will see changes long before our term is over.

**Mr. Shillington:** — Well, I may say with respect to the Hotel Saskatchewan: an utter irrelevancy. I'm from Missouri on the issue of the Hotel Saskatchewan. I've been in this city for several years, and I have seen more proposals for expanding that hotel than I care to remember. The project may go from words to actions, but I'll tell you, Mr. Minister, take with a grain of salt any suggestion that that hotel will be expanded because there's any number of plans around to do it and none of them have ever been brought to fruition. Mr. Minister, I am off the subject.

Mr. Minister, I suggest to you it was just simply your impecunious state that caused you to breach that agreement. There was nothing wrong with it, nothing inappropriate with it. Each side was bearing a fair share of the cost. If that isn't the case, I would ask the minister to tell this Assembly why you think the province was bearing more than its fair share of the cost. On what is that comment based?

**Hon. Mr. Schoenhals:** — Mr. Chairman, I would expect that any group of intelligent people that came to government, inherited a Nipawin dam project, were able to renegotiate it and save the people of this province \$10 million, would take a very hard and fast look at any agreement that that previous group had negotiated.



**Mr. Shillington:** — Are you going to answer the question or are you going to evade it? I know this is going to come as a startling revelation to the minister, but the Nipawin dam project, I don't think, comes within our estimates. That was not what I asked you about.

**Hon. Mr. Schoenhals:** — Mr. Chairman, I might suggest that an awful lot of what's been coming across the floor from there doesn't come within these estimates either. However, we have looked at that agreement. We are in a negotiation process. We expect to have an answer very shortly, and we will give you the details of whatever we come up with in due course.

**Mr. Shillington:** — Who were the parties to the negotiation?

**Hon. Mr. Schoenhals:** — VIA Rail and Urban Affairs, Government of Saskatchewan.

**Mr. Shillington:** — Well, what you're suggesting, Mr. Minister, is that you are trying to unload a greater share of the cost on VIA Rail. I suggest you're going to have a difficult time doing that. They reached one agreement; you want to breach it. I suggest you're going to have a very difficult time unloading any larger portion of this on VIA Rail.

If one party reaches an agreement with another, and that first party decides he doesn't want to honour his word, whatever his legal position may be, it's usually impossible to renegotiate the agreement at that point in time. So I suggest . . .

**An Hon. Member:** — Well, if it's a bad deal, we'll . . . (inaudible) . . .

**Mr. Shillington:** — Well, if it's a bad deal, I'd be interested in some of the details. All we've got from this minister is a suggestion that he wants to renegotiate it. He hasn't told us what's wrong with the agreement, and if he could ever bring himself to deal with that subject it might assist these deliberations.

**Hon. Mr. Schoenhals:** — Mr. Chairman, I will take the excellent advice of the member opposite under advisement. I would suggest, though, that when you have two parties in a negotiation and they have reached some type of tentative agreement in principle, and there is a major change in the make-up of one of those parties, it is certainly within that new group's right to look at those negotiations and pursue them to the betterment of themselves.

**Mr. Shillington:** — Does the minister have any quarrel whatsoever with the concept as it was contained in the agreement signed between the Government of Saskatchewan, VIA Rail and the city of Regina? Do you have any problem with that concept?

**Hon. Mr. Schoenhals:** — Mr. Chairman, some of the concerns that were in place prior to our arriving here . . . STC had some concerns in terms of the loss of some revenues if they went into a dual-modal facility. I believe that is the reason why the minister responsible was . . . The responsibility was switched to Urban Affairs from the minister responsible to STC. I believe that, in crown corporations, a year or so ago, there was some evidence presented that the STC had already, through SHC, gone ahead and bought some property in a different location. When we came in we pursued the agreement, we checked with STC, they went through their concerns, they've been discussed, they've been put into the mill, if you will, and those negotiations are carrying

on.

We also have some financial concerns which you've indicated. I believe it's been clearly stated that we have some problems with most of the deals that you put together, and we are pursuing them. We will continue the negotiations, we will have announcement in due course, and we'll let you know.

**Mr. Shillington:** — You've got two problems with most of the deals we put in place. Thanks to your own mismanagement you haven't got the money to complete them, and that's your primary problem with them. This government simply cannot manage the affairs of this province well enough to put itself in anything but the most impecunious state.

But the second problem you've got is that you people are philosophically opposed to public investment. You are throughout the entire gamut, and you have shown that, and you have said that. Virtually every member of the treasury bench has taken some occasion to suggest that he's got to get government out of the lives of the people — got to restrict government — put government and its crown corporations in an iron corset and turn the turn-screws to get it smaller.

And that's really your problem, Mr. Minister, is that you don't believe in public investment. You approach this with precisely the same attitude as Ross Thatcher did — that is that there is no place for public investment in the urban centres of this province. And I suggest to you you've got two problems. One is that you haven't got the money, thanks to your own ineptitude, and thanks to giving it away to Imperial Oil and the potash companies. The other is that you're just philosophically opposed to public participation in the development of our urban areas.

