

# LEGISLATIVE ASSEMBLY OF SASKATCHEWAN

December 6, 1983

The Assembly met at 2 p.m.

Prayers

## ROUTINE PROCEEDINGS

### NOTICE OF MOTION

**HON. MR. LANE:** — Mr. Speaker, I give notice that I shall, on Thursday next, move that this Assembly, on the day of the 35th anniversary of the proclaiming by the United Nations of the Universal Declaration of Human Rights, recognizes and affirms this declaration, together with its implementing covenants, to which Canada is a party: the international covenant on economic and social and cultural rights; the international covenant on civil and political rights; and the optional protocol to the international covenant on civil and political rights, as common standards of achievement for all peoples and all nations, to the end that every individual and every organ of the society of the province, keeping these documents constantly in mind, shall strive, by teaching and education, to promote respect for these rights and freedoms and, by progressive measures, to secure their universal and effective recognition and observance in Saskatchewan.

### INTRODUCTION OF GUESTS

**MR. YEW:** — Thank you, Mr. Speaker. I am proud and honoured to introduce to you, and to members of the Legislative Assembly, a delegation from northern Saskatchewan. Specifically, Mr. Speaker, they are from Sturgeon Landing, a community which is quite remote from the rest of our province, as the only access highway into Sturgeon Landing comes in from Manitoba.

They are a life skills group of nine adults presently taking training courses in their community. They are accompanied by their life skills instructor, Lois Melchert.

I would like to personally wish them a pleasant stay in Regina. I wish they have an interesting day and a very educational experience. I wish all member would join me in welcoming them to Regina.

**HON. MEMBERS:** Hear, hear!

## QUESTIONS

### Utility Rate Increases

**HON. MR. BLAKENEY:** — Mr. Speaker, I direct a question to the Premier. Mr. Premier, you will be aware of substantial increases in utility rates of the amount of 15 per cent, 13 per cent, 19 per cent – for power, and for natural gas, and for telephones. I ask you: what figures do you have to indicate the impact of these sharp utility rate increases on senior citizens and low income families?

**HON. MR. DEVINE:** — Mr. Speaker, the figures that I have – right off the top of my head – are that the rates are only half that because we froze utilities for a complete year.

**HON. MR. BLAKENEY:** — Mr. Speaker, supplementary. Does this mean that utility rates increases will only come very second year, and that, accordingly, the increases which they face will be guaranteed not to be increased again for a t least two years?

**HON. MR. DEVINE:** — Mr. Speaker, no, it doesn't mean that. The situation is changed in the province of Saskatchewan. We now have a Public Utilities Review Commission, Mr. Speaker, and the Public

Utilities Review Commission receives the submissions by the utilities, and the Public Utilities Review Commission makes its recommendations with respect to the rates. The rates were froze for the first year, it made its recommendations for the second year, and it will be subsequently reviewing them in public for the first time in the history of Saskatchewan and make its recommendations to the people of Saskatchewan.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. BLAKENEY:** — New question, Mr. Speaker, to the Premier. This concerns utility rates. Mr. Premier, you have indicated that the procedures by which the Public Utilities Review Commission operates are as follows, as you set out in *Hansard* on February 22, 1983:

The Public Utilities Review Commission will make its recommendations. Now, clearly, cabinet can say, 'I don't like these,' but then we bear the brunt of public opinion when we decide to either go with them or not to go with them. But the final decision, like anything else, is with cabinet.

Mr. Premier, in view of the fact that the final decision on utility rates is with cabinet, will you use your authority to make sure that those utility rate increases do not exceed the levels of inflation?

**HON. MR. DEVINE:** — Mr. Speaker, the final decision is with cabinet to the extent that we can change the legislation if we decide to. With respect to the rates, the Public Utilities Review Commission makes the final decision. We can ask them to review it again. We can say, "Go back," and, "Here's the information — we don't agree with it; would you please review it again?" but when they make the final decision, it's the final decision.

**HON. MR. BLAKENEY:** — Supplementary, Mr. Speaker. In view of this substantial change in the position set out by the Premier on February 22, 1983, will you now agree that your cabinet will exercise discretion as to what utility rate increases are asked for by your utilities, so that people who are low income or senior citizens will not be subjected to utility rate increases three times the rate of inflation?

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. DEVINE:** — Mr. Speaker, this is a new process for the province of Saskatchewan. As you know, Mr. Speaker, we were the last jurisdiction in North American to have something like a Public Utilities Review Commission. Apparently, Mr. Speaker, it is not supported by the members of the opposition. It's supported by the public. They like to have the rates reviewed in public and discussed, so that process will continue. And Mr. Boychuk and the people on the Public Utilities Review Commission will review all the information. The crowns have to bring in stacks and stacks of evidence, volumes of it, to justify those increases, and it is reviewed in detail. It's a process, Mr. Speaker, that we think will provide the public with a lot of confidence if the rates are indeed fair, and if the utilities will be run on a break-even basis.

**HON. MR. BLAKENEY:** — Supplementary, Mr. Speaker. Notwithstanding the pounds of information which is apparently submitted to the Public Utilities Review Commission, will the Premier agree that his policy lacks both fairness and compassion when it hits seniors and minimum wage earners with increases in utility rates far, far above the rate of inflation, and far, far above the rate of their increases in income?

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. DEVINE:** — I can't agree with the hon. member that the Public Utilities Review Commission is unfair. I believe it is the fairest jurisdictional body we've ever had in the province of Saskatchewan to review public utility rates — ever.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. DEVINE:** — And with respect to the cost of living, Mr. Speaker, we can point to things that we have done in the province of Saskatchewan by protection on interest rates, and removal of taxes that amount to, on an annual basis, the freezing of power rates year after year after year. A \$145 million gift to the people of Saskatchewan in tax breaks every year is something that goes on in this province year after year after year, Mr. Speaker. It never did before. It's the single largest tax cut in the history of the province, and it's money — it's money in people's pockets. And I'm sure the seniors appreciate it as well as anybody else.

**SOME HON. MEMBERS:** Hear, hear!

### **Shelter Allowance for Seniors**

**MR. LINGENFELTER:** — Mr. Speaker, my question is to the Minister of Social Services. In light of the answers given by the Premier that he intends to do nothing to protect the senior citizens of this province against the ravages of ever increasing utility rates . . .

**MR. SPEAKER:** — Order, please. The member is making a statement instead of asking a question. I would ask you to get directly to your question.

**MR. LINGENFELTER:** — Mr. Speaker, a question to the Minister of Social Services. In light of the previous answers given by the Premier, would you tell me whether or not you will be taking to cabinet a proposal to offer up a shelter allowance for senior citizens in this province which will pay out funds to them, which will help them deal with the ever-increasing power rates, gas rates, transportation costs that they are facing at the present time?

**HON. MR. DIRKS:** — Mr. Speaker, I am pleased to respond to the member's questions. I think that this particular government in many ways has indicated its concerns for seniors. It's a very serious concern, and I certainly will be reviewing the income needs of seniors and recommending changes to cabinet that are appropriate. I believe that the Premier's response with regards to the income needs of seniors was very appropriate. This government is demonstrating a very serious concern for the needs of seniors.

**MR. LINGENFELTER:** — Mr. Speaker, supplementary to the minister. I'm not arguing whether you have concern, Mr. Minister, but in light of the fact that the shelter allowance program was cancelled by your government, in light of the fact that the home repair program for seniors has been cancelled, in light of the fact that the bus rates have increased by 18 per cent, power rates 15 per cent, can you give us an assurance that you'll dust off the shelter allowance program which you have in your department, which is all ready to go, and take it to cabinet to assist senior citizens who are facing the ravages of your government at the present time?

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. DIRKS:** — Mr. Speaker, the home repair program mentioned by the member opposite expired, and the deadline, of course, for that expiry has come. The member who is responsible for that particular program has indicated that that program is being reviewed, and that appropriate programs will be brought before the cabinet for their consideration.

I want to remind the members of the House and the Assembly that the former government, in fact, did pay very little concern to the income needs of seniors. If they really are that concerned with the kind of question that they're asking at present, why did you only increase the senior SIP (Saskatchewan Income Plan) allowance \$5 in a seven-year period of time?

**MR. LINGENFELTER:** — Mr. Speaker, a final supplementary to the minister. My question dealt with the shelter allowance which your government cancelled when they came to power, which would have paid out between \$20 and \$100 a month to assist senior citizens with their power

rates. Will you not take that program to cabinet for approval, to assist senior citizens? That's the question, Mr. Minister – the shelter allowance which you cancelled.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. DIRKS:** — Thank you, Mr. Speaker. I think the members on this particular side of the House have indicated their concern for seniors in many ways, and we will be taking to cabinet recommendations with regards to the income needs of seniors that are appropriate for the moment, Mr. Speaker, that are in keeping with the income needs of seniors, and in keeping with the revenue picture of this particular province.

I would remind the members opposite that many of the particular announcements that they've made with regards to these kinds of income programs took place just prior to elections, and I think the seniors of the province will remember that, Mr. Speaker.

### **Recreation Boards' Utility Expenses**

**MR. ENGEL:** — Thank you, Mr. Speaker. I have a question for the minister in charge of culture and recreation. In light of what the Premier has said as far as Saskatchewan Power increasing the rates as high as they are, and your former colleagues, or the members that were on this side in the last election, and their concern for recreation facilities in particular, are you planning a program to help communities and recreation boards and facilities that are running ice rinks? Are you planning a program to help them with their heavy burden they're facing with the cost of electricity?

**HON. MR. FOLK:** — Mr. Speaker, indeed . . . (inaudible interjection) . . .

**MR. SPEAKER:** — Order, please.

**HON. MR. FOLK:** — . . . (inaudible) . . . opposite are ready to listen to the answer to that question. Indeed, this government is very concerned about the recreational needs of all the communities in Saskatchewan. That is why we have brought forth a cultural and recreational facility grant program that every community in Saskatchewan has an equal chance to get at.

Mr. Speaker, as far as it goes for utility rates on those, certainly we are looking at that, and we are in constant consultation.

**MR. ENGEL:** — Supplementary, Mr. Speaker. The minister talks about a recreation board grant. There's been grants in place since before I was elected. Recreation board were able to get three and four hundred . . . Ross Thatcher called it a lighted schoolhouse grant . . . (inaudible interjection) . . .

**MR. SPEAKER:** — Order, please. Does the member have a question? This is a supplementary.

**MR. ENGEL:** — My question is: can the recreation boards apply that grant to their utility rates and their power rates? Are you doing something about the large increases recreation boards are facing with their power and gas rates – those large increases?

**HON. MR. FOLK:** — Mr. Speaker, I think many members of this House are very aware of some of the programs that were in the previous government in their array of programs. As for the programs of this government, we are looking for community input into what facilities are built. Our grants go towards those communities, and they identify the needs, and they tell us what they would like, rather than our government telling the communities what they would like.

**SOME HON. MEMBERS:** Hear, hear!

**MR. ENGEL:** — New question, Mr. Speaker. Communities are telling you and are making the message loud and clear. Did you know that recreation boards were facing very high bills? A colleague of yours, a senior member in the cabinet that's been around here for a long time, said, "does this government not realize that the local rink is the hub of the social life of rural Saskatchewan during the winter months? Many rural communities are faced with the situation of having to close down their rinks . . ." . . . (inaudible interjection) . . . Last year, he said this. ". . . early because they cannot meet the unnecessary high expenditures for power. In many instances, arena boards are faced with monthly power rates of approximately \$2,000."

The recreation board in Gravelbourg — the Gravelbourg rink's power bill on October 15 to November 15 last year was \$2,200. Do you know what that power bill is this year? The cheque this year was for three thousand . . . (inaudible interjections) . . .

**MR. SPEAKER:** — Order, please. Order, please. The member is not asking a question but rather making a speech. If you have a question get directly to it, or I'll take the next question.

**MR. ENGEL:** — My question is very simple: what are you planning to do with rinks that are spending \$3,826 on a power bill for one month when it wasn't even cold yet? That's October 15 to November 15. What are you doing about that?

**HON. MR. FOLK:** — Mr. Speaker, as the member opposite might well know, I've been around a few rinks in my time.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. FOLK:** — Mr. Speaker . . . (inaudible interjections) . . .

**MR. SPEAKER:** — Order, please.

**HON. MR. FOLK:** — Mr. Speaker, when it comes to curling rinks and any other kinds of recreational rinks, when it comes to paying their power bills, I might reiterate what we are doing with our cultural and facility grant program right now. What that means is that under this government what they do is they present a feasibility study, and our government and our department acts as an enabler, as a facilitator. We don't tell them what to do. We don't offer operating grants. They have to have a feasibility study so that even when the facility is built they realize that they have to operate it. I think that's just a little bit of a marked difference from what the previous government's grants were.

**SOME HON. MEMBERS:** Hear, hear!

**MR. ENGEL:** — It certainly is a difference, Mr. Speaker. I ask the minister: do you have a program? You're talking about studies and facilities that aren't built yet. I'm talking about rinks that exist all over Saskatchewan. Have you a program in place like your colleague was asking for last year on February 2, 1982? Have you got that kind of program ready today for rinks that are facing close to \$4,000 a month? They're not going to last very long. They can't hang on. They haven't got money to keep their rinks open. We don't care about building new rinks. Let's keep the ones that are that are built, the ones that are operating.

**HON. MR. FOLK:** — Mr. Speaker, the member opposite stated that he doesn't care if there are any new recreational facilities built in our province. That is quite different from what I have heard going around this province. Certainly there is concern for what is already in place, but certainly also the . . .

