

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN

May 4, 1984

The Assembly met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

Mr. Shillington: — Thank you, Mr. Speaker. It's with considerable pleasure that I introduce to you, and through you to the Assembly, Rheta Lang and Ingrid Bakken, who are president and secretary of the Regina City Renters Association. Perhaps ask you two to stand, if you might.

These two women, Mr. Speaker, have given considerable assistance, all of it unpaid, to renters in the city of Regina who are suffering the ravages of what has proved to be an utterly inadequate rental program.

Hon. Members: Hear, hear!

Mr. Hampton: — Thank you, Mr. Speaker. I would like to take this opportunity to introduce to you, and to the Assembly, a group of grade 8 students from the Preeceville School. They're sitting over in the west gallery. They're accompanied this morning with their teacher, Mr. Plaxin, Mr. Alf Maksymiw, two chaperonesses (I guess I would say), Mrs. Gulka and Mrs. Blosky.

And I would like to welcome the students here to Regina today. I hope you find this interesting in the Assembly, and I'm going to meet with you about 10:30 this morning for pictures and refreshments. Would all of you join in welcoming them to the Assembly. Thank you.

Hon. Members: Hear, hear!

Hon. Mr. Maxwell: — Thank you, Mr. Speaker. I, too, would like to join with the member from Canora in welcoming the students from Preeceville.

Lorne Plaxin, an old friend of mine, we were on staff together back in 1966 in the days of our Preeceville High School. And showing my age, ladies and gentlemen, Alf Maksymiw, principal, I believe, was a former student of mine at that time, in 1966. So I'd like to give you a warm welcome here today. I hope you have an enjoyable stay.

Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — Thank you, Mr. Speaker. I'd like to introduce to you, and through you to the members of the Legislative Assembly, on behalf of my colleague, the Hon. Bob Pickering, the member for Bengough-Milestone.

I'd like to introduce to everyone some 25 grade 7 and 8 students in the Speaker's gallery from the Ceylon School in Ceylon. They are here today with their teacher, Gerald Bron and their bus driver, Kelly Kaufman. I will be meeting with them this morning about 10:30. As well, I see they'll be having a tour. I hope they find the tour informative. I would ask all members to please welcome these students.

Hon. Members: Hear, hear!

ORAL QUESTIONS

Welfare Cuts for Handicapped

Mr. Lingenfelter: — Mr. Speaker, a question to the Minister of Social Services. Yesterday I questioned the minister about cuts to a number of handicapped people in their welfare cheques for the month of May. After question period, I received a letter from the minister which, in part, and I quote, said:

My officials indicate to me that some partially employables were miscoded for computer purposes and a \$30 reduction occurred in these cases.

Mr. Minister, since that time I have found a number of people, or a number of people have phoned, explaining that not \$30 cuts occurred but, in some cases, as much as \$85. I wonder if you can inform the Assembly how many handicapped individuals were cut in the May cheques, and what you have done to rectify the problem.

Hon. Mr. Dirks: — Well, as I indicated yesterday, Mr. Speaker, to the member opposite, that there was a coding error in some cases and some people that should not have received a \$30 reduction, in fact, did have that small reduction in their cheque. And already, at the beginning of the week, people in the regions were rectifying the situation and sending the \$30 cheque out to those people. So, in fact, there will be no reduction to handicapped people whatsoever.

Mr. Lingenfelter: — Well, Mr. Speaker, I wonder if he's referring only to the \$30 cuts. What about the individual who has MS (multiple sclerosis), in a wheelchair, and is 62 years old and has had hers cut by \$85? Will you indicate whether they will be included in the cheques that you're sending out, or whether you're only refunding those who you cut back by \$30? Or will you look at those people who are handicapped and have had their cheques cut by 40, 50, and as much as \$85? Will you be looking after those people as well, who you took the opportunity, or your computer did, to cut back on their welfare cheques?

Hon. Mr. Dirks: — Mr. Speaker, I would like to point out to the Assembly that I was in discussion with my officials this morning as to why there was an error in computer coding. And they indicated to me that if, in fact, the computer system that we are presently attempting to put in place had been put in place, as the study that the former government did back in 1979 recommended should be put in place, the problem would never have developed in the first place. Never would have developed in the first place. And we know who the minister was at that particular point in time.

We have indicated to the people of Saskatchewan that one of the desperate needs for welfare reform here in the province of Saskatchewan, in fact, has been to computerize the system so that we don't run into the kinds of mistakes that have been plaguing the welfare reform system here for the last 15 years. And had the members opposite had the foresight to computerize, then the people of Saskatchewan wouldn't have had to suffer.