**Hon. Mr. Schoenhals:** — But I will suggest just as strongly to you that we do not apologize to anyone for reducing the size of the government that you built in this province.

Secondly, I don't care what your interpretation is, but I do care what the people of the province's interpretation of our performance is, and the only proof we have is what happened in P.A.-Duck Lake, and we'll take it.

**Mr. Shillington:** — The arrogance of this government just knows no limit, knows no limit. No matter how inept your performance, you always try to justify it by saying, 'But we won an election.' There's good reason, Mr. Minister, why the life expectancy of governments with overwhelming majorities is awfully short. The reason is because of the very type of attitude that we have seem exemplified here today.

I want to go on, Mr. Minister, to subvote no. 20. That is . . . I'm going to get my estimates.

**An Hon. Member:** — Page 100.

**Mr. Shillington:** — Thank you. Page 100, grants to municipalities under the municipal transit and transit assistance for the disabled programs. I understand, Mr. Minister, that there are actually two programs under this one subvote. One is transit assistance for the disabled; the other is municipal transit. Now if that understanding is inaccurate, I would ask you to tell me what is included. If it is accurate, could you give me the 1982-83 figures under both programs, and the 1983-84 estimated expenditure under both programs?

**Hon. Mr. Schoenhals:** — You are correct in your assumptions. The figures . . . You want the comparison between the last two budget years? . . . (inaudible interjection) . . . Municipal transit assistance is divided into two portions, operating and capital. The 1982-83 operating was \$2,067,000. The 1983-84 is \$2,178,066. The capital for 1982-83 is 1,558,000. The capital for '83-84 is \$1,200,684. The combined totals of the two for 1982-83, 3,625,000. For '83-84, 3,378,750.

In terms of transit for the disabled, the same breakdown. In operating moneys, the approved amount in '82-83 was 818,000. The '83-84 was 909,000. In capital, the approved in 1982-83 was 361,000, and this year, 352,530. The combined totals for transit for the disabled, '82-83, 1,179,000. For '83-84, 1,261,530. And of course you have the bottom line in front of you.

**Mr. Shillington:** — Mr. Chairman, I want to question the minister on the decrease on the capital side of both, but I want to start with the disabled, actually. There was, as I understood the minister's figures, 361,000 capital for '82-83 and 352 in capital for the transit for the disabled in 1983-84, estimated. If that's accurate, Mr. Minister, I want to suggest to you that it's inappropriate. What that will mean is that there'll be no additional bus facilities. There'll be less money to purchase additional bus facilities, and that is a serious problem.

The only program that this transit for the disabled has is that it's a victim of its own success. Mr. Minister, I represent a riding, as perhaps some others do as well, I represent a riding where a lot of these disabled people live. They live downtown, close to the services.

**An Hon. Member:** — We feel sorry for the people in your riding . . . (inaudible) . . . Ned.

**Mr. Shillington:** — Well, you might feel sorry for Mr. Petrychyn. I don't mind running in the riding at all.

Mr. Minister, the only problem with the program is very long waiting lists. The complaints I get from the disabled are that they have to wait for a very long period of time for the bus.

It has proved to be very popular, and it has proved to meet a key need, and that is their mobility. What we've found out since this program has come into effect is that disabled people can earn a living, they can live a useful, productive life if we can just overcome certain of the disadvantages they face. We don't have to overcome them all.

One of them is mobility. They've got to be able to get from here to there, and this program met that. But, Mr. Minister, there are very long waiting lists, and the program is . . . And it's just getting worse as more and more people find out what it means.

We had a fair controversy last winter in this city over whether or not senior citizens should be qualified to ride on the transit system. Many of them were not disabled in the traditional sense, but indeed they did need the facilities, because when you get the sidewalk covered with ice and when it gets treacherous for those whose bones break easily and don't heal very easily, that bus is a godsend because it gets them out of the house.

The same with the blind, Mr. Minister. The problem is not so much in summer as in winter. The blind can walk down the street with the aid of a white cane with some success in summer, but try that in winter when all of the usual guide-posts are gone. The curb's gone, you can't hit a tree with a cane because it's covered in a snow-bank, and all the usual guides are gone.

So I suggest to you, Mr. Minister, that the decreased capital in transit for the disabled is inappropriate. What is needed with respect to transit for the disabled is a good deal more money, so that the system can come somewhere near to meeting the demands placed upon it.

**Hon. Mr. Schoenhals:** — Mr. Chairman, I, personally, and this government, share the plaudits that the member opposite has given to the program, transit for the disabled. It's a very worthy, very essential program; there's no question about that. However, the money that is being provided, as I'm sure you're aware, is basically the same. I think it's something in the area of 2 per cent difference. It is based on anticipated need as it's been presented to us. And we would indicate to you that all the things you say are true. However, the doom and gloom fashion in which they were presented is consistent with your attitude. We feel we have put a budget in place that will in fact meet the needs. We have positive reaction from the people in the field, and we will . . . (inaudible) . . .