**AN HON. MEMBER:** — What are you doing about it?

**HON. MR. FOLK:** — If you'll just let me finish, I'll explain that to you. We are going around to

the communities, and we are listening, and we're making a grant program available to them. What they do is they come and they go to their local municipalities and they say, "We need a new rink. We need renovations to a curling rink, a skating rink." Then they go to their municipalities, and then they come to the government, and then we have our grants available to them. We don't just come in there and say, "Here's money here. Here's money there. Responsibility is not yours, oh no." You're saying that responsibility for a community project is at the community. We will operate as a facilitator.

**SOME HON. MEMBERS:** Hear, hear!

**MR. LINGENFELTER:** — Supplementary, Mr. Speaker, to the minister who is confusing everyone, including himself. I wonder if he can tell us whether or not the grant structure that he has in his department, if the rink boards can use that to pay their power bills.

**HON. MR. FOLK:** — Mr. Speaker, as far as goes our paying the power bills, we are in consultation with various . . . and we might be able to come up with some kind of program. But, once again, I will reiterate what is in place with this government is that we are sensitive to the needs of the community and not sensitive to the needs of big government.

**SOME HON. MEMBERS:** Hear, hear!

**MR. LINGENFELTER:** — Mr. Speaker, for clarification I'll ask the minister one more time: can the rink boards use the grant that you give them for their power bills?

**HON. MR. FOLK:** — Mr. Speaker, if he is speaking about the culture and recreational facility grant program, no.

### **Impact of Utility Rate Increases on Small Business**

**MR. LUSNEY:** — Thank you, Mr. Speaker. I have a question for the Minister of Small Business. Has the Minister of Small Business made a study on the impact that the increase in utility rates are going to have on all the small businesses in Saskatchewan?

**HON. MR. KLEIN:** — Mr. Speaker, first of all, for small business we froze the utility rates for a year. We didn't keep increasing them; we helped them out by freezing them. Simultaneously to that, we gave them a gas rebate, or the gas tax was eliminated. That went a long way in helping small business. Then, recognizing the importance of small business to Saskatchewan, we set up a new department, that of Tourism and Small Business, to deal specifically with their problems. Then we started knocking out regulations so that they could do business in this province — over 800 of them. Now, laugh, the minister from Shaunavon. We helped you. We changed regulations in the petroleum industry, and what did it do? It created more activity in this province — record level drilling. Now, if you don't think that that helped small business, I got news for you.

**SOME HON. MEMBERS:** Hear, hear!

**MR. LUSNEY:** — Question to the Minister of Small Business. Mr. Minister, has that department of yours, that you say has been set up to keep the cost of small business down, looked at how they can bring down the costs of the utility rates that have affected small business in this province, and how these small business people are going to continue operating if these kind of increases continue?

**HON. MR. KLEIN:** — Mr. Speaker, we do more than that. We started the small business employment program, another \$17 million going back to small businesses in this province. You know, I really find it interesting that all of a sudden, after a decade, you folks are interested in small business. Let me read what you dealt with at your convention:

Whereas NDP philosophy espouses social ownership and control and the means of production and distribution, the Canadian-Saskatchewan economies are a mixture of private and public ownership.

**MR. SPEAKER:** — Order, please. I'll take the next question.

**MR. LUSNEY:** — Mr. Speaker, I could see that the Minister of Small Business does not want to answer the questions regarding small business people. I will ask him once again: what programs do you have in place other than the employment program that you were talking about for small business, which hasn't helped that many small business people that employ but one person? What have you got in place for those small business people regarding the utility rate increases and how they can cope with those large utility rate increases?

**HON. MR. KLEIN:** — Mr. Speaker, I'm going to stand up because obviously he's not listening to the answer. Can you hear me now? You want to know what we've set up. All right . . . (inaudible interjection) . . . I don't have to stand on my chair; you just pay attention.

We've set up an advocacy system. For the first time in this province we've got a special department that small business comes to and refers to, and we're the advocates. They've wanted that in Canada for the last decade. They can't get it. Now in Saskatchewan we've got it. We've got a management development program in place now, taking them out to the small business community where we hire consultants, and they work one on one developing the small business to provide them with service that they either don't know where they can get that service or how to handle it. That's available to them now. We have all kinds of small business programs in place, and everything is just going neat.

**SOME HON. MEMBERS:** Hear, hear!

**MR. LUSNEY:** — Well, Mr. Speaker, It's obvious I'm not going to get an answer from the Minister of Small Business, so I'll ask a question of the Minister of Education. The University of Saskatchewan pays nearly \$5 million a year in gas and electricity bills. Does the minister propose to increase the grants to the universities so they can offset the costs of these huge utility rate increases?

**HON. MRS. SMITH:** — Well, Mr. Speaker, I hate to inform the member from Pelly, but I don't have anything to do with the universities. That responsibility lies with the member from Turtleford and the Minister of Advanced Education and Training.

**HON. MR. BLAKENEY:** — Is the member for Swift Current, the Minister of Education, the Acting Minister of Advanced Education?

**HON. MRS. SMITH:** — Mr. Speaker, I'm going to have to take notice.

**MR. LUSNEY:** — Mr. Speaker, it looks like I'm going to have to change my questioning to another minister. I'll go the Minister of Urban Affairs. He is here today, and we won't have to go to an acting minister. Minister of Urban Affairs, the utility bills of the city of Moose Jaw run close to, for electricity and gas, in their last '83 budget, run close to a million dollars. A 14 per cent increase on those rates are going to run them at about \$140,000.

Is the minister going to consider and propose to cabinet that the cities get an increase in their grants to be able to offset those rate increases, so that they wouldn't have to put that burden on the backs of the taxpayer, on top of the utility rate increase that taxpayers now have to pay?

**HON. MR. EMBURY:** — Mr. Speaker, the member opposite may not have heard, but there is a small program called revenue sharing — \$62 million a year. Part of the formula for revenue sharing is expenses incurred by a municipality, which includes utility costs.

## **INTRODUCTION OF BILLS**

The Introduction of Bills being called, it was moved by Mr. Shillington that – An Act respecting Building and Accessibility Standards and the Inspection of Buildings – be now introduced and read the first time.

The question being put, it was negatived, on division.

### **Bill No. 16 – An Act to amend The Saskatchewan Government Insurance Act, 1980**

**HON. MR. ROUSSEAU:** — Mr. Speaker, I move first reading of a bill to amend The Saskatchewan Government Insurance Act, 1980.

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

### **Bill No. 17 – An Act to amend The Automobile Accident Insurance Act**

**HON. MR. ROUSSEAU:** — Mr. Speaker, I move first reading of a bill to amend The Automobile Accident Insurance Act.

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

### **Bill No. 18 – An Act to amend The Department of Revenue and Financial Services Act**

**HON. MR. ROUSSEAU:** — Mr. Speaker, I move first reading of a bill to amend The Department of Revenue and Financial Services Act.

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

## **ORDERS OF THE DAY**

### **MOTION UNDER RULE 16**

#### **Public Utilities Review Commission**

**HON. MR. BLAKENEY:** — Mr. Speaker, I rise under rule 16 to move, at the end of my remarks, a motion as follows, seconded by my colleague, the member for Assiniboia-Gravelbourg:

That this Assembly regrets that the Public Utilities Review Commission review process has been used as a smoke-screen by the Government of Saskatchewan, and has not effectively protected Saskatchewan's small businesses, farmers, and consumers from excessive utility rates increases.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. BLAKENEY:** — Mr. Speaker, this afternoon's special debate is the direct result of the hypocrisy of the Conservative party, the hypocrisy with which it has approached the entire utility rate issue in our province. And I don't use that word lightly.

Hard-pressed consumers and farmers and small business people may find it hard to believe that the Conservatives actually came to power promising to freeze utility rate increases for at least a year, and promising to control future utility rate increases as never before.

Now that was the promise, Mr. speaker. The Conservatives record with respect to utility rate increase has been very much different than that promise. Before I review that record, I think it



would be well worthwhile reminding the people of Saskatchewan just what the Conservatives used to say about utility rate increases when they were in opposition.

It won't take long, when I quote what Conservatives said when they were opposition, to substantiate the use of the term hypocrisy. I have here a news release dated February 3, 1981. It was a news release quoting a Mr. Grant Devine on the subject of utility rate increases.

In this release, the Conservative leader claims that utility rate increases in 1980 and 1981 have been a major contributor to inflation in Saskatchewan. And then he went on to say, and I quote:

More importantly, utility rate increases hurt those the most who can afford them least – low income families and people like senior citizens who are on fixed incomes. That the government is doing nothing to alleviate this situation is a disgrace.

Now I'm quoting again what the now Premier, then leader of the Conservative party, said:

Utility rate increases hurt those the most who can afford them least – low income families and people like senior citizens who are on fixed incomes – and that the government is doing nothing to alleviate this situation is a disgrace.

So said the Conservative leader when he was in opposition.

The Conservative leader was not the only one in his party who used to rail against all utility rate increases while in opposition. I have here a *Hansard* for April 9, 1980, at page 1552. And on that day the Conservative House Leader, now the Minister of Health, demanded a freeze on all utility rates, not for one year, not for two years, not for three years, but for five, Mr. Speaker. A five-year freeze on all utility rates. That was the position of the Conservative Party when in opposition and my, how their tune has changed.

While in opposition the Conservatives convinced many people that strict control of utility rate increases would be a top priority of the Conservative government. Many people were convinced that a Conservative government would, at the very least, keep all future utility rates well below the rate of inflation. But the reality has been very far from the promise.

This Conservative government has allowed utility rate increases at two, three, and even six times the current rate of inflation. The fact is that utility rate increases have fuelled inflation in our province in recent months. They have been the major fuel of inflation according to Statistics Canada. Today Regina and Saskatoon have one of the highest inflation rates in all of Canada, 6.1 per cent and rising, while the national average is 4.9 per cent and falling. As Saskatchewan residents prepare for a long winter and very possibly a cold winter, a winter of extremely high unemployment, record high unemployment, they can take little comfort from the Conservative government's utility rate increase policy. Even worse, the Conservative government has attempted to deny responsibility for these large utility rate increases.

Mr. Speaker, you've heard the answer repeated many times in the this Assembly. Whenever we ask the Conservative government about a utility rate increase, the duck and dodge begins, "Don't ask us about rate increases," they say, "that's not our responsibility. The Public Utilities Review Commission approves the increase." And as our motion suggests, Mr. Speaker, that is a smoke-screen, pure and simple,

If the government opposite wanted to stop any single utility rate increase, all they would need to do is have the minister responsible for any individual corporation prescribe for that corporation board that they not ask for any increase above the rate of inflation. But that's not what they do. As our motion suggests today, Mr. Speaker, it is that PURC (Public Utilities Review Commission) is a smoke-screen, pure and simple.

And it's also less than fully truthful. When I say that, I am saying that the Conservative government, when they make that claim, is being less than fully truthful. For the Conservative government to claim that it has nothing to do with utility rate increases approved by PURC, ignores the fact, Mr. Speaker, that no request for a rate increase ever goes to PURC without the government's approval – no request is asked for without the government's approval. And PURC grants no increase that isn't asked for.

Further, their claims ignore the fact that the Premier himself is on record in this Assembly as admitting that it is the provincial cabinet, and not PURC, that has the ultimate responsibility for all utility rate increases. And I remind members of that fact, and I ask them to read *Hansard* if they think I am distorting what he has said. I refer them to page 1932 of *Hansard* on February 22 of this year, and if anyone thinks I'm distorting *Hansard*, I invite them to read it themselves:

The Public Utilities Review Commission will make its recommendations. Now, clearly, cabinet can say, "I don't like those," and then we bear the brunt of public opinion when we decide either to go with them or not to go with them. But the final decision, like anything else, is with cabinet.

That's what the Premier has said, and that is what he has meant. It is the Conservative cabinet, and not PURC, which must answer for the massive utility rate increases that Saskatchewan residents have been hit with in recent months. And they have been massive, Mr. Speaker: natural gas, 13 per cent; power, 15 per cent; telephone rates, 19 per cent; STC bus rates, 18 and a half per cent; SGI insurance deductible, 43 per cent. All these utility rate increases break the Conservatives' 5 per cent guide-lines, which it has forced on tens of thousands of people across this province – on working people, on school boards, on hospital boards, and others. All these utility rate increases come at a time when the Conservative government has been even more harsh on people at the lowest level of the income scale. They have frozen minimum wages for two years or more, and they are applying to these same people utility rate increases of 10, 15, and 20 per cent. And they come at a time when the Conservative government refuses to increase the monthly subsidies to low income senior citizens under the Saskatchewan Income Plan.

Mr. Speaker, we say that this kind of a record is deplorable, particularly from a government which came to power promising to freeze utility rate increase and promising to show compassion and fairness in its policies – and they said that over and over again, and I ask hon. members opposite to stand up and defend those increases on the basis of compassion and fairness.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. BLAKENEY:** — I say to this House: where is the compassion, and where is the fairness of the policy which hits minimum wage earners, people at the lowest income, with high, high, utility rate increases and then freezes their income? Mr. Speaker, late in this debate my colleagues will speak to the impact of these massive utility rate increases on Saskatchewan small business, and on farmers, and specifically on senior citizens, and on other groups of consumers.

Mr. Speaker, if I were to take time I would point out that for farmers, particularly farmers who are in intensive livestock operations – in hogs and in poultry – they are bearing a particularly heavy burden because of these utility rate increases. Colleagues of mine will point out what is happening to recreational facilities, and members opposite will remember what they said when they were in opposition about the impact of utility rates on recreational facilities. We hear members opposite say, "But there are capital grants." We are not talking about capital grants; we're talking about the operating costs of keeping rinks and curling rinks in operation.