Mr. Lingenfelter: — Mr. Speaker, I will tell the minister this and ask him a question when I'm completed. There was a recommendation that we computerize who gets welfare in Saskatchewan, I agree. But I want to ask you, Mr. Minister, this question: do you really believe that a computer is going to be making correct decisions on which handicapped people should be getting welfare and which shouldn't? Are you seriously suggesting that in Saskatchewan we have gone to the point where the social workers are not going to be making those decisions, and you have opted for a computerized system where that will be the system that you will use to decide who gets welfare in the province of Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Dirks: — Well, Mr. Speaker, the member opposite knows full well, but doesn't

want to talk about the fact that this particular government is increasing the number of social workers to deal with the assessment needs of individuals, who for one reason or another are on welfare here in the province of Saskatchewan. That, Mr. Speaker, is something that should have been done a long time ago. The former government had no conception at all of how welfare clients, in fact, should be dealt with on a personalized, individual basis.

And I ask the member opposite: if he had information of a particular case of some individual whose cheque was reduced in error, then he should provide me with that information. He didn't do that yesterday, and I still don't have that information. In fact, Mr. Speaker, my office had to phone the welfare rights people this morning to ask them if they had any particular information of a client that was having problems to get in touch with us, and we'd be more than willing to solve the problem. The member opposite didn't provide me with that information. And I would ask him again: if he has particular information of a particular case where an individual needs to have their situation reviewed, then we are more than willing to review that situation. I would reiterate that handicapped people are not being reduced in the province of Saskatchewan whatsoever; in fact, we are increasing programs for the handicapped.

Some Hon. Members: Hear, hear!

Mr. Lingenfelter: — Mr. Speaker, I have a final supplement to the Minister. I would like to ask him whether or not it has come to his attention that people who were miscoded by his department, when they're going back to be recoded, that the people in his department are telling the handicapped people they have to get a medical certificate in order to be recoded properly and get the cheques you're talking about.

This is what is happening, Mr. Minister, and I say that your program of cutting handicapped people is a disgrace, and you personally will be held accountable. And I say, Mr. Minister, what are you doing to rectify the problem which you have caused for those handicapped people in Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Dirks: — Mr. Speaker, I think it is a sad commentary indeed on the members opposite and their particular party that they would respond in the fashion that they have to the information that I have given to them. I have indicated to them that the handicapped people, in fact, are having programs increased, not reduced, as he has suggested.

And with regards to the medical assessment of individuals, what he has said is entirely incorrect — entirely incorrect.

Mr. Koskie: — Thank you, Mr. Speaker. I'd like to address a question to the Minister of Social Services. Mr. Minister, in light of the fact that there are 21,000 young people, 18.4 per cent unemployment, I ask you how you justify putting into effect a cut in welfare benefits to the partially employable — the disabled people who are receiving benefits — in light of the fact that your government has no economic policy to provide employment to those who are fully employable.

Hon. Mr. Dirks: — Mr. Speaker, I just indicated that there are no reductions for the handicapped people in the province of Saskatchewan.

Hon. Mr. Andrew: — Mr. Speaker. A question with regard to the comment just made by the House leader opposite to the effect of, I thought, a very unparliamentary comment.

Mr. Speaker: — If the member has a point of order, I would ask him to raise it before Orders of the Day.

Mr. Shillington: — Thank you, Mr. Speaker. A question to the Minister of Social Services. I know this government believes it's good politics to beat up on the public service and fire public servants. But I say, Mr. Minister, that you are reaping the rewards of it.

This snafu occurred in large part because there is a woefully inadequate number of social workers. You haven't got enough social workers to process the paper, much less deal with the people. And I ask you, Mr. Minister, if you will admit what any of your staff will tell us, and that is that there aren't nearly enough employees in your department to properly administer the programs?

Hon. Mr. Dirks: — Mr. Speaker, Saskatchewan has likely the best ratio in Canada of social workers to case-load. And I think that is something that we can be proud of here.

In addition to that best ratio, I just indicated that we are increasing the number of front-line social workers to assess the individual needs and interests and capabilities and aspirations of those people who are on welfare — something the former government forgot about. Perhaps they didn't even think about it to begin with, Mr. Speaker.

I would like to draw to their attention a particular statement coming from a program similar to this in New Jersey:

The best thing we can do for many of our welfare clients is to help them find jobs. For too long the chief function of the welfare agencies seems to have been to do nothing but distribute money.

And that was their approach to welfare — do nothing but distribute money. No longer is it enough to simply give people a cheque and then forget about them until the next month.

We have to help people stand on their own feet, to teach them vocational skills and how to find jobs. Through such an aggressive program we can help begin to break the dependency cycle. Part of that aggressive program is hiring 21 additional social workers in the province of Saskatchewan, in our department.

Some Hon. Members: Hear, hear!

Saskatchewan Youth Unemployment Crisis

Mr. Koskie: — Thank you, Mr. Speaker. I'd like to address a question to the Minister of Advanced Education and Manpower. And my question has to do with the Saskatchewan youth unemployment crisis.