**Mr. Shillington:** — The reaction I got from the people I contacted was a little different than what you got. The reaction that I got from the people I contacted was that what the system needed was a lot more money. And if it did, Mr. Minister, quite frankly, you might save yourself some money . . . She's gone. The Minister of Social Services a moment ago was sitting right behind you, and your officials are there.

Frankly, Mr. Minister, if you increased the funding to this system and made these people a little more mobile, you might do something about the runaway budgetary problems of the member from Swift Current. I would ask you to view this as a good investment. Do not view it as charity. I'd ask you to view this program as a good investment. Some of these people can't get jobs because they can't get onto the bus system. And that's a fact. There are people who want onto the bus system who can't get on.

I'd ask you, Mr. Minister, if it wouldn't be more appropriate to increase the funding to the capital side, rather than decrease it, because they need some more buses.

**Hon. Mr. Schoenhals:** — Mr. Chairman, once again, we recognize the importance of this program. We have never, at any time, indicated that it was considered charity. We have in fact increased the operating money, which is the key to service, 11 per cent — well above the guide-lines that the rest of the government's operating on. A full 11 per cent increase in operating money. I think that is obviously indicative of the commitment we have to this program.

**Mr. Engel:** — The minister's patting himself on the back and recognizing the importance of the program and by saying 11 per cent increase in operating. How much did the fuel go up in operating expense alone over the past year — the increased costs for operating that system?

**Hon. Mr. Schoenhals:** — Obviously, as you are aware, prior to the elimination of the gas tax — that well-received tax reduction in the province, the largest tax reduction

in the history — there was a rebate program to these organizations. All right. Obviously, as there has been some increase in fuel costs, I would suggest to you, though I do not have exact figures, that it would be well below 11 per cent.

**Mr. Engel:** — I would suggest to the minister that their fuel costs would be very similar to what my fuel costs are on my farm, as far as the relationship in percentage increases. And it's more than 30 per cent increase. The minister checks his fuel costs being a major input cost. Labour costs, and the people — the drivers aren't working at minimum wage, so they weren't frozen at their wages; so they likely got an increase in their costs. An 11 per cent increase is actually a decrease in how much they're getting for running those buses. The pressure I've been getting, and people are talking. I sat beside a person at the opening, a disabled person in a wheelchair, and she couldn't enjoy that party. And do you know why, Mr. Minister? She had to leave early because her buses weren't running on a schedule after a certain amount of hours. And the complaint she was raising is the amount of hours you provide in time. And with 11 per cent increase, when the costs are going up like they are, how do you expect to provide an increase in service and more hours? The hours are too short for one thing, for them to enjoy any kind of a social function.

She was telling me she can't go to a show because the bus doesn't run when the show's over. I think there's some things you should consider to try and cover off the amenities and let these people live like human beings; let them enjoy some of the things we enjoy; provide the kind of hours that they can attend and can take part in an entire community, rather than be singled out and saying, 'We'll provide you with a limited service,' which actually traps them into a life-style.

**Hon. Mr. Schoenhals:** — Mr. Chairman, as the member may be aware or may not, the decisions on scheduling — some are fixed schedules; some are not; some are pre-arranged for specific occasion — are made at the municipal level. Our funding picks up one-half of the deficit, the operating deficit, whatever that happens to be. So as those expenses would rise, obviously our share would rise. I don't know the exact increase in fuel costs. We will get that for you, if it's that important. Your suggestion however, that bus drivers should get minimum wage, is not something this government agrees with. I can guarantee to that. But I repeat again, as the deficit increases, so does our commitment. So does our contribution . . . (inaudible) . . .

**Mr. Engel:** — Mr. Minister, you know full well that the budget and the timetable and the scheduling of service is drawn up according to your commitment, and how much the cost-sharing is going to be by the province in this program. And that is going to be budgeted by the municipal levels according to how much money they get. And when you're suggesting that I said the bus drivers should be on a minimum wage, that indicates how you're listening. I suggested that the bus drivers are not on the minimum wage. Bus drivers are on a wage where they did get a small increase. So in taking into account those numbers I was using, you're taking into account the increase in costs of fuel, the increase in costs in labour to run these buses, the increase in costs in process and service and maintaining them, 11 per cent increase in that budgetary item is actually a decrease in service. That's the point I was making.

**Hon. Mr. Schoenhals:** — Mr. Chairman, just to finalize the argument about bus drivers, as again I would assume you're aware, some are on minimum wage; some are well above. A good number are volunteer in this program and receive nothing and consequently are not part of the equation.

In your reference to how municipalities set their schedules, you're absolutely wrong . . . (inaudible interjections) . . . Yes, you are. The municipalities don't know when they set their budget what is coming in this budget. They're usually set prior. We are picking up, once more, 50 per cent. So the municipalities will determine what they can afford for their 50 per cent and we match it. That's how it's funded.

The Assembly recessed until 7 p.m.