And we find nothing from members opposite to suggest that they are going to alleviate the very large increases which are already approved for natural gas, and for power, and for the further increases which are going to come about because of the mismanagement, particularly of the

Saskatchewan Power Corporation, by members opposite.

There is nothing to suggest in the management of the power corporation that we will not be hit with further requests for further increases, particularly for power. There is nothing to suggest that these increases will not continue unless somebody gets some new management and a new minister responsible for the power corporation.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. BLAKENEY:** — Mr. Speaker, we are going to face these very large increases as citizens of Saskatchewan. We who are able to pay in this House will pay and will grumble, but some are not nearly as able to pay. For some it is a matter of heat or eat, and for them it is a sad day when increases in utility rates exceed 13 and 15 per cent, as they have under this government, with no relief offered.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. BLAKENEY:** — It is for those reasons, Mr. Speaker, that I move, seconded by my colleague, the member for Assiniboia-Gravelbourg:

That this Assembly regrets that the Public Utilities Review Commission review process has been used as a smokescreen by the Saskatchewan Government, and has not effectively protected Saskatchewan's small businesses, farmers, and consumers from excessive utility rate increases.

Mr. Speaker, I so move.

**SOME HON. MEMBERS:** Hear, hear!

**MR. ENGEL:** — Mr. Speaker, I enter this debate to speak about the impact that the Conservative government's high utility rate policy has on the farmers of Saskatchewan. Mr. Speaker, farmers have a right to expect better from this government. Here was a government with a Premier who has his own permit book. Here was a government that has many farmers sitting in their caucus. And we were assured, both before the 1982 election and after it, that this Conservative government would have the interests of Saskatchewan farmers at heart. They were going to assure us that they were going to be sensitive to the needs of farmers and their increased costs.

Well, Mr. Speaker, their record has betrayed that promise, and nowhere is that betrayal more clear than it is with respect to utility rates. Just what will the recent rash of utility rate increases cost the Saskatchewan farmers, Mr. Speaker? I've been trying to get this information out of the government, and it's been like trying to pull hens' teeth. Again and again, the Minister of Agriculture and the Premier have claimed that they don't know what the impact is. They don't know what it's costing farmers. There can only be two explanations for that lack of information, Mr. Speaker. Either this Conservative government knows exactly what the financial impact is, and it doesn't want to say what it is publicly, or it doesn't know, because it doesn't care about the impact of utility rates and the increase that this will have on farmers — increased costs.

Either explanation is bad news for Saskatchewan farmers. I've done a little checking, Mr. Speaker, and I have some figures I want to put on the record today about the cost of the Conservative government's high utility rate policy on farmers in our province. I refer members of this Assembly to a news release dated June 28, 1983 for immediate release, and it's called PURC 83-428: SPC Rate Increases Approved. In this news release, PURC outlines the financial impact of its approval of SPC's power and natural gas rate increases which took place early in July, and let me quote. It's on page 1.

Typical farm customers will each see their overall gas costs increase approximately

\$54 for the rest of 1983 and \$158 throughout 1984.

And this is called typical farm customers. That's a 13 per cent hike in natural rates will cost the average farmer in this province \$158 a year. That's confirmed right here in PURC's announcement. What about the power rates, Mr. Speaker? What does this press release on page 2 say about power rates?

Farm power customers on average will pay an additional \$37 during the balance of '83, and extra costs will amount to approximately \$91 for the full year of 1984.

That 50 per cent hike in power rates, according to PURC, will cost the average farmer approximately \$91 a year. \$158 a year for gas, \$91 additional for electricity. More than \$240 a year for SPC increases alone, Mr. Speaker.

Now, as far as I can tell, PURC has not supplied similar information about the impact to Saskatchewan farmers of the increase in their telephone rates, SGI rates, or STC rates. And I've done some rough calculations, Mr. Speaker, and when I add all these rates up, it is my estimation that they will take about \$500 a year out of the pockets of the average farmer — \$500 a year out of the pockets of the average farmer in this province — and that means out of the cash registers of the small businessmen in rural Saskatchewan. That means fewer jobs in rural Saskatchewan, Mr. Speaker. This from a government which promised to care about farmers, and those numbers understate the impact of different types of farming operations. Farmers involved, as the leader has said earlier, in poultry, and hogs, or dairy production, will be paying much, much more, because they are a more energy intensive operation.

When I look at the impact of these utility rates on people like dairy farmers, for example, it scares me. Let me give you just one example. I have a friend who milks 45 cows near Saskatoon. Forty-five cows isn't a very large dairy, as you all know, Mr. Speaker, and by any stretch of the imagination it's not a big farmer. Last year, his power bill was \$4,393. You add to that an increase of 15 per cent in his electrical rate, that's going to add \$660 to his operating costs alone just for electricity — just for electricity, \$660! And that's for increased power bill alone. That doesn't include his higher telephone rates, and that doesn't include his SGI insurance rates, or his natural gas rates, or his STC express rates. An extra \$660 a year in power bills. That's how this Conservative government is watching over our dairy farmers. Some watch-dog, Mr. Speaker.

I called somebody in my riding this morning, Mr. Speaker, that operates a feeder-to-finish hog operation. He has 110 sows — a sizeable operation. They have 800 pigs in there at any time of the year. They sell about 2,000 weanlings a year. Do you know what his power bill was this month? His power bill for this month: \$405.79 — and that's just on his hog barn! He has a special meter on his hog barn. Last year it was less than \$300 for the same month. Where do you get the increase, Mr. Speaker? some watch-dog this government has. Some watch-dog they set up.

The throne speech talked about the cost-price squeeze facing Saskatchewan farmers. Well, here's something that the government could do to lessen that cost-price squeeze: it could roll back those huge utility rate increases and announce that all future rate increases would be within the current rate of inflation. Why should the Saskatchewan government and the publicly-owned utilities be immune to your own program of 5 per cent guide-lines? Why should the government and publicly owned utilities be fuelling inflation, rather than helping to cut the cost of the living and working in our province? I warn government members that Saskatchewan farmers will be asking themselves those questions this winter as they look at their increased power rates, their natural gas rates, and their telephone bills.

For this, and for many other reasons that I've outlined above, I will be supporting the motion put forward by our leader, Mr. Speaker. Thank you.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. LANE:** — Mr. Speaker, what we have seen today is the continuing effort by the New Democratic Party and its members in this Assembly to do away with the Public Utilities Review Commission. They've opposed it from the outset.

I think a very careful analysis, Mr. Speaker, of the motion before us indicates, once and for all, the NDP's opposition to a public review of utility rates. Their motion reads, "That this Assembly regrets that the Public Utilities Review Commission process . . ." — and I think they can throw in the phrase, "used as a smoke-screen," but the operative words are that this process "has not effectively protected Saskatchewan's small businesses, farmers, and consumers from excessive utility rate increases." That's what they said, that this process doesn't work. They don't want this process to work, Mr. Speaker.

Let me tell you how the NDP have supported PURC. I have a list of all the interveners before PURC, before the Public Utilities Review Commission. I have a list of them all, the ones that cared about rates and how rates affected them. Did the NDP ever appear before the Public Utilities Review Commission with its concerns? Not once, Mr. Speaker. Some of the unions did. Some of the unions did, and the consumers' association of Saskatchewan did. Some of the businessmen did, and some of the urban municipalities and rural municipalities did, and some of the media outlets did, but the New Democratic Party never had the courage to stand up and argue before the Public Utilities Review Commission.

I say, Mr. Speaker, that what we've seen today is the ultimate in hypocrisy of the NDP, with no track record on reducing utility rates, standing up today and just plain saying that they don't like any review process, that they don't want to see any review process, that they continue their adamant opposition to any public review.

Let's take a look at the past record, because I think it proves my case. The NDP, since 1975 . . . 1975, increased Sask Tel rates, 18.1 per cent. 18.1 per cent, well above inflation. April 1977, general rate increase, 9 per cent, cumulative 27 per cent. 1978, a further 8 per cent, cumulative 35 per cent. April 1979, a further 6 per cent, cumulative 41 per cent. August 1980, 6 per cent, cumulative 47 per cent. August 1981, a further 6 per cent, cumulative 53 per cent. Business 11 per cent, cumulative 62 per cent, in approximately six years. Well above inflation. Well above inflation.

And the interesting thing, Mr. Speaker, the interesting thing, Mr. Speaker, how the rates were politically manipulated, politically manipulated by the NDP. August 1980, House not in session, press in hibernation over the summer, 6 per cent. 1981, 6 per cent residents, 11 per cent business. Well above inflation for the small business men of this province. So I suggest, Mr. Speaker, that the NDP are showing their hypocrisy again.

But let's take another example — SGI rates. The NDP . . . We all remember when the NDP raised the SGI rates well above inflation every single time. But what did they do? What was their justification? Because the NDP said all of Saskatchewan drivers were bad drivers; they were terrible drivers; they were poor drivers. The drivers were to blame for rate increases. That's what the NDP said when they were in government.

When they talk about not affecting, or affecting the farmers, the farmers . . . And many of them are very, very pleased to have a natural gas system that they can call their own to reduce those rates, reduce their costs. The NDP have opposed that. And today, as a matter of fact, they indicated their opposition to the rural natural gas system.

Mr. Speaker, what we're saying today: the NDP don't want the rate increases which help pay for the rural natural gas system. They just said that today. They want a rollback. That means a rollback in the rural natural gas distributions system. That's what they stood up and argued today.

I'm very, very much surprised. Let's see what the public says about the Public Utilities Review

Commission. First of all, those that appeared obviously were supportive. The consumer association, consumer association of Saskatchewan, in recent conversations, that is yesterday, indicated their full support for the continuation of a Public Utilities Review Commission.

And they said in August and April, the commission is already having a real impact on telephone rates. The association, consumers' association, is pleased that the public will have prior knowledge of rate increases, access to the information that justified the increase.

Mr. Speaker, consumers' association and those affected finally want to see, be able to have some input. The resolution and the vote today quite simply comes down: are we for or against a Public Utilities Review Commission? That's what this vote is, and that's what this debate is about. Are we for or against public accountability by the crown corporations? That's what this resolution is opposed to. That's what this government supports.

Today we are debating whether there should be secrecy in establishing rates, or whether it should be before a public review. Those are the issues which must be debated. Today the NDP have stood up, for all to see, and have said that they are against accountability of crown corporations, that they are against openness in establishment of rates, that they are in fact against PURC (Public Utilities Review Commission), and I've said that. But finally they are also against the individuals. The very individual that they appointed to review consumer prices, now head of the Public Utilities Review Commission, today they condemn him. They say that his process is no good.

Mr. Speaker, this is one of the more important resolutions, and, for the first time since they've become opposition, the NDP have finally taken a stand, Mr. Speaker. They've taken a stand against openness in favour of secrecy. They've taken a stand against accountability in favour of secrecy. And they take a stand in favour of secrecy in government.

I urge all hon. members to indicate to the people of Saskatchewan that we favour some type of open review, that we favour accountability of crown corporations. Mr. Speaker, I urge all hon. members to defeat this resolution resoundingly.

**SOME HON. MEMBERS:** Hear, hear

**MR. LUSNEY:** — Mr. Speaker, I entered into this debate to talk about the performance of the Conservative government with respect to utility rate increases and how it effects small businesses. I tell this Assembly that Saskatchewan-based, small-business people have a right to feel betrayed – betrayed by this Conservative government and its high utility rate policy; betrayed because during 1982 the campaign election promises of the conservative candidates, and they passed the pamphlet around to everyone, was that they were the protectors of the small business people of this province. Those were their promises, Mr. Speaker.

In 1982 every campaign promise that they made, they made one and that was to freeze utility rate increases for a minimum of one full year. Well, they did that, Mr. Speaker, and the Conservatives claimed that those utility rate freezes would not eliminate, or, would eliminate any unjustified rate increases. And it would not simply delay the inevitable increases in the future. This is what they said, and that was their campaign promise. But that message was always the same. Anyone that made that promise . . . Every candidate made the same promise that: you elect us and we will freeze your utility rate increases, and we will control the costs of your utilities.

I have here a campaign brochure put out by the candidate for Prince Albert. He was the current member of the legislature at this point. And his brochure is very typical of the many brochures that were out in 1982. In this brochure, he talks about the "efficient management of the crown Corporations" and he says that his government would "provide service at cost to the people." Service at cost to the people. That's what this brochure says. And it goes on to say the "real

families can count on a Progressive Conservative government to . . . hold the line on utility costs.”

The utility rate freeze was supposed to save the taxpayers money somehow. It was supposed to save the small business people money. The very fact that we are today having this special debate in the House proves that the Conservative utility rate freeze was little more than an election farce. I say that, Mr. Speaker, because now, in year two of the Conservative government term, the people of Saskatchewan are getting hit with two years’ worth of utility rate increases.

And I say this is a double whammy on the people of Saskatchewan, the small business people of Saskatchewan. It’s affecting them at a time when we are just on the verge of some recovery in our economy, just when small business people are seeing some light at the end of that tunnel. And what does this government do? They send a train down that tunnel to meet those small business people head on, a train in the form of high utility rate increases. That, Mr. Speaker, is what this government has done.

One thing I can say. At least some government members in this House have the honesty and are prepared to admit that the Saskatchewan people are now being asked to pay two years of utility rate increases all in one. I have here an article I’ll refer to the members. An article from the *Prince Albert Herald* says, and this is the member from Shellbrook-Torch River that made this statement. He said, “The government froze rates for one year and were forced to increase them to 17 to 19 per cent this year.” And he added, “It’s still better than having 10 per cent rate hikes annually.”