As young people prepare for the summer job market, the youth unemployment rate is the highest that it has been for years. A couple of quick comparisons, Mr. Minister. In two years, the unemployment rate for young people has jumped from 10.6 to 18.4 per cent, and the number of unemployed young people have sky-rocketed from 12,000 to 21,000.

I ask the minister: how does he square that fact with your government's promise to provide new job opportunities to the young people of this province?

Hon. Mr. Maxwell: — Thank you, Mr. Speaker. This one's been kicked around quite a bit in estimates in the last two or three weeks since we've been going, so let me just go through it all again, for the benefit of the hon. member.

You say there's 18.4 per cent youth unemployment right now. Included in that number are a great number of students who are seeking summer employment, so that picture isn't entirely accurate to begin with.

I would like to remind the members of the House, both sides of the House, and the media, that in the boom years — those boom years under socialism in this province — they had 15,000 young people unemployed, but they have conveniently forgotten about it, and that at a time when their labour force was some 40 or 50,000 less than it is today. The fact of the matter is there are more people working today than there ever were under the ravages of socialism in this province.

Some Hon. Members: Hear, hear!

Hon. Mr. Maxwell: — Now let me turn, Mr. Speaker, if I may, to a couple of specifics . . . (inaudible interjection) . . . I'll thank you for the offer, but I already turned your member down. I couldn't care enough.

Mr. Speaker, I want to turn to a few of the specifics which we're addressing. What we discovered in 1982 was that the previous administration had done one of two things: either they were completely unaware of the effects, not only of the baby boom, but the baby boom echo — and I assume my critic understands to what I'm referring because he's supposed to know something about unemployment figures — either they ignored the effects of the baby boom and the baby boom echo, which is totally despicable because they had no plans in place to do anything about it whatsoever when we came in, other than a YES (youth employment services) program. We spent five times as much money as they spent on youth unemployment. We have a program for the future, and we're looking through to the 1990s.

He asked me specifically. All right:

(1) Access Youth Employment . . . (inaudible interjection) . . . You asked the questions gentlemen. I'm more than pleased to give you the information . . . (inaudible interjection) . . . Access Youth Employment, Mr. Speaker, run under the auspices of my department, Advanced Education and Manpower, jobs they are going to create — 1,000.

Opportunities '84, my department, Advanced Education and Manpower — 2,600 jobs.

. . . (inaudible) . . . student program for industry — business administration, science, engineering. Department responsible, Saskatchewan Research Council — 100 jobs.

(4) The Saskatchewan Employment Development Program run under the auspices of my colleague, the Minister of Social Services . . . (inaudible interjection) . . . You asked the question. You wanted specifics, gentlemen; I'm giving them to you — 1,500 jobs, Mr. Speaker.

New Careers Corporation, run by Parks and Renewable Resources — 200 over three years.

The Saskatchewan Skills Development Program and, yes, we are proud of the Saskatchewan Skills Development Program because we are aiming it at . . . (inaudible) . . .

Mr. Speaker: — Order, order! I'm going to caution the minister that when questions are asked you should stay on the subjects within your department and not give lengthy answers.

Mr. Koskie: — Thank you, Mr. Speaker. I'd like to ask a supplement, although I didn't get an answer for the first one.

Mr. Minister, are you aware that in Saskatchewan this March the youth labour force was

112,000? That's a drop of 5,000 from the same month in '82. And are you aware that the number of young people employed in Saskatchewan this March was 92,000? A drop of 12,000 from two years ago.

I want to ask you: after two full years of your government's economic policy, there are 12,000 fewer young people working in this province, so how can you stand there and claim that you have increased job opportunities for the young people?

Hon. Mr. Maxwell: — Mr. Speaker, the very short answer is: look up the answer in *Estimates*. It's been answered many times. However, let's go through it all again. I'm quite willing to describe all of the programs and all of the things we are doing for the youth of Saskatchewan, because we happen to believe that the future of Saskatchewan lies with its young people, lies with its youth, and we're committed to that. And that's why we're bringing in all the new programs we have.

I already indicated, Mr. Speaker, that either they knew about the baby echo and did nothing about it, or they weren't aware of it, which is equally bade, because it just showed a total lack of planning on their part. And they left us with a problem which we inherited, and they've acknowledged we inherited it from them. But we're addressing it because we're going to be on the solution side of the problem, Mr. Speaker, not like those people who buried their heads in the sand for years and hoped the problem would go away.

Mr. Koskie: — A further supplemental, Mr. Speaker, to the hon. member.

Mr. Minister, your own studies and position papers admit this. The latest example is the labour market status report which you submitted to me which you provided during estimates. This document indicates 20 per cent youth unemployment rate for much of this decade. Mr. Minister, I ask you: why is your government content with that sordid record of employment for young people?

Hon. Mr. Maxwell: — Mr. Speaker, I'm having trouble taking this question seriously. I just read all the things we're doing. You said we're content to put up with high unemployment. We're not content. That's why we've increased the funding for all of these programs.

One other statistic I'll have to point out once again for the edification of the member who obviously doesn't do any homework whatsoever, Mr. Speaker:

Youth group's size dwindling.

I'll quote it again. Roger Sauve from April 2, '84, *Leader-Post*.

The number of people in the 15-to-24 age group peaked in the early 1980s at about 184,000 but has since dropped by 4,000. Stats Canada has projected in Saskatchewan that, by 1991, the decline will have exceeded 22,000.

The implications for labour markets are noteworthy as young people available for entry-type jobs will decline by some 15,000 from today's level.

And he goes on to say, Mr. Speaker:

Although the idea seems to be inconceivable in the current economic environment, a "youth labour shortage" is likely to develop in the second half of the 1980s.

And, Mr. Speaker, that's why we have been providing transition programs — programs like the skills development where we give young people the opportunity to gain employment, to gain experience, so they become more employable in the years ahead. That's why we've increased

the number of technical institute places by up to 60 per cent. Yes, we're addressing the problem. Yes, we're coping with it.

Regina Water Situation

Mr. Sveinson: — Mr. Speaker, employment seems to be an issue in this province. And recently there was an employment situation created at Buffalo Pound Lake, and the Minister of Urban Affairs was at the sod turning. At the sod turning he also indicated that the job wasn't yet complete, that there had to be a long-term answer for the Regina water supply system. I ask the minister: can he expand, for this legislature today, the answer in the long-term with respect to the Regina water situation?

Mr. Speaker: — Order, please! There's been a question asked, and I would ask that both sides give the minister an opportunity to answer it.

Hon. Mr. Embury: — Mr. Speaker, the question from the hon. member is much like Jack the Ripper complaining about street crime.

Some Hon. Members: Hear, hear!

Hon. Mr. Embury: — Your memory goes back — less than 12 months ago this government, together with the cities of Moose Jaw and Regina, went to Ottawa and suggested to them that the long-term solution to Regina's water was a pipeline. And at that time the Liberal government in Ottawa said, "No. No, we don't want this long-term solution. We would rather come back and study a ditch that would go from Lake Diefenbaker to who knows where. But we'll build you a carbon filtration plant."

We said at the time, Mr. Speaker, that fine, we'll build a filtration plant. The cities and ourselves said we'll build a filtration plant because the filtration will be required in any case. The expanded filtration plant will be required in any case when we get the pipeline, simply to deal with the larger volume of water.

But we are of the opinion that the pipeline is the long-term solution and, once we convince the federal government of that, we will proceed with that.

Mr. Sveinson: — Mr. Speaker, this government is long on history but is short on action. I ask the minister, I ask the Minister of Urban Affairs not what the Liberal government in Ottawa did a month ago or 12 months ago. What was your reaction to it, Mr. Minister? Have you been in touch with that government since they said no? And have you had any response to Mr. Roberts' claim last Friday, in this city of Regina, that he will address the problem in the federal cabinet. He will address the problem of the Regina water situation, and do so in a very positive manner. That means 6,000 man-weeks of work, Mr. Minister, and I would like to know when your government is going to address that problem.

Hon. Mr. Embury: — Mr. Speaker, there was a ray of hope. I know that the one leadership candidate that the member opposite is supporting in the leadership race of the Liberal Party has promised that. Unfortunately, I don't think he's going to become the leader because of his support, but we are hoping, Mr. Speaker, that perhaps some of the other leadership candidates will do the same.

I think that we have agreed with all parties involved that we will take the present studies, of which there are many. We will try and conclude from that, and try and convince the federal government which has indicated from time to time, and as the member opposite has indicated as late as last week, that they are interested and feel that they do have some responsibility for water in this country; and that when we have concluded those studies and we have convinced the federal government, then we will approach them again to fund it.

Mr. Sveinsson: — Supplementary, Mr. Speaker. This government is long on rhetoric and short on action. I ask you, Mr. Minister, when I stood on my first question, it was: what is your long-term answer for the Regina and Moose Jaw water problem? I did not ask a question on the federal leadership race. I did not ask a question on the history of water. I asked a question on the future of Regina water, Mr. Minister, and I would like an answer to that question.

Hon. Mr. Embury: — I suppose, Mr. Speaker, that if *Hansard* was printed instantly I could read back my answer. I said that it's this government's position that the long-term solution to the water supply problem of Regina and Moose Jaw is the pipeline.

MINISTERIAL STATEMENTS

Financial Assistance for Farm Irrigation

Hon. Mr. Hepworth: — Thank you, Mr. Speaker. On March 21 of this year when my colleague, the Minister of Finance, presented the 1984-85 budget, he made reference to increased funding to assist farmers who undertake new irrigation development. Today I'd like to tell you, and the members of this Assembly, how Saskatchewan farmers will be using those funds.