That is their rationale, Mr. Speaker. Somehow I fail to see the logic in that kind of statement. I will have to admit, though, that I have to admire the member from Shellbrook-Torch River for his honesty in admitting the truth to the people of his constituency, because many of the Conservative members are still trying to say that somehow that rate freeze for one year saved the people of Saskatchewan money.

Let’s just take a moment to see just how these various rates increases will affect the Saskatchewan economy. How much will they take out of the pockets of small-business people? Let’s start with telephone rate increases. Telephone rate increases have been an average of about 19 per cent, and according to Sask Tel’s annual report that utility has made just over \$296 million in 1982. With the rate increase introduced by this government, PURC tells us that Sask Tel revenues will be more than \$324 million in 1983 — \$28 million more — and those rates took place in May and November of this year. If they were in for the full year, Mr. Speaker, Sask Tel profits would have been about \$40 million. They would have made an extra \$40 million in revenue that year.

Mr. Speaker, there are other corporations. Be it Sask Tel, Sask Power, they all had the same effect on the public of Saskatchewan. And one would have to say just looking at Sask power’s increase where they would have made, if they had their increase in for a full year, about \$40 million more, and looking at SGI with a rate increase for a full year being about \$11 million more.

Let’s just add these up together, Mr. Speaker, and see what the overall utility rate increases did to the Saskatchewan economy. \$40 million a year for Sask Tel; \$80 million a year for SPC — in a full-year increase they would have made \$80 million instead of just \$40 million in a partial year; SGI, \$11 million. A total of \$131 million, Mr. Speaker. That is what the basic utility rate increases cost the taxpayers of Saskatchewan.

Mr. Speaker, \$131 million. There goes that gasoline tax that the members opposite say the people saved. Any money that the taxpayers may have saved from that gasoline tax has gone now with the high rate increases, and that figure doesn’t really include the increased costs of other utilities like STC and others, Mr. Speaker. Those others aren’t regulated by PURC. These were just the ones regulated by PURC. And that’s a lot of money going out of the pockets of

taxpayers and small-business people in Saskatchewan.

The utility rate hikes are even more severe. They have a more severe impact on small-business people involved in high, intensive energy businesses – and that's restaurants, laundries, bakeries, dry cleaners. Those people are the ones that are going to have to face those high utility rate costs. And they are going to have to pay for them and ask others then, their patrons, to pay for them also, which will again add the burden to the actual taxpayer of the province because of these high utility rate increases.

So these municipalities are also faced with high utility rate cost increases. Those, Mr. Speaker, are going to have to pass the costs on again, pass them on to the taxpayers because, as the costs go up for the cities and their utilities, they will have to either increase their cost to the taxpayers or find their money elsewhere. And it appears that this government at this point is not prepared to increase the grants for the cities. So therefore, the taxpayer is going to be hit again with utility rate increases, not only the ones that he pays, but also the ones that the cities will have to be paying.

And I cited before, Mr. Speaker, in question period the fact that Moose Jaw, the city of Moose Jaw, had an increase, or had a total budget of something like \$1 million or close to \$1 million for their utility rates in 1982. And with a 14 per cent increase, Moose Jaw is going to have to look at another \$140,000 that they are going to have to tag on to the taxpayers of their city.

**MR. SPEAKER:** — Order, please. It is my duty to inform the member that his time has elapsed.

**MR. MEAGHER:** — Thank you, Mr. Speaker. I welcome an opportunity to make a few comments on this debate in this important motion. I was pleased to hear the member from Pelly quote from one of the advertisements that we used in Prince Albert during the last general election, and I'm particularly proud of the fact that the commitment made in that election brochure were kept entirely. The fact that the NDP don't understand it is a problem that this motion demonstrates quite clearly.

We made a commitment that we would freeze utility rates and we did it. We made a commitment that we would have the crown utilities perform as their original mandate, which is to deliver service at cost to the people of Saskatchewan. We're doing that as well. They don't understand that either. When you operate from the premise that crown utilities are to be used for political purposes and as a tax collection agency, and that the rates have no bearing on the actual cost of delivery, I can appreciate the difficulty in understanding it.

This motion, among its several and sundry shortcomings and despite the fact it is shallow and totally without merit, does have, I believe, a purpose, an important purpose. Because, Mr. Speaker, it brings into focus with sharp clarity the fundamental difference, the fundamental difference in the philosophy of this government which is a philosophy of open and honest government ah trusts the people, trust the public, and the philosophy of the party in the corner and the government that was in power for a number of years that did not trust the public, did not want them to know the facts, particularly as they related to the public crown utilities.

As I mentioned earlier, they used these utilities as a tax collection agency to rip off the public – to gather in hundreds of millions of dollars of revenue into the treasury to squander on uranium or potash mines or whatever other investment they chose to make, with or without the consent of the people.

Basically, this motion brings into focus the position of the NDP is that they do not trust the people of Saskatchewan and they do not trust the public of this province. And it's not much wonder, Mr. Speaker, that the people don't trust them either. It not only brings out into focus, but it attacks – and it really amazes me that they would take this position – they attack not only the public of Saskatchewan but good Saskatchewan people, members of this board who



were doing their job.

They not only attack the public, but they're attacking the crown corporations. I can recall the TV commercials that went on endlessly in praise of the family of crowns. They're now taking the position that the crown utilities are inefficient, and they're not doing their job, and those people out there are not doing what their mandate is to do.

The previous administration were somewhat restricted by the constitution of Canada. They couldn't print money. So back a few years ago, they invented a new way of creating a little revenue for themselves. They decided to borrow the crowns into debt, hide their deficits in the crowns. No matter, Mr. Speaker, that it puts these utilities in an untenable financial position. Oh well, no problem, we can hide that from the public. They don't understand that. A deficit that's introduced by the government in the House is readily understood out there by the public. When you increase the crown utility debts by several hundred per cent in a 10-year period, it's an interesting new way of providing revenue. That way you can run out and buy a few more things that we happen to like.

I'll give you an example, Mr. Speaker, in the case of Saskatchewan Government Telephones in the 10-year period. I have some interesting statistics here that demonstrate precisely what I'm suggesting. The debt/equity ratio in Sask Tel in 1973 was 66 per cent debt, 34 per cent equity. These statistics incidentally, Mr. Speaker, are being brought to the attention of the public by the public utilities review commission. It's not much wonder the NDP don't like it.

In 1982, the equity position was 80 per cent debt and 20 per cent equity. And \$95 million in that nine-year period poured into the treasury of the province of Saskatchewan from that one utility – for socialist, hare-brained investment schemes.

I'm particularly upset with the proposition that the NDP will attack not only the public utilities review commission but the good Saskatchewan people that serve on that commission, and make the suggestion here in the House that they're acting as a smoke-screen for the Government of Saskatchewan and are nothing more than instruments of the government. We have a member of that commission from my home town, from the city of Prince Albert, Mrs. Marion Sherman: 34 years on city council, city of Prince Albert; awarded the Order of Canada in recognition for her public service in the city of Prince Albert; and the party opposite is suggesting that that lady, who enjoys the respect of everyone in the city of Prince Albert, is going to act as a smoke-screen to hide . . . (inaudible) . . .

I'm not particularly surprised by the lack of understanding on the part of the socialists of open, honest accountability on the part of the crowns. I'm not particularly surprised that they would attack a utility review commission that makes this information available to the public. What does surprise me is that they would do it here in the House for the benefit of the press and the public of Saskatchewan, again revealing their true roots, Mr. Speaker. Some of their radical, socialist background is coming to the fore, and I suggest, Mr. Speaker, that every member of this House bring home to their constituency a copy of this motion to demonstrate just where the NDP party stands when it comes to open government, accountability, and the things that we are introducing in Saskatchewan. Thank you.

**SOME HON. MEMBERS:** Hear, hear!

**MR. LINGENFELTER:** — Mr. Speaker, I appreciate the opportunity to become involved in the rule 16 debate, which is allowed for in the rules of the House, which allows for an important issue to be brought forward once every two weeks to have a fired debate for 75 minutes. I think that there isn't anything more current or relevant at the present time in Saskatchewan than the rapidly escalating cost of utilities in the province of Saskatchewan.

My colleague, the member for Assiniboia-Gravelbourg, in question period today referred to the

ever-increasing costs on rink boards. He had mentioned the cost that a rink in his constituency at Gravelbourg, where the power rates have gone from \$2,700 between October 15 and November 15 of '82 to \$3,800 between October 15 and November 18 of '83 . . . Mr. Speaker, I think this gives an example of how the rink boards are facing very dire straits this winter. In fact, some of them are considering closing their doors because they can't afford to pay the power bills that this government is sending out.

I think, as well, it's important to note that a press release shipped out by the now Minister of Health, the member for Indian Head-Wolseley, which talked, while he was in opposition, about the problems facing the rink boards and the fact that they had to pay as high as \$2,000 a month. Well, oh, for those good old days when they had to pay \$2,000 a month, because now they're paying \$3,800 a month and they are thinking about closing the doors, Mr. Minister. I would encourage you to go to cabinet, now that you're in a position of making those kinds of decisions, and bring forward a program which would alleviate that very high rate of power bills that are facing the rink boards of Saskatchewan.

Mr. Speaker, we've talked a good part of the afternoon about the impact of utility rates on farmers, on rink boards, on small-business men, but I think the one area that I would like to concentrate on is the effect that the utility rates have had on the senior citizens of our province, those people who are on a very limited income, a fixed income as a result of the cancellation of such programs as the home repair program, the program that would have allowed for senior citizens this winter to fix up their homes. They are now having to do that out of their own pockets, Mr. Speaker, and this government sits idly back and watches people be put out of work, go onto the welfare roles, when they should be fixing up senior citizens' homes.

Another program which was cancelled by this government which would have put money into the pockets of the senior citizens is the shelter allowance program which was cancelled when this government came to power. This program was not a very rich program, would not have taken a great deal of capital – probably about \$7 million – but would have allowed for those seniors who were facing high utility rates to receive \$20 or up to \$100 a month from the government in terms of a shelter allowance.

I would just like to question as well the sincerity of the members opposite when they talk about the role of senior citizens in this province. I think there was a belief prior to the election that if the Conservative government was elected that there would be money forthcoming for senior citizens. I'd just like to quote from one Conservative candidate prior to the last election, the member for Saskatoon Nutana, who expressed her concern at the time about the high utility bills which the seniors were facing at that time, at least in her words. And she is quoted in the Saskatoon *Star-Phoenix* on April 14 of 1982, and she says:

My personal concern is the senior citizen. It just tears me to see the people who have built our province and given us our heritage are going without groceries because drugs that they need aren't on the drug plan or that their power bill in January was so high it ate up their bowling money or this kind of thing. There's no need for it.

Well, I will be watching during this debate to see whether the member for Saskatoon Nutana gets to her feet and does something about the very high utility bills that her government has put on the shoulders of the senior citizens to bear.

There were a number of promises made in terms of senior citizens by the Conservatives while they were in opposition and they are included in a little book, Mr. Speaker, that you may be aware of and other members in fact will be aware of. It's called: *Pocket Politics: A Quick reference on PC Policy for Candidates*. Some people are now calling it "the big lie." Mr. Speaker, some people are calling it the big lie, and it includes promises like doing away with the provincial sales tax, talks about a 10 per cent reduction in personal income tax, a promise by the Minister of Highways that he would double lane the Trans-Canada from the Alberta to the Manitoba

border. Well, what he has done, Mr. Speaker, is build one kilometre of road on that Trans-Canada Highway. He's doing a great job. He's built one kilometre, the least that has been built in a two-year period for about 20 years, Mr. Speaker.

**MR. SPEAKER:** — Order, please. I just wanted to advise the member that he is straying far from the subject, and I'd ask him to return it.

**MR. LINGENFELTER:** — Mr. Speaker, I'd like to refer to the Minister of Highways that before he got to be a senior citizen that he has a responsibility to do some double laning on the Trans-Canada.

**MR. SPEAKER:** — The Trans-Canada highway has very little to do with utility rates, and I would ask the member to get back to the subject.

**MR. LINGENFELTER:** — Mr. Speaker, I will return to the topic at hand, and that is the severe impact of utility rates on our senior citizens. And I'll quote from *Pocket Politics*: " . . . a promise made to senior citizens that they would receive free telephones." They also talked about freezing utility rates and taking the sales tax off public utilities for senior citizens.

Well, Mr. Speaker, you will know, and the members on this side of the House will know, that those promises have been broken. You will know that those promises may be forthcoming a month before the election is a gimmick to try to get the senior citizens to, once again, change their vote and vote for a government that does nothing but abandon promises like the 10 per cent on income tax, and the promised 9.58 per cent interest loans for small business people.

But, Mr. Speaker, there are a large number of areas where this government has broken their promises, but I think the biggest one, in terms of the senior citizens, is the promise to freeze utility rates, and give free telephones to the senior citizens.

I mentioned earlier the freeze on the Saskatchewan Income Plan, and we have talked about that in the Assembly before. That is a plan which gives out money to senior citizens who are on the guaranteed income supplement by the federal government, and that has been frozen for the past two years by this government. And along with the fact that the shelter allowance has been cancelled by the government, which would have helped directly with the payment of utility bills by the senior citizens, I think it's clear to see that this government is not defending those who need the help of their government at the present time — who have \$100 million for oil companies, who are paying out large amounts of moneys to large corporations who collect interest from the government on the debt. But they have very little money, Mr. Speaker, for the senior citizens and the pioneers of our province who built this country and who built the society that we now live in.