As you are aware, in the budget the money for irrigation is quadrupled to 1.6 million from \$350,000. This, I would suggest, represents the first meaningful and significant commitment by any Saskatchewan government to on-farm irrigation development. Mr. Speaker, we will assist farmers who develop new irrigation by providing financial assistance over a three-year period. On completion of an irrigation system, we will provide \$60 per acre in year one on each acre that is designated as irrigable; in each of the next two years we will provide \$20 per acre, for a total of \$100 per acre to a maximum of \$50,000 per farm unit.

We believe that this level and method of funding will benefit farmers greatly. It acknowledges the high start-up costs of irrigating. It also acknowledges that it can take a few years for farmers to become familiar with irrigation technology and to establish irrigated crops.

In 1984-85, this program could add some 26,000 irrigated acres to Saskatchewan's productive capacity. In light of the fact that previous provincial irrigation programs resulted in only 34,227 acres coming under irrigation in the 10 years from 1973 to '82, I would suggest that this is a major accomplishment.

Mr. Speaker, farmers who would like more information on this program are invited to contact my department's family farm improvement branch or any of the department's six regional offices.

Some Hon. Members: Hear, hear!

Mr. Engel: — Thank you, Mr. Speaker. First of all, I'd like to thank the minister for an advance copy of this release. I believe the emphasis to encourage farmers to get into irrigation is a good emphasis. I'm concerned with this government's philosophy of saying that: we've got a program that's good for somebody that can afford to do it.

Here we have a program where up to \$50,000 a farmer will be made available after the fact. I think if they're serious about getting farmers into irrigation, they could operate a program, or implement it, similar to what FarmStart was — that you'd up-front the money and then give the fellow a chance to pay some of it back, and \$50,000 of it would be in grants. That way you'd know that they're going to get into irrigation, because the high risk involved in irrigating, even in Saskatchewan, is one that the minister is well aware of. There's been a lot of money spent to make water available both by the federal government and the provincial government, and farmers are not picking up as fast as they should.

So I would say to them: make this program, if you've got \$1.5 million or so available for this year's budget for irrigation, put your money up front, give it as a loan, and then have a repayment. And you'll see that the program works. If you're just going to make the money available to farmers that can afford to do it and then give them a grant afterwards, I'm afraid you're not going to catch the ones that are going to want to irrigate and . . . (inaudible) . . . to do it.

I think this is another example where the government is saving those that can afford it and could do it, but isn't up front with those that would love to do it. I think your emphasis is on the wrong . . . (inaudible) . . .

Question of Privilege

Hon. Mr. Andrew: — Mr. Speaker, before orders of the day I would like to raise a question of privilege against the Opposition House Leader. During the question period, I think it was clearly audible to everyone in the House, Mr. Speaker, the comments of the Opposition House Leader, the member from Shaunavon, to the words "bloody well lying," Mr. Speaker.

I would ask Mr. Speaker to review the tapes if he would, and bring back a ruling to this House with regards to privilege. I think if that . . . On reviewing of the tapes, Mr. Speaker, I don't think there's any question that type of comment, Mr. Speaker, is clearly a breach of privilege.

I would refer Mr. Speaker to *Beauchesne's*, page 18, Mr. Speaker, paragraphs 48, 49, 50, and 51, Mr. Speaker. I think most recently, in the House of Commons in Ottawa, there was a statement made by — I believe it was one John Munro, minister responsible for Indian Affairs — a similar type statement made from his House. As I understand the ruling in Ottawa, by Mr. Speaker in Ottawa, was to request that particular minister to withdraw the statement, even though being made from his seat, and to apologize to the House.

I would ask Mr. Speaker to investigate this particular question of privilege.

Mr. Koskie: — The Minister of Finance has raised a particular statement that was made. I sat in this House today next, or right behind, the alleged person who is criticized as having said this statement. I heard no such statement, Mr. Minister. I think what is happening here is that there is a beat-up opposition — 55 in opposition — and now merely need a crying towel to satisfy their wounds that they have suffered in the previous mismanagement of the affairs.

Mr. Speaker: — Why is the member on his feet?

Mr. Sveinson: — Mr. Speaker, I'd like to speak to the point of order for a moment.

I would like to say, Mr. Speaker, that I take an absolutely neutral position in this debate. I did hear . . . I did hear, inaudibly, what the member opposite claims. But while I've sat on this side of the House in the last few weeks, I'll tell you, I don't want to bring up some of the comments that I've heard the Government of Saskatchewan address to me personally.

I certainly haven't rose on a point of order or a point of privilege, but I would ask them, and I would ask them to refrain from that kind of activity in the future. But I will say that maybe the member from Quill Lakes has bad hearing. My hearing is very good and I did hear the inaudible that the member for Kindersley says was stated in this side of the House.