And I say, Mr. Speaker, that the day of judgement from these people will come the next time they drop their ballot into the ballot box, and it will be a rude awakening to this government when they find that because of their lack of heart when it comes to dealing with seniors on power rates and other areas, that they will have to deal with it at that time.

For these reasons, Mr. Speaker, and a large number of others, I will be supporting the motion put forward by my colleague from Elphinstone, and Leader of the Opposition, and other members of our caucus.

**SOME HON. MEMBERS:** Hear, hear!

**MR. BIRKBECK:** — Thank you, Mr. Speaker. It's with pleasure that I rise to enter into the debate on the motion moved by the Leader of the Opposition under Rule 16, wherein he has indicated that, in fact, the Public Utilities Review Commission has been of no value whatsoever to the people of Saskatchewan. It has offered no protection to businessmen, farmers, and consumers

from excessive utility rate increases.

Now, Mr. Speaker, we all know that our record in rate increases is far better than that of the previous administration, and our record is there to prove just that. That alone, Mr. Speaker, is reason enough to vote against that motion.

Now, Mr. Speaker, I want to add one other thing as it respects that motion, and the sadness that some members on this side of the House would have because they moved the motion, in fact. I recall that in 1978 they moved, you know, on the opposition of the time and said, "Lookit, you know, don't let those people take it away," – referring to health care. So in 1978, it was the medicare scare.

What they're trying to do, Mr. Speaker, by way of this motion, is to raise an ill-conceived perception among the public, the people of this province, that, in fact, there's something bad about the Public Utilities Review Commission, and that it in fact is having something to do with increasing rates. It isn't at all. In fact, what we should call this now is the utility rate hate. The utility rate hate is what is being perpetrated by the NDP in opposition, Mr. Speaker.

Now then, let's take a look at some of the records. What is the Public Utilities Review Commission accomplishing? What does it actually guarantee? It guarantees the lowest possible rates to consumers – guarantees. It guarantees direct input for people to government. It will guarantee that rates be totally in line with what is required, because they are set by both politicians and the public working hand in hand, not like the NDP, hand in pocket.

Now then, Mr. Speaker, they will guarantee up-front rate increases – up-front rate increases that are totally open to the public. The Minister of Justice alluded to that. He said, "Do you have something wrong?" He asked a question, "Do you people have something wrong with leaving these books out and laying them out to the public?" Well, we certainly don't on this side of the House.

Now, I could see it, Mr. Speaker, if, in fact, the opposition was planning at some time in being government again, but that's really not going to happen, so I don't know why they would want to worry about leaving the books and making them open to the public.

Also, Mr. Speaker, it will guarantee orderly increases, and I think that's very important. Members in the opposition, the NDP members, often argued in favour of orderly freight rate increases. Well, we're only saying that through the Public Utilities Review Commission, we can take a look at orderly rate increase. We won't be looking at the yo-yo approach that's been used by the yahoos in the opposition.

Now then, Mr. Speaker, I want to offer up a little bit of evidence as to just how we're doing. I want to take a look at one entity in particular. If we could take a look at some of the charges that are being made. The opposition have charted that in fact the Public Utilities Review Commission sets the rates as it regards SGI, and then SGI sets the deductible. Well, our defence to that argument is plain and simple, Mr. Speaker. The people that cause accidents should pay, not responsible drivers. So, what do the NDP say? Quite the reverse, Mr. Speaker. They're asking for good drivers, all drivers, to pay for the errors of others in driving. So therefore, Mr. Speaker, I would think that it's rather a deplorable situation for the NDP to be in, to be indicating to this House that, in fact, all drivers are bad.

Now here else does this take us, Mr. Speaker, in this debate? The Public Utilities Review Commission was requested by the people of Saskatchewan. The NDP slammed the door in their face on that request. So what was the result of that, Mr. Speaker? The people slammed the door on the NDP, and we come in to office, and we opened it for the people. The Consumers' Association of Canada, and, of course, Saskatchewan, support the Public Utilities Review Commission. And we put on a one-year freeze – a one-year freeze. I asked myself: if we had

that \$600 million back that you people put into uranium and have since changed your mind, according to your resolutions at the convention, how long could we have froze utility rates?

Now, Mr. Speaker, our record versus the NDP. Let's take a little more, a little closer look, if you like, at that record. Let's take a little more, a little closer look, if you like, at that record. Under a Conservative government, the change in utility costs, as measured by CPI, was 10 per cent for residents of Regina. Under the NDP, it was 22.1 per cent – more than double. There was an increase of only 11.1 per cent in Saskatoon under the leadership of Grant Devine. The citizens of Saskatoon saw a whopping 25.1 per cent increase in the same period of time under Allan Blakeney – more than double. So I think that, Mr. Speaker, that pretty much sets out the record of this government versus the record of the NDP when they were in opposition.

What else do they charge, Mr. Speaker? They charge that rate increases under the NDP were lower than ours, and below the rate of inflation. First of all, that is not true. We froze them for one year, as I had already earlier indicated. Two, they got the crowns into trouble, borrowing money, as I indicated, to buy uranium mines. Three, we are the last province in Canada to have a Public Utilities Review Commission, because for over a decade it was denied by the NDP in opposition, while they were in government.

What other issues need to be addressed in this debate, Mr. Speaker? The NDP want to destroy the Public Utilities Review Commission. They always did, and they still do. They voted for it reluctantly, but would they support it today is the question. And I suggest, as has been said before, that is the key debate here today, Mr. Speaker, is whether or not the members in opposition are going to support the Public Utilities Review Commission. They have no confidence in the Public Utilities Review Commission chairman. Yet in 1974 he was appointed by them as wage and price control chairman. The NDP doesn't ever want to see the books open, and therefore they don't like PURC.

Now, Mr. Speaker, that's a lot of evidence in a very short period of time. And I want to emphasize again that the consumers association of Saskatchewan are very upset, very upset with the members in opposition for taking this attack position on Public Utilities Review Commission.

I want to enter into the record very quickly, Mr. Speaker, some further information, again as it relates to SGI. In 1978, will you just take a look at rate history to prove, Mr. Speaker, that, in fact, the motion as moved by the Leader of the Opposition is just not so. It's not even true. He's indicated that it has not offered up any relief to the people of Saskatchewan. Well, this is the extent of the relief. The rate history in SGI alone: in 1978 which was an election year, there was only a 7 per cent . . . there was rather a 7 per cent reduction – in 1978, election year, 7 per cent reduction; 1979, no change; 1980, 20 per cent increase – 20 per cent; 1981, 28 per cent increase; 1982, election year, 7.2 per cent – 7.2 per cent increase.

**AN HON. MEMBER:** — That's what you call the yo-yo approach.

**MR. BIRKBECK:** — And that is right. As my hon. member has indicated, that's the yo-yo approach that I referred to earlier. In 1983, the Public Utilities Review Commission approved an increase of 3 per cent – 3 per cent – following SGI's request for a 6.7 per cent average increase. The rate changes do not reflect the removal of the gas tax, which effectively lowered total insurance costs for the motoring public.

There's one other point, Mr. Speaker, I want to make as well, and it respects the creation of a separate auto fund. This is something that was done through consultation with the Public Utilities Review Commission, in consultation with them. SGI went to PURC in June. The commission agreed with the operating philosophy and procedures. They agreed with the way in which SGI was accounting for the income and expenses, but they said, "Go one step further and create a separate legal entity for the auto fund. End the suspicion that one side of SGI was being

used to subsidize the other. End the suspicion – open the books.” Today, December 6, the minister in charge of SGI introduced a bill to do just that. It is something the corporation has been anxious to do for some time. The suggestion of the commission resulted in the bill being given an even higher priority. It allows the AAIA (Automobile Accident Insurance Act) to finally be operated as a fund – owning assets, having the power to make investments, and being separately accountable to the people of Saskatchewan. The action is proof of the effectiveness of the Public Utilities Review Commission and the importance this government places in it.

Now, Mr. Speaker, what I have offered up is evidence to prove that in fact the motion as introduced by the Leader of the Opposition is not valid, in the sense that in fact our record as a government has indicated very clearly – and I’ve just read it into the record – that in fact the rates under this administration are far better, not nearly as excessive, far more orderly, not taking, as I said before, the yo-yo approach of the previous administration. So why members on that side of the House even could support their leader on this motion is beyond me, because it’s political suicide, and I suppose I should be encouraging each and every one of them to support it and to commit political suicide.

**MR. SPEAKER:** — It’s my duty to inform the member his time has elapsed.

**MR. SHILLINGTON:** — Thank you very much, Mr. Speaker. I want to address a word on this resolution because I think members opposite misunderstood the nature of the public concern. If the public were concerned about utility rates, it was not so much that they wanted an opportunity to participate in the setting of the rates – they wanted some control exercised over the level of the rates. I think that the number of people out there who are champing at the bit, anxious to get in on the process of setting the rates, is relatively limited. I think the vast majority of the public who are concerned about utility rates are concerned, not about the process, but about the level, and you people, I think, are simply not going to fool them. They are not going to be fooled by this smoke-screen which you people have set up. They are going to be concerned about the level of rates, and they have every right to be concerned about the level of rates. They are going to hold you people accountable at whatever period in time you people find the courage to call an election . . . (inaudible interjection) . . . Oh, the members opposite laugh. You’ve got it made, don’t you? You’ve got it made.

Even if you accept the desirability of an open process in setting utility rates, what has been established in this province is largely illusory, because the public simply cannot, by and large, participate in the process before the Public Utilities Review Commission. Those who participate in a meaningful way are those who spend a very large sum of money in lawyers, in economists, in accountants, preparing very large briefs. I suspect that they cost in the nature of hundreds of thousands of dollars to prepare. I’d be interested to see the Minister of Labour enter this debate – and you may not get time – but I’d be interested to see the Minister of Labour enter this debate and tell us what the process cost SPC. I would imagine it would be in the hundreds of thousands of dollars.

If that is the cost of entering into the debate, most of the public will sit it out; in fact, they will all, in any meaningful sense, sit it out. So the public participation is largely an illusion. It is certainly of considerable benefit to Conservative lawyers who wind up acting on behalf of the government, and on behalf of the crown corporations, and on behalf of the PURC. It has done a great deal for the Conservative bar, a great deal for the Conservative bar . . . (inaudible interjection) . . . For the member for . . . I am not in the happy position that the member from Qu’Appelle-Lumsden is and in my seat. What the member from Qu’Appelle-Lumsden is saying is not being recorded, and he may be fortunate it is not. I am not in such a fortunate position, and I am not going to bandy about the names of people who are not able to enter into this debate and defend themselves. But to put it mildly, those who have participated at this particular Conservative public trough, their politics are, by and large, not in doubt. The primary benefactors, Mr. Speaker, have been the Conservative lawyers of the province.

The rate increases . . . (inaudible interjection) . . . Ah, the Minister of Justice looks so wonderful and offended – an interesting reaction coming from a Minister of Justice who is holding appointments to the court at bay so he can fill them with his own supporters.

Back on the subject of the resolution, the rate increases which have . . . (inaudible interjection) . . . Mr. Speaker indicates it's about time.

Back to the subject of the rate increases. The rate increases which have been granted have been particularly unfortunate because they come at a time when you have chosen to freeze the incomes of those on minimum wage. You have frozen the salaries of, at least the provincial portion of the salaries of low income seniors and these rate increases impact on them in a much harder way than it does for people who have higher incomes. If you enjoy the higher income, I think it is obvious that you will pay a smaller percentage of your income on utilities. The lower the income the higher percentage of your income you're going . . . (inaudible interjection) . . .

Yes, I just bet the member from Prince Albert would jump to his feet if I sat down. The lower your income the higher the percentage of your income is going to be paid on utilities, and it is most unfortunate to freeze the minimum wage, to freeze the salary of seniors, and not exercise some degree of control over the utilities.

Let's look at them. Gas and electricity. I think it is obvious that someone on minimum wage, who probably lives in a house that is not as new and as well insulated, spends a far larger percentage of his income on utilities than does people such as members present who enjoy a far higher income. And it is most unfortunate that you people chose to freeze the minimum wage and do nothing to control the living costs of the people on minimum wage. Indeed you have exacerbated the problems they have.

The STC. You have . . . (inaudible interjection) . . . Well, some can see things where others who are blinder cannot. I can see wisdom in things that you cannot. STC rates have gone up by 18.5 per cent. Senior citizens are very heavy users of the STC system. Many of them do not, are not able to drive cars. Many more are able but cannot afford it. And you have chosen to increase their transportation costs by 18.5 per cent. I ask you by what logic or justice, by what logic or justice do you increase STC rates at a time when you are freezing the incomes of senior citizens? . . . (inaudible interjection) . . .

SGI? SGI, again is a payment that everybody makes. Those young people, the people earning minimum wage are . . . (inaudible interjection) . . . Well, I'll get to the gas tax in a minute. Those who are on minimum wage, again, pay a far larger percentage of their income on SGI rates, and it impacts on them much more directly. The members here who are attempting to drown me out with their braying suggest that, in some manner or other, the removal of the gas tax assisted those who are on minimum wage. And I suggest that simply is not so, because when you removed the gas tax you took away a goodly portion of SGI's income which you have had to recoup through higher rates and a higher deductible. The people who benefited, the primary benefactors from removal of the gas tax, was the interprovincial trucking companies. Those who are paying for it is the average citizen.

I think a day will come when you people will rue the day that you took the gas tax off. You are reimposing the tax in other ways, and they are paying it.

I want to point out to members opposite that the suggestion that you people have nothing to do with utility rates, as was stated repeatedly by the Premier today in his answer, is just at variance with the facts. The cabinet bears direct responsibility for these utility rates. You set them. You people have a majority of appointees on the board of directors. I assume the board of directors of a crown corporation will pay some heed when the cabinet makes suggestions to them, and I assume that you people have every opportunity to exercise control over those requests which go forth to the public utilities review commission. Indeed, it is most unfortunate that this

government chose to introduce an anti-inflationary package which was so one-sided.

Members opposite delight in criticizing the federal government — as if it took any particular skill to attract a crowd in this province by criticizing the current administration in Ottawa — but at least the current administration in Ottawa, when they introduced an anti-inflationary package, made the package apply to the federal crown corporations, and they didn't ask . . .

**MR. SPEAKER:** — Order, please. It's my duty to inform the member that his time has elapsed.

**MR. HAMPTON:** — Thank you, Mr. Speaker, I would like to begin my remarks today by saying that as the MLA representing the people of Canora, that good constituency up there, I'm thoroughly fed up with the misleading information that's been thrown out across the province by the members opposite.

I'm going to take the time to outline and clear up this misleading information that the Leader of the Opposition and the members opposite have been spewing out across the province. Mr. Speaker, the public utilities review commission has given the people of Saskatchewan the right to question the increases imposed by them upon the crown corporations. Mr. Speaker, I find it . . .

**MR. SPEAKER:** — Order, please. It's my duty to inform the members that the 75 minutes allotted for this debate have elapsed.

## **MOTIONS**

### **Resolution No. 5 – Agricultural Research and Development**

**MR. MARTENS:** — Thank you, Mr. Speaker. At the conclusion of my remarks I would like to move the motion:

That this Assembly applauds the Saskatchewan government and agricultural community for its efforts and investment in the fields of agricultural research, development, and extension which have done so much to enhance the quality and quantity of food production.

I want to begin, Mr. Speaker, by placing before the Assembly and the people of Saskatchewan a clear definition and defining position of what research does and has done in the past. I have an article here from the *Western Producer*. It says here:

Most Canadians don't realize the value of agricultural research, but this is something Dr. William Pelton intends to change as new prairie director general of Agriculture Canada's research branch. Dr. Pelton was a member of the Swift Current research station advisory board. He was the director there. He has since moved to Saskatoon where he has assumed the responsibility of the director general of Agriculture Canada.

In August Dr. Pelton assumed responsibility for co-ordinating the activities of 10 research stations, three experimental farms, five research substations in Alberta, Saskatchewan, and Manitoba.

Dr. Pelton says his major goal is to increase public awareness of the value of agricultural research. He has the figures to back his case. Studies have shown that returns on investment in agricultural research give 25 to 60 per cent annually investment returns from canola research alone, and some are even higher. Consumers, many of them, don't appreciate the fact that research enables farmers to increase productivity and efficiency in the face of rising input costs (he says).



40 to 60 per cent of the benefits of agricultural research go to the farmer, but the rest to the consumer in the form of higher quality food at relatively lower prices. If food prices were to increase in value in one year, then consumers would be concerned. One drawback of agricultural research on the prairies is that it's a long term process. It doesn't 'just happen overnight.

The costs and the time are two important factors. It takes a lot of time. Much slower is the research done in plant development than in laboratory work, and so technology must be developed in the field. Researchers are limited to a short growing season. That means you only produce one crop a year, and this means a minimum of five years of research to obtain valuable information. And that, Mr. Deputy Speaker, is a very important feature. This means a minimum of five years and it could take up to 12 years to develop a new crop in plant production.

Researchers are also accused sometimes of not doing work that farmers can use, but Dr. Pelton says almost all of the agricultural research in the prairie region is directly applicable to the farmers' needs. Some research doesn't change for years, but here's always a need for new information in areas like plant and animal breeding, and animal nutrition. Resources are shifted, when necessary, into areas like biotechnology where recent technological developments have created new opportunities for advance. And it's important to say that technology is placing a more important . . . an important feature of the development of the extension of agriculture in the province. We need more and more technicians to deal with the problems that are occurring, the increase in demand of food in the province. And I think, Mr. Speaker, this research development that we, as a province of Saskatchewan is beginning to look into that.

I want to also quote another comment from the *Western Producer*.

Agricultural research takes a lot of time and money but it pays off handsomely. Those are the messages which emerged from a recent conference held under the auspices of the University of Lethbridge School of Management and the Agricultural Institute of Canada.

I've always believed that people and institutions doing agricultural research are providing a pretty useful service, but the presentations at Lethbridge were helpful in identifying both the size of the agricultural research effort and the benefits which flow from it.

Art Guitard, who was formerly with the research station in Swift Current and became the director general in Saskatoon, had this to say. He noted that:

In 1982, there were 1,800 scientists doing agricultural research in Canada, on a budget of 350 million.

While those are substantial figures, it should be noted that the dollars spent are equal to less than 2 per cent of the 18.5 billion Canadian farmers received in 1982 as farm cash receipts from their farming operations. It is also about \$2.16 for each farming acre in Canada.

Mr. Speaker, this money is very well spent, and I think it has to be clearly identified that we, as a Saskatchewan government, want to participate. Dr. Guitard went on to say:

About half of the total research effort was carried by the Government of Canada, mainly through Agriculture Canada, research branch. Universities, and provincial departments of agriculture do 35 per cent, and industry accounts for the remaining 15 per cent.

It's clear from the foregoing that about 85 per cent of the funding comes from the taxation at the federal and provincial level, and that public institutions manage and conduct most of the research.

The industrial component of agricultural research in Canada is spread among a large number of companies, as well as commodity producer, processor, and trade associations. In 1980, the Canadian food industry spent 25.8 million on research and development. That represents a sizeable effort. We all need to band together to increase the benefits that agriculture can have from research, and I'm pleased to note that the Minister of Agriculture has placed some of these as emphasis in his budgets.

The benefits of agricultural research tend to come six to eight years after the money has been spent. Calculating the benefits, Mr. Deputy Speaker, isn't easy. Bob Zentner from Agriculture Canada at Swift Current showed that wheat research, including plant breeding and related areas, give an annual return of 39 per cent above the rate of inflation from the date of initial investment. So 39 per cent, over and above inflation, is the return that research has given in plant breeding in one specific area, that being wheat.

The annual rate of return on rapeseed, for example, breeding research has even a higher percentage and that's 101 per cent. So I think that we need to place as a perspective, both here in the legislature and in the province, the significance . . . that money given in research and research development is significantly important.

I also want to put something before the House, too, that was stated here. It says that both are higher than are normally realized in business and other public investments. I believe, Mr. Speaker, if we would compare that to the 600 million that was spent by the NDP on uranium development, we'd have some significant research done in the province of Saskatchewan. We could probably have exported a lot of good quality development to other parts of the world.

In conjunction with that, I want to thank the Minister of Agriculture for his contribution to the one area that probably is more dominant in the south-west than anywhere else, and that's soil salinity. On the August 29, he presented a cheque to Leo Kristjanson, the president of the University of Saskatchewan, with a cheque of \$100,000. I believe, Mr. Deputy Speaker, that that's clearly an indication of a start to bring back into production some of the lands that have been . . . (inaudible) . . . there from excessive moisture, salts, and other things like that. And I want to say that we in agriculture appreciate that kind of an emphasis. It's been a long time in coming, but I think it's important.

I want to briefly mention at the beginning that I also want to talk about the soil testing lab that we have in the city of Saskatoon. They're planning on extending that. Our provincial contribution, indicated last April by the former minister of agriculture, the hon. member from Souris-Cannington, that he was going to put \$400,000 into that.

We could go on and on, and I plan on placing some other things before this House that show that we as people of Saskatchewan have a serious concern about the development of agriculture, but we as legislators in this province, and specifically on the government side, have taken our concerns and seriously addressed them.

I want to outline a little further some specifics that we have looked at in dealing with agriculture, and it relates to research. We have a number of programs that we've outlined and one is the FarmLab program. This is a program where farmers on their own farms develop and co-ordinate some of the interesting things that we can do through innovative research directly on the farms.

In one area, it speaks about soils and water, soil conservation. We have innovative farming systems. Farmers have a way of being innovative and showing initiative and demonstrating creativity when they're dealing with their own farmland, and developing that in a way that can improve the production. We put in for that \$347,000. I think that that's a fairly substantial contribution. We talk about innovative farming in that. In another area we've . . . Speaking about changes in the soil, we've put in about \$32,000 into that. I think these are very valuable in its relationship to agriculture and its relationship to increased production in the province.

Another area is soil fertility. Mr. Deputy Speaker, we know that nitrogen is an extremely important component of crop production. And I also think that its necessity to be studied is very important as it relates to not only yearly production, no-till production, and low tillage, but also as it relates to irrigation – development and the use of nitrogen in those areas.

Soil salinity, like I mentioned earlier, has had a definite emphasis from this government. We have, in addition to what I mentioned earlier, an on-farm salinity program. We have a saline soil inventory program, cropping saline soils – a total grant there in excess of \$160,000. I think that we are looking at that as an indication of where we believe our research should be.

Water management is another area. Swather modifications. As I travelled to Hanna recently I noticed that there are farmers who are actually doing this, beginning to swath their fields with two levels – one shorter and one higher – and in that way they can trap more snow and give a higher degree of production.

We have a serious problem as it relates to underground water in this province because most of our underground soils under the surface are saline. And that, Mr. Deputy Speaker, is why it's important that we look at how the water moves under the ground. For that we've also indicated some financing — \$25,000 for that.

Soil inventory and mapping: inventory on the research of south-west Saskatchewan, inventory research in the northern soils, correlation and mapping procedures, integrated soil maps for producers, and a survey of acid soils. That, Mr. Deputy Speaker, I'm pleased to say, has been a part of our emphasis of \$1.1 million and I believe that it's an important part and an important feature of why we believe that agriculture should be emphasized. It's also an important feature for continued development for increased production.

Another area is crop production. We have a number of things that I think are extremely important in this area. We have spring wheat breeding, barley and oat breeding, flax and special crops, genetics, and winter wheat. Each of these areas, Mr. Deputy Speaker, are significant. There was a research station in Swift Current, for example, that bred the first real solid spring wheat variety, and I think that it's significant that through the years that that has been used as a table for quality grain production. We're planning to . . . We have put into place for tillage practices and weed control, and all these that I mentioned before, a total of \$1.46 million, and I think that's significant.

On dealing with agriculture, there's always one issue that is probably more at home to an individual than another, and animal agriculture is probably the area that I have the most interest in. I was just reading a note from a *Western Producer* article that says this:

Scientists attack with both barrels: Canada and the United States have joined forces to wage war on warbles.

Scientists from Agriculture Canada research station in Lethbridge and the U.S. Department of Agriculture are attacking the warble grub on both sides of the Alberta-Montana border. They are using systemic insecticides and releasing sterile male warble-flies, a combination they hope will eliminate the insect from the backs of cattle over a 2,600 square kilometre area. The Lethbridge Research Station news release said chemical treatment reduced the warble grub population by more than 90 per cent in the first year of production.

I just want to say that in the province of Saskatchewan where we have 700,000 calves, roughly, a year, that one pound per calf increase is a total – at 80 cents a pound – of \$560,000 return to the people of Saskatchewan. If that animal has a 25-pound increase because of a lack of stress, that 80 cents a pound would give the people of Saskatchewan \$14 million which is fairly

significant, I believe, in dealing with this issue.

In talking about production and increasing the conception rate in cattle, I think it's important – and livestock generally – it's important to deal with specific issues: trace minerals; biotin deficiencies; grain forage utilization; copper and selenium requirements of the males; hulless barley; gamma treatment of feeds; pre-lay nutrition; carotene; vitamin A; weanling feed formula; early breeding of sows; productivity of the sows, of cattle; and the management of the health of these animals. To that, Mr. Deputy Speaker, our Department of Agriculture has contributed a total of \$738,000. And I believe if you place that in perspective, I think it's probably going to do a lot more good than some of that \$600 million that I heard went into uranium development.

Economics of production are also a part of the reasoning behind placing emphasis on research. For many years, we thought that all we had to do was put the seed in the ground and it would grow but today, in a highly technical sense, we also have to be economists. And I think that to put some emphasis on that is extremely important, so that we know what our cash flows can be, what they will be, and what they ought to be. We're placing some emphasis on that — \$20,000 is going into that research.

We have toxic effects that chemicals have on soils in the use of herbicides and insecticides, and we're taking a look at that too. We're putting \$48,000 into that.

I see that the member from Shaunavon is back. He can probably appreciate some of the initiatives that we've taken in research development from . . . counting his many steel granaries on his farm.

A really important part of the research is the technical aspect in bio-insecticides and in biotechnology. Mr. Deputy Speaker, we have put together a package for all of this, for \$3.5 million. I believe, Mr. Speaker, that it's extremely important.

Another area that we need to look at is the Prairie Agricultural Machinery Institute. We contributed \$1.18 million and that is Saskatchewan's share. Saskatchewan's share is 45 per cent, between the Portage La Prairie station, Humboldt, and Lethbridge. I think that's a fairly sizeable contribution, and I think it demonstrates to the people of Saskatchewan the importance that we feel that is there.

We have a toxicology centre in Saskatoon opening up — \$50,000 there. Special crop demonstration program, financial assistance for local projects – another \$40,000. Northern people have had a serious problem with dealing with the black fly, and we've put \$40,000 into research in relation to that. Market development — \$29,000. Saskatchewan Agricultural Research Fund board is \$590,000. Total, Mr. Deputy Speaker, of \$6,153,000. I believe, Mr. Deputy Speaker, that that's fairly substantial, and I believe that it's going to do the job that's required.