Mr. Speaker: — I'd like to read to the House a ruling that was made in this House on a very similar issue on Monday, April 18, from 1983:

On Friday a point of privilege was raised by the Minister of Finance with regards to remarks made by the member for Shaunavon. I have checked the record of last Friday and find that no member who had the floor uttered remarks which were either

unparliamentary or which constitute a breach of privilege. However, it is true that on that day and on nearly every sitting day of the current session members from both sides of the Assembly have been making loud remarks from their seats which are uncalled for and which do not contribute to debate in any way. Remarks made by the member not in the debate have in the past not been judged to be unparliamentary and, in fact, are not heard by the Chair. The Chair has repeatedly called the House to order and has tried to curb the disruptive remarks made by members from their seats.

Therefore, I will once again repeat my request for all members to cease such poor behaviour and to resist the temptation to enter the debate from their seats, but instead to enter debate by being recognized by the Chair.

I think it's very evident that remarks were made today that were not parliamentary remarks, but because they will not . . . (inaudible interjection) . . . They were made by the member for Shaunavon . . . (inaudible interjection) . . . No, they were made by both sides, but I say, remarks were made by the member for Shaunavon, and remarks were made by this side of the House as well.

And when they are not recorded on the record of this House, it's very difficult for the House to rule on them. So I would ask that members on both sides of the House resist the temptation to make these remarks from their chairs. I don't think they add to the decorum. They don't add to the dignity of the Chamber. And I certainly don't think they add to the dignity of the member that makes them. So I'd ask members to refrain from the remarks in the future.

ORDERS OF THE DAY

GOVERNMENT ORDERS

COMMITTEE OF FINANCE

Hon. Mr. Andrew: — Yes, Mr. Chairman, I have a couple of motions to move in connection with the supplementary estimates. I will be tabling two motions. If I could give a brief explanation to the committee as to what's involved. If you would refer to the *Supplementary Estimates* on page 8 and page 9, the first one being an item 16 on page 8 under Tourism, and then look over to item no. 6 under Urban Affairs on page 8 and page 9. There was a typographical error, not as it relates to dollars, but as it relates to the descriptions of the one item 16 on page 8. "To provide for net expenditures (recovery) of (from) the Northern Construction Revolving Fund (Statutory)" should be over in number 6 on the next page, and vice versa, the other one back.

I would therefore move the following two motions. I move, seconded by the hon. member from Meadow Lake:

That the following erratum which corrected vote 24 of the 1983-84 *Supplementary Estimates*, which has been tabled in the committee of finance, be adopted.

Due to a clerical error, the following correction should be made: in the supplementary estimates of the Department of Urban Affairs, vote 24, page 9, the description of item 6 should read as follows:

To provide for a net expenditure (recovery) of (from) the Northern Construction Revolving Fund (Statutory), subvote 14.

I would so move, seconded by the member from Meadow Lake.

And I'll move the second one, following approval of that one.

Mr. Lingenfelter: — Mr. Chairman, I would just like to, and I'm sure the Minister of Finance will not object to adjournment of this for a short time. Both the critics of Tourism and Urban Affairs are not in their place at the present time, and if we could just have . . . do it today if it's agreeable with my members, but to have a chance to look at it. I would move adjournment of this motion and deal with it in committee later this day, to give our opinion. But I would like an opportunity to have a look at it.

Mr. Chairman: — The member for Shaunavon has moved adjournment. Is that agreed?

Hon. Mr. Andrew: — That is agreed. Mr. Chairman, and being that the committee is a little more informal, the reason for moving it is because we are going to deal with the question of Tourism and Small Business estimates. When it comes to supplementary, perhaps we can vote on it at that point in time so we don't have to then come back to it. I would then move, Mr. Chairman, the following motion, seconded by the member from Meadow Lake:

That the following erratum which corrects vote 45 of the 1983-84 supplementary estimates, which has been tabled in the Committee of Finance, be adopted. Due to a clerical error, the following correction should be made: supplementary estimates in the Department of Tourism and Small Business, vote 45, page 8, the description of item 16 should read as follows:

"To provide for the net expenditure (recovery of) from the Northern Saskatchewan Economic Development Revolving Fund (statutory subvote 20)".

I would so move.

Mr. Chairman: — The Minister of Finance has moved certain amendments. Will the House take them as read? In that case I have heard that this matter is to be adjourned. Is that correct? The matter is adjourned to a later date.

CONSOLIDATED FUND BUDGETARY EXPENDITURE

DEPARTMENT OF TELEPHONES

Ordinary Expenditure — Vote 38

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

Hon. Mr. Currie: — Thank you, Mr. Chairman. At this time I'd like to introduce the deputy minister of Science and Technology, who also is deputy minister of Telephones, Dr. Alex Guy, who is sitting to my left; and in front of him, the administrative co-ordinator, Mr. Frank May.