We have a research fund that is addressed by this government too, and they deal with individual projects. In the area of pre-seeding – putting fertilizer into the ground before you seed when you put it in in fall or if you should put it in in spring – we've given a specific grant to the crop science department of the University of Saskatchewan for \$18,000 to take a look at when is the best time, what are the requirements specifically for the air seeder. We've seen a lot of the people of Saskatchewan develop a liking for the use of an air seeder for their seeding procedures. When you put fertilizer in in the fall, is it going to do the job for you in spring? When you put it in spring, is it going to do the job for you?

The evaluation of the nitrogen requirements for wheat grown when you have tillage or when you don't have tillage is extremely important and Dr. Rennie, who is well-known for his emphasis on no-till, through the Department of Soil Sciences, has been given a grant of \$20,000.

The inheritance and nature of sprouting resistance in barley. When Northern people are asked to plant more and more grains and they do, they have significant problems that aren't relative to the south-west, and that is that sprouting occurs even when the plant is not even in the swath or on the ground. It happens right on the stem and, therefore, it's significant that we put some money into that. The crop science department at the university is also looking into that.

We have ... (inaudible interjection) ... Twenty-four, Mr. Speaker ... (inaudible interjection) ... For 24,800. The role of plants that have significant ... (inaudible interjection) ... The member from Assiniboia-Gravelbourg has got some old figures. He'd better update them.

Anyway, the role of supercooling in herbaceous plants in preventing frost damage is also work that we're doing through the crop development centre. In special crops, we're looking into the practices of how to seed canary seed which has been developed in the recent years. Rape-seed meal and rape-seed: the by-products and the utilization of these by-products is also a part of the program.

Biology and control of blight of lentils. Lentils is also a special crop that has come into a fairly significant amount of production, and I think that we need to clearly say that that's a part of the increased value that research is to the province of Saskatchewan. The development of seeding rates for faba beans, broad beans, and evaluation of seeds for sowing pulse crops. We've put a significant amount of money into that.

I just want to outline some because they relate directly to me as it relates to irrigation and forage production. Breeding of leaf-cutter bees for the Saskatchewan environment is also a very important part. A development of a Russian wild rye grass, evaluation of winter hardiness in Saskatchewan in forage crops. We need to have, Mr. Deputy Speaker, clearly, an increase in the capability of forage crops to resist frost, and especially as it relates to alfalfa, so we don't have winter kill in areas where the ground is not covered.

Dealing with other areas, we have a significant amount of value that has been placed on agricultural specific areas. We have energy and equipment, food, areas of land and water where we have cattle, forage crops. That, Mr. Deputy Speaker, we've placed in our budget: \$593,000 so that people can generally improve their production.

I want to quote a couple of things from the *Western Producer* here that relates to a general attitude:

Society can get the equivalent of 66 per cent annual interest on the money it invests in agricultural research. In a study presented to an agricultural economics conference here last month, George Brinkman and Barry Prentice based that calculation on detailed examination of how agricultural research has benefited Ontario. (These two gentleman say) "That even after counting Ontario's deemed share of federal and private research cost," they said, "long-term benefits exceeded costs by more than 37 to 1."

The economists also emphasized that the benefits of such research go far beyond the farm gate. The benefits of agricultural research and supporting services are some of the most widely distributed and progressive of all public benefits. By reducing the inputs and costs required in fruit production, all consumers of food benefit. These benefits also represent a proportionately greater improvement in the welfare of poor people than the rich since the poor spend relatively greater amounts of their income on food than the rich.

The profitability, I just want to indicate a little bit of what that has shown. The conference sponsored by the University of Lethbridge and the Agricultural Institute of Canada discussed various ways of measuring the profitability of agricultural investment. Most methods, however,

seem to produce comparable results. One national study indicated a 60 per cent rate of return for cross-Canada research expenditures, while the estimate for the United States ranged between 40 and 65 per cent.

There have been few studies analysing the benefits from research on special commodities in Canada, but those few also show high returns. Canada's studies on crops indicate returns on publicly funded research of roughly 40 per cent for wheat, 50 per cent for malt barley, 100 per cent for western canola. And Canadian data on animal researches are not available, but U.S. results generally indicate returns of 47 to 75 per cent for livestock, 38 to 48 per cent for dairy, and 20 to 37 per cent for poultry.

I think, Mr. Deputy Speaker, it's significant. We have one of the sons of Saskatchewan in the University of California, and he's the . . . teaches economy . . . economics at the university, and he says this.

Dr. Andy Schmitz of Berkeley, a Canadian who still farms in the Regina district with a brother, said that in the future the only way American universities can survive in agricultural research is with private sector funding. The problem is: what will the private sector contribute, and what power will they have to direct research? He said it is fine to calculate the rates of returns for the private and public sectors from research spending, but the key is the interface between the two sectors. The important calculation is the rates of return to both sectors in relation to the amount each contributes.

He also said that research is needed on agricultural product marketing. He said increasing the supply of grain without finding markets for it will only depress the price, taking longer time for the farming community to benefit from the research. Schmitz says there is no question agricultural research pays. Consumers have done pretty well because the research has helped to keep the price of food down.

I have one more comment to make before I close this debate, Mr. Speaker, and I want to indicate that the province of Saskatchewan has needed a soil testing lab for many, many years. It's going to help and facilitate the use of some of the university facilities and also some of the university people that we have there, and I think that it's important. The April 8th news release that the former minister had also indicated something that is significant. It also said that, aside from the \$400,000 the provincial government has contributed, it's also made a commitment to provide an annual operating grant equivalent to the salary required for 35 senior staff positions at the soil testing lab.

And I think that, Mr. Deputy Speaker, is really significant. Because of all the reasons that I have stated, I move:

That this Assembly applauds the Saskatchewan government and agricultural community for its efforts and investment in the fields of agricultural research, development, and extension which have done so much to enhance the quality and quantity of food production.

It's seconded by my good friend and colleague, the member from Kelvington-Wadena.

**MR. PETERSEN:** — Thank you, Mr. Deputy Speaker. I believe I'll start out by taking up where my colleague left off, and that was on the soil testing lab. I 'd like to congratulate the Minister of Agriculture for that little project, not only for the \$400,000, but also for the back-up staff and so on. It's a project that's been long overdue in a province where agricultural production is the backbone of our economy.

It's the kind of service, Mr. Speaker, that farmers have come to rely on and have come to expect. We have truly brought agriculture into the age of the 80s. And I'd like to congratulate the soil lab

for its high standards, its productivity, and its efficiency. It's been reported to me by some of the farmers in my constituency that the turnaround time on samples is extremely short, and that's very important today – productivity. So, congratulations once again to the Minister of Agriculture and to the soil testing lab.

Now, my colleague dwelt a long time on the pure research aspects. I'd like to go into the marketing aspect of this motion. You can have all the research you want and come up with all the great products you want and have all the production you want, and unless you go out and market it and show the world what you have, the chances are you're not going to move too much of the product. So in response to that, we developed the market development fund.

The market development fund was established under The Agricultural Products Market Development Fund Act, 1974, which was proclaimed by the Lieutenant Governor in Council on February 4, 1975. The fund is administered by the market development committee which is established under the act and is comprised of representatives from the departments of Agriculture, Finance, Economic Development and Trade.

Those departments working together, Mr. Speaker, are working for the province of Saskatchewan, and for the farmers of Saskatchewan, for the manufacturers of Saskatchewan, to promote the products of Saskatchewan. The objective of the market development fund has been established to provide assistance to encourage the exploration of, development of, and expansion of those markets. During the past year, the fund has been involved in many, many activities. A wide range of projects were under its purveyance, and I'd like to go into some of those. They've attended many trade shows and exhibitions.

The 1982, livestock marketing congress was one. They gave Saskatchewan Wheat Pool \$5,000 to assist the organization in hosting and co-ordinating the livestock marketing conference in Regina during June of 1982. The 1982 world Limousin congress in Calgary — \$7,000 was given to the Saskatchewan Limousin Association in co-operation with the Canadian Western Agribition to attend the 1982 Canadian Limousin World congress in Calgary. And again it was to promote sales of Saskatchewan Limousin. Excellent breed, excellent breed.

The 1982 Royal Livestock Show at Stoneleigh received \$3,542 in assistance to the 1982 royal show committee who consisted of representatives from Canadian Western Agribition, the Agricultural Development corporation of Saskatchewan, and the Saskatchewan Agriculture.

A leaf-cutter bee international symposium association received \$9,000 to co-ordinate and sponsor that symposium. They went on several marketing missions as well. There was a Saskatchewan food firms mission to an export seminar at Lake Louise. Representatives who were sponsored by us there were Dad's Cookies and CSP Foods. The leaf-cutter bee market development in Russia — \$9,337 in assistance to the leaf-cutter bee to Russia sales committee, who consisted of Morrison Industries Limited, Agricultural Development Corporation of Saskatchewan; and they travelled to Russia to complete a major sale of leaf-cutter bees and obtain market information and to host international delegates at the first international symposium on leaf-cutter bee management in Saskatoon during August of 1982.

In the agricultural market production areas, Mr. Speaker, Peter's Perogies — Saskatchewan market development. Peter's Perogies received \$3,962 to promote and expand local Saskatchewan markets for its processed food products. Now, Mr. Speaker, the opposition may chuckle and laugh at this, but it is a product that is processed in Saskatchewan. It is a Saskatchewan product, and I can't see why they think it's so funny that we'd give marketing assistance to that type of product.

The pulse growers' association pulse market in project, received \$14,119. The purpose of that was to promote Saskatchewan pulse crops in domestic and international markets. The project activities were: preparation of an institutional cookbook, promotional brochures, publications,

and general information releases promoting Saskatchewan pulse crops.

Again, Mr. Speaker, all of these types of market development and promotion were long overdue. This government is out there telling the rest of the world about Saskatchewan.

One of our best customers of Saskatchewan products is Japan. We had a vegetable oil promotion to Japan — \$2,000 in assistance to the Canola Council of Canada to become involved in a three-year campaign to promote greater consumption of vegetable oils in Japan, which would thereby encourage greater sales of canola that was grown in Saskatchewan to Japan.

As well, Mr. Speaker, we went into the areas of market intelligence, research, business, and feasibility studies . . . (inaudible interjection) . . .

The opposition is saying that louder is better, and I guess that's what they've been trying to do over the past few months. The more noise they make, the better they think they are. Unfortunately, I'm not of that opinion. If you can't hear me, listen up over there a little bit. Pay attention, you'll learn something.

**AN HON. MEMBER:** — Tell them to turn their hearing aids up.

**MR. PETERSEN:** — Turn your hearing aids up.

We went into a Choiceland dehyd feasibility study, Mr. Speaker — \$10,500 were given to the Choiceland Dehydrating Ltd. to undertake a comprehensive market study and analysis and a financial feasibility study in order to establish a long-term development plan for that company. Again, dehyd products — Saskatchewan products — long overlooked by the opposition when they were in power.

And here's one, Mr. Speaker, that I'm sure the opposition will find extremely interesting. We also engaged in elk semen and embryo market development. To the Agricultural Development Corporation of Saskatchewan, \$12,624 was given. The purpose was to evaluate the feasibility of market in elk semen and embryos to New Zealand, and to manage the development in the collection, freezing technology required for elk semen and embryos, and evaluate the potential for establishing a commercial elk semen embryo program for Saskatchewan.

Again, developing new markets — markets that had never before been tapped, Mr. Speaker. That's no wonder. The previous government were rather short-sighted; we are not.

I could go on and on, Mr. Speaker, but I'd just like to dwell for a moment on a couple of shows that were held in Saskatchewan recently — Mexabition, Agribition. Saskatoon, November 17 to 21. Regina, November 26 to December 2. Now, Agribition and Mexabition are places to see what's new on the farm. You can go down and compare models, prices, manufacturers, new innovations. We have over 200 exhibitors who come to Mexabition every year, Mr. Speaker. It's a very important show place.

I'd just like to read into the record, Mr. Speaker, if I may, some of the things and some of the products, some of the new innovations, that were put there by Saskatchewan companies — Saskatchewan companies based in Saskatchewan providing jobs for people in Saskatchewan. To the members of the opposition, they're called the private sector, private enterprise. We had vinyl siding, aluminium soffit and fascia, insulation, rotary engine screens, agricultural tanks, and cream cans. We had field sprayer markers, estate sprayers, grain bin sealers, and hazard lighting systems, closed circuit TV for calving barns or for surveillance.

The College of Agriculture had various activities. They had programs showing egg quality and pto (power take-off) drive stress. There were two-radios, mobile telephones, steam cleaners, pressure washers, metal band-saws, drill presses, grinders, and cleaning compounds, as



well as aeration equipment. There were grain cleaners, combine hopper covers, seed broadcasters, tub grinders, tractors, haying equipment, electronic fences, stock prods – which I almost bought two or three of to help prod the opposition into a little action here. There were seeder monitors and an acre monitor. There were demonstrations by Alpha Milk Company of pumpkin soup. We have eight candidates for that right over there.