Item 1

Mr. Lusney: — Thank you, Mr. Chairman. Mr. Minister, I'm sure these estimates won't take too long because we're dealing with a somewhat big department of three people that I see in this department to this point. Mr. Minister, could you indicate to the House how many rural companies are still in operation in the province?

Hon. Mr. Currie: — Yes, Mr. Chairman. In reply to the hon. member from Pelly: there are 50 companies at the present time.

Mr. Lusney: — How many of these have, to this point, applied for assimilation?

Hon. Mr. Currie: — To the best of my knowledge, Mr. Chairman, all of those who have applied to this point have been assimilated.

Mr. Lusney: — Mr. Minister, could you tell us what grants are being paid to the rural companies, well for 1983 or up to now?

Hon. Mr. Currie: — Mr. Chairman, there are two types of grants that were paid in 1983. First of all, the construction grants was a total of \$9,110,000, and in regard to the maintenance grants, \$4 million.

I'm sorry, I've made an error. That should be 9,000 and 4,000, respectively.

Mr. Lusney: — Thank you, Mr. Minister. I was kind of wondering just where all this money was being spent.

Mr. Minister, going to the estimate book, you have one additional staff from last year, and also a fair increase in other expenses. Could you explain the increases, please?

Hon. Mr. Currie: — Well, prior to July 14 when I became Minister of Telephones, there was one person involved in the staff of the Department of Telephones and now there are three, and that accounts for the increase.

Mr. Lusney: — Mr. Minister, we're getting less and less companies there, and I see you've increased the staff. You said, I believe, that there was one person when you took over the department, and now you have three. Could you explain what those three people are doing there now? And the other question was "other expenses." There's a fair increase in that. Could you tell me what the other expenses are?

Hon. Mr. Currie: — Well, the three people are attached to the minister's office — there's a minister's assistant and two secretaries. And they come under the Telephone subvote. As far as the contractual service is concerned, or as far as the other expenses are concerned, there's contractual services and materials and supplies.

Mr. Lusney: — You said, Mr. Minister, these three people were in your office. Do you not have a staff for Science and Technology in your office that you could be using to staff your office? Or do you have also people on the Science and Technology department that are part of your staff in the office, too?

Hon. Mr. Currie: — No, the people who are in my office are in the subvote of Telephones, and I do not have anyone in my office under the subvote of Science and Technology. They handle both.

Item 1 agreed to.

Vote 38 agreed to.

SUPPLEMENTARY ESTIMATES

CONSOLIDATED FUND BUDGETARY EXPENDITURE

DEPARTMENT OF TELEPHONES

Ordinary Expenditure — Vote 38

Item 1

Mr. Lusney: — Mr. Minister, can you tell me — item 1, the executive administration, was it? Could you explain what the expenditure was? This was last year's expenditure. Could you give

me the details of it?

Hon. Mr. Currie: — Well, Mr. Chairman, and hon. member, it goes back to the time that it was the office of science and technology that was attached to the Department of Advanced Education and Manpower. In April of 1983 a change was made in personnel in the office of science and technology. The change was an increase in staff from 3.3 to 7.3 personnel. Now this subvote was moved from the Department of Advanced Education and Manpower into the Department of Telephones when I became Minister of Telephones, and that accounts for that expenditure.

Mr. Lusney: — Mr. Minister, I would assume then that in the following year, for the year of '84, that will no longer be the case because you will have this staff under your Department of Science and Technology.

Hon. Mr. Currie: — That is correct.

Item 1 agreed to.

Vote 38 agreed to.

Hon. Mr. Currie: — Mr. Chairman, I'd like to thank my officials for their assistance, and the hon. member for his pertinent questions.

Mr. Lusney: — Mr. Chairman, I would also like to thank the minister and staff for the forthcoming answers, one of the ministers that I think is the more capable and most forthcoming on that side of the House. It's unfortunate the others couldn't take his lead and be the same. Thank you, Mr. Minister.

CONSOLIDATED FUND BUDGETARY EXPENDITURE

TOURISM AND SMALL BUSINESS

Ordinary Expenditure — Vote 45

Mr. Chairman: — Will the minister introduce his officials?

Hon. Mr. Klein: — Mr. Chairman, I'd like to introduce Dale Folstad, my deputy minister; Ken McNabb, behind him, the assistant deputy minister; Karl Crosby, director of Tourism; Peter Wyse, our director of business information and research; and Harvey Murchison, our director, administration.

Item 1

Mr. Lingenfelter: — Mr. Chairman, and Mr. Minister, I think that what I would like to do is ask a few questions that are traditionally asked. One, I suppose, is the question about personal staff, Mr. Minister, that you will have, as other ministers have had. What we're doing, as you will well know, is building the case that in the ministers' offices we are having a great amount of money spent on what is known by many people across the province as political staff — EAs, special assistants, ministers' assistants — they come by about 10 different names now. Many ministers are paying out in the tens of thousands of dollars each month, hundreds of thousands of dollars per year. In fact, in some cases, the percentage of the total budget is relatively amazing.