**AN HON. MEMBER:** — Take it as read.

**MR. PETERSEN:** — No, I don't think so. I think you should hear it. There were generators, pumps, and general purpose engines, double swath attachments, grain rollers, truck boxes, swath turners, pumps for water sewage, waterers, liquid level controls, pressure tanks, pressure washers, and metal buildings, all steel and wood frame steel buildings, combine concaves, chaffers, rub bars, farm computer hardware and software, granular air-flow applicators, computerized control for applicators, depth monitors for hydraulics, and so on. We had grain bins, western boots, clothing, cowboy hats, drill fills, air-powered tire changers, lathe tools, foam sprayer marketers, energy conservation ideas for homes, visual displays, overhead doors, electric feeder cable.

Mr. Speaker, I could go on and on, but for a moment I'd like to change and just go out of the area of agriculture slightly into the area of Saskatchewan Environment because, Mr. Speaker, many of the studies that are done by Saskatchewan Environment have a great impact on our agricultural programs in the province – the hydrology branch for example who conducts hydrologic investigations associated with basin planning studies in the watershed development proposals.

In the areas of the province where drainage is needed, Mr. Speaker, these types of studies are essential to the proper planning for the usage of water. They provide hydrologic services for provincial agencies. Again, Mr. Speaker, I've seen the boards who are in charge of those type of drainage projects, the conservation projects, need and require that type of information. They carry out reservoir and river system operational planning. For irrigation, Mr. Speaker, once again essential, very essential. We provide a provincial stream flow forecasting service. Mr. Speaker, we have agreements with other provinces on the amount of water that we can use here and how much has to go through, and again that helps us to plan for future needs for irrigation.

I'd like to continue, Mr. Speaker, but I understand the opposition would like to have a chance to say a word on this subject. I do have at my disposal several other examples of research that has been done in the province to date. One of them relates to wild rice production. The last time I spoke on that subject, Mr. Speaker, I gave them some background into how the wild rice plant actually grows and the production of it, but we did have a study done and it was titled, "The Importance of Selected Habitat Factors in the Growth of Wild Rice in the La Ronge Area." Mr. Speaker, if I had the time today I would have liked to have read this into the record . . . (inaudible interjection) . . . Do you think I should? Do you think I have time? Do I have time?

Well, Mr. Speaker, I know that some of the members of the opposition can read, so therefore now that I have give them the title of that particular study, they can look it up or they can come to me for a copy of it and I'll be happy to supply it. Therefore, Mr. Speaker, I would like to conclude at this time by saying that I definitely support the motion.

**SOME HON. MEMBERS:** Hear, hear!

**MR. ENGEL:** — Thank you, Mr. Deputy Speaker. I'd like to compliment you on your role today. We are enjoying your leadership in the Chair. Today we're discussing a resolution moved by my friend, the member for Morse, and the resolution reads:

That this Assembly applauds the Saskatchewan government and agricultural community for its efforts in investment in the fields of agricultural research, development, and extension which have done so much to enhance the quality and

quantity of production.

As I was listening to the remarks by the member for Morse and the member that just took his seat now, the thought crossed my mind that these people really think they invented agriculture, that there really weren't any programs in place before they got elected. When I was listening to this long list of programs they were funding, I took out my little list that I was going to read from and the only difference, Mr. Deputy Speaker, was that the numbers were a little different, and I was reading from projects approved in 1981 and they happened to have projects approved in 1983. The point I'm trying to make is that I appreciate the fact – and speaking on this resolution today – I appreciate the fact that his government is continuing on in an area that is so important to agriculture, and that's research, and innovation, and design of new programs.

There's a program that the members were talking a long time – and I've been sitting and waiting to get into this debate for about an hour and a half – and they talked a long time, but from the Department of Agriculture's book, and the minister that's in charge of more than just leafy spurge, the Minister of Agriculture, and the minister that is soon developing the reputation as "Mr. Wild Rice" in this room, and he spoke . . . (inaudible) . . . Both of them failed to talk about a program that is really working. When they talk about their resolution that they're applauding the agricultural community, why didn't they mention the program that farmers are getting involved in and the part of the research that is happening?

Why didn't they talk about the FarmLab program, for example? The Department of Agriculture says that the FarmLab program – a general program review – is a five-year, \$25 million FarmLab program, was implemented in 1981. It was implemented in 1981, and listening to these two members that just took their seats speak, sounded like they invented research. But in 1981, a program was implemented that has really caught on and has been a good program in Saskatchewan. They are involved in . . .

"In 1982, \$4 million will be spent in two major areas." I'm sorry to say that when members opposite announced their new budget, instead of 4 million, they only had 3.6.

**AN HON. MEMBER:** — Which was up from what you had it at.

**MR. ENGEL:** — No. It was in here. I'm reading from your paper. It was \$4 million. The Minister of Agriculture didn't get into this program and he can tell us, but crop production was slated to spend \$3.5 million:

. . . to apply to the second year of a five-year program, contracted to the University of Saskatchewan, to undertake research in areas primarily related to crop production.

Crop production demonstration program:

\$900,000 will be used to fund the continuation of local research work being undertaken by farmers across the province.

And under part B, on the Department of Agriculture's explanation sheet, "How Does it Operate?" – and this is the thing that's really the key that's made FarmLab so successful:

There are 12 FarmLab regional committees in the province made up of producers in each area.

Producers in each area, farmers get involved.

In 1981, the 12 regional FarmLab committees approved more than 200 research and demonstration projects throughout Saskatchewan. The first year of its operation, 200 farmers got involved; 200 farmers got involved in areas of snow management . . . The member that just took

his seat, from Morse, said he had to drive all the way into Alberta to see snow traps. Well, I could have told him there's been snow traps and swathing back in the early '50s. Back in the early '50s we were double-swathing with two swathers. One swather cut high and just caught the edge; the other swather put on the straw and you lay the heads on top, and you get that snow trap there. That's been around for a long time.

But the FarmLab actually measured snow management. FarmLab projects talked about soil salinity and the use of fertilizers, etc. These committees work together with the ag reps, selecting research and demonstrating projects, matching interested farmers with projects, and initiating local projects specific to the region. In addition, a committee of producers from across the province advises the Minister of Agriculture on all aspects of the FarmLab program. And I think these members overlooked a major key and a major aspect that's involving farmers across all of Saskatchewan.

The last paragraph in the Department of Agriculture's handbook – a page out of it that talks about it and how the program works:

Interested farmers may submit an application to become a FarmLab co-operator. As a co-operator, they offer a plot of land, some animals for testing and demonstrations, or both. Farmers can also put forward research projects they want to try, to their FarmLab committee for consideration.

The day wouldn't be long enough to go through the list of the areas and projects. I have some that I want to refer to, that farmers could get involved in. We've been pressing that the funding will remain there, and I hope that we can get some co-operation.

I'm not sure why the members introduced this resolution today. I looked at it and I wondered: now, what really is the motive? I wondered what is the motive for this resolution today. We have a full cabinet; there's 25 members in cabinet. I don't think there's room for an additional member. And when I see a member that was sitting directly behind the Premier and he's moved over to this side of the House, and how you must feel under that condition, and I wondered: why is this motion before us today?

I'm wondering if the Minister of Agriculture maybe has talked about in caucus that we're going to be cutting out some agricultural funding, and they want to spend an hour and one-half on this legislation, saying that we should go for more funding.

The federal government has been leading the way over the last long time in agricultural research. But recently, as many as 36 positions, Mr. Speaker, have been transferred out of Saskatchewan. And our government, back in 1981, decided that we've got to take a hold of this on a provincial level and get more directly involved in research. We saw the trend early and we took some action, and FarmLab is an example of that action we took.

The -Saskatchewan agricultural research fund is another example, and the members have detailed money that is being used in agricultural research. That was established by the NDP back in 1979, for the member's information.

**SOME HON. MEMBERS:** Hear, hear!

**MR. ENGEL:** — This fund is made up of money that is voted by this legislation plus other moneys that are interjected by groups like corporations, co-operative associations, and in organizations that apply for research, add their money to the money that their province votes for these research projects.

And I could go through a whole list of projects here. I have pages of them that were involved in 1980-81 projects. The member for Morse read about four projects. These same four projects

were abstracts of approval projects in 1980, taken right from the annual report. And it says here:

Effects of rate and data preceding fertilizer placement and post-seeding packing requirements in using a pneumatic seeder.

And the number I suggested was \$21,000 – he had a different number – because that program is just a continuation of this research that is carried on by L.A. MacLean. Dr. Rennie is involved. The original project started with \$29,000. Today, Dr. Rennie is getting \$20,000 for continuing a program and study of zero till.

And \$15,000 was invested and approved in 1980 for a study made by B. L. Harvey, in crop science department, University of Saskatchewan, on the sprouting resistance of barley, and how to develop new crops. And that program is being continued. But the member stood up in this House and talked as though they invented this program, as though they invented research.

Well, Mr. Speaker, I could make my arguments very short and very much to the point, because I intend to move an amendment to this resolution. I think this resolutions' great, and I support agricultural research in the province. But I wonder where you stand as far as FarmLab is concerned. And I would like to move a resolution that's . . . an amendment to the resolution that's seconded by my colleague and farmer from Pelly, Mr. Lusney.

The amendment we want to move is that this resolution be amended by adding the following after "production" in the last line:

And in particular, this Assembly applauds the five-year FarmLab program implemented by the Saskatchewan government in 1981 to assist farmers in finding practical solutions to help them meet the expanding rural demand for grain.

I stand up in this Assembly, Mr. Speaker, and I applaud the efforts of farmers. I applaud the innovation of new machinery lines. I will pat on the back and congratulate Mr. Morris, a former farmer, who decided that he has to build machines that are suited to western Canada and to our needs here. And he's done an excellent job.

I applaud people like Degelman's who farmed out near Southey and moved their operation into Regina when it grew too large for their farm, and are manufacturing equipment that we're using, that they've designed, and that research money has gone into.

I applaud work that Friggstad is doing, that he moved from his farm and has gone into a large operation, and the support he's gotten from the government of the past. Farmers have been innovative and they want to be involved in research projects. FarmLab opened the door to these with the five-year program, and I want to make sure that this government continue with a good program. I want to make sure that this government continues with a good program.

One more aspect that's involved in the FarmLab . . . The key actors in FarmLab are our ag reps. Saskatchewan has 45 ag reps in place. There's a few political problems. The Minister of Highways isn't in the House at this time. I wouldn't mind asking him what his intentions really are in the interference up at Wilkie as far as the positioning of ag reps and interfering with them and putting the finger on them.

The service of ag reps was very primitive before the days of Tommy Douglas. We had very little advice to farmer when they needed it the worst, but since that time the ag reps have been supplemented by many bodies. We have agricultural committees; we have district boards and 4-H activities, and now the FarmLab committees.

I'm sure that these programs will be continued under the members opposite. There's need for public activity. I appreciated some of the comments that were made by the member for

Kelvington, but the Pool convention just met in this city a few weeks ago and they had resolutions before them that were challenging this government to maintain this kind of a program. The NFU (National Farmers' Union) are meeting today and the reports I read in the *Leader-Post* kind of indicate that they gave the member a bad time and said, "You'd better start listening to farmers and their concerns. We want to draw these attentions to your concerns."

Public programs like this must be continued. We need to resist the encroachment of the private corporate sector, and this is a point I want to make – why this original motion was moved. I think there's a movement afoot amongst the Tory party for the encroachment of the private sector. The plant breeders' rights question is a serious question that my friends are asking. What kind of support are they going to get from you boys? What kind of support and what kind of attempts are there going to be made to erode the powers of the Canadian Wheat Board, Mr. Speaker? What kind of attempts are going to be made to help centralize large grain terminals and handling our grain in a large project? Farmers are concerned.

The reasons for this resolution, as I said before, aren't immediately clear to me. If the government wants to pat itself on the back for having found agriculture, forget it. They won't fool the farmers. If they want to put a wedge in the door for undermining orderly market and promoting plant breeders' rights, forget it. We're going to resist it. If you want to move forward in a co-operative spirit and if you want to provide an effort, we will work with you and we will join you.

Therefore, I move this resolution, Mr. Speaker, to see where the members opposite stand . . . (inaudible) . . .

**SOME HON. MEMBERS:** Hear, hear!

**MR. LUSNEY:** — Thank you, Mr. Speaker. I'm indeed very pleased to second the amendment proposed by my colleague from Assiniboia-Gravelbourg. The motion applauds the FarmLab program, and I think everyone in this province agrees that the FarmLab program was a very worthwhile and good program.

**SOME HON. MEMBERS:** Hear, hear!

**MR. LUSNEY:** — I think there was somewhat of a lack of enthusiasm about the program when this government first came to office, but it appears that some of the members, at least on the government side, now feel that the program is maybe quite a good program. And I think that maybe the problem is that they went out in the country and they've talked to some of the farmers, and the farmers told them that that is one of the best programs that's ever been put into this province and it's going to assist farmers . . .

**SOME HON. MEMBERS:** Hear, hear!

**MR. LUSNEY:** — . . . assist farmers with much of the research that is necessary today, research that will have to be done in order to allow the farmers to be able to increase productivity, and to try and keep their costs down. That, Mr. Speaker, is what the FarmLab program is trying to do. It is involving itself with the many farmers out therein Saskatchewan and is going right out to the farms to look at what is going on on the individual farms, doing their research out on the farms, and coming up with solutions to the problems that face farmers that are going to be able to apply out there in the country, rather than just doing the research in a lab.

I think it's a program that this government is not going to be able to do away with very easily. In fact, I think they're going to have to give up the fact of deleting that one program in order to save money and accept the fact ah the farmers need the program and will not allow that program to be done away with.

December 6, 1983

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Mr. Speaker, there are a number of things that I would like to say on this resolution and on the amendment. Therefore, I will bet leave to adjourn debate.

Debate adjourned.

The Assembly adjourned at 5 p.m.