Mr. Minister, what I would like from you . . . And the reason that I talk about it in that vain of the whole government is so you know that you're not being singled out, that this is a pattern which has been established in all departments. And when we get completed here, the press will be interested that millions of dollars is being spent each year trying to develop paid hands to try to

get you fellows and you women re-elected at the time of the next election.

And I want to let the public know what is going on and to also let you know, Mr. Minister, that hired hands are not going to succeed in doing the task that you people are avoiding, and that is being in touch with their local communities, the groups, the small-business people, to find out what the real issues are in Saskatchewan.

So what I would like to have from you, Mr. Minister, is a list of those political people, your political staff who you will have in your office: secretaries, ministerial assistants, executive assistants, and I want to include any other name that you will have for that kind of people. And if you'll give me a list and the amount that you're paying them per month.

Hon. Mr. Klein: — Mr. Chairman, I'm prepared to provide that list, because I don't believe that my department or any department has anything to hide, and I think that when you see that rather than political staff we've got good professional people, you're going to be amazed.

I really don't need that much help politically anyhow, because my adversary is an employee of this government. He ran against me in the last election. He still is an employee of the government. He'll be running against me in the next election, and whether or not he's going to be able to drum up the same support next time that he had the last time, I doubt it very much.

Mr. Lingenfelter: — Mr. Minister, I wonder . . . other ministers have had the courtesy of just ripping the sheet out of the book that you have in front of you and sending it over. I wonder if that is what you're intending to do now, or whether we stop the committee and wait, or what is the process now? Other ministers just send it over and then we ask supplementary questions on that issue.

Hon. Mr. Klein: — The list to which they're referring, Mr. Chairman, has much more information than just what they're asking for, and I don't think that we should just start destroying the sheet. We'll provide it to you immediately following the estimates. No problem.

Mr. Lingenfelter: — Mr. Minister, if it's on another list, I wonder if you would have one of your staff jot down on a piece of paper the name of the individual, their position, and the salary they're getting. Surely, Mr. Minister, it's not more than 10. This is sort of a maximum number of executive assistants that ministers have, and, no, we won't wait till after the committee is finished to avoid the embarrassment for yourself of how many people and how much political dollars are going out. I wonder if you would have one of your people jot them down, in longhand if you like, on a piece of paper, and send them over to me.

Hon. Mr. Klein: — Mr. Chairman, we'll prepare the list, because it consists of two, perhaps three, names.

Mr. Lingenfelter: — Well, that's the whole point, that I can't imagine why you were attempting to avoid sending them to us till after the committee is complete. And I would like all of the EAs, the MAs, and any other name you might give those type of people, as well as the secretaries, because I'm sure in some cases secretaries are doing more than just typing letters, by the number of people who are classed as secretaries in this government.

You say, Mr. Minister, that administration is not larger, but yet when I look at administration in your department I see that the amount of money in administration has gone from \$216 to 1.1 million. This is the government that said it was going to be cutting back in the red tape and cutting back on administration. And you, Mr. Minister, have increased staff in that sector from seven to 29.

And I would like to find out from you, Mr. Minister, if you say that you're going to have less government in this province, why in the world would you need about a 400 per cent increase in

the amount of staff in administration, when in other areas we are not seeing those kind of increases? In fact, in many areas, in health and social services, in fact, we're seeing a reduction. And I want to know, Mr. Minister, can you explain that drastic increase?

Hon. Mr. Klein: — Mr. Chairman, I guess it indicates that this government certainly places a high priority on Tourism and Small Business, and obviously it takes people to properly operate a department.

However, when it comes to retaining the size of government, I think that we've done an admirable job. We are doing the administration for the Department of Economic Development and Trade in our department. That accounts for 14 positions. And there were six positions, or six and a half positions, transferred from the department of DNS. So that effectively we are administering three departments.

Mr. Lingenfelter: — Mr. Minister, are you saying that all of DNS was transferred to your department? Is that what you're trying to lead us to believe?

Hon. Mr. Klein: — Mr. Chairman, there were two areas of northern, or DNS, that were transferred. One was the economic development section; the other one was the revolving credit fund.

Mr. Engel: — Thank you. I'd like to thank my colleague from Shaunavon for starting it. Are we going to be getting this list, and the amount they're . . .

An Hon. Member: — There's only three names, but it's taking a long time.

Mr. Engel: — It's taking a long time to write three names on a paper. Before I start into the estimates in general and I think an area that my colleague didn't cover . . . Besides the increase in administration that you show in the main estimate book, we see another substantial amount in the supplementary estimates to provide an additional amount of money, so I think we'll develop that theme a little further later on.

But at the outset I'd like to compliment you on a book that is being circulated, *The Saskatchewan Promise*, and I imagine you have the blue book with you. Now this book spells out some certain information that I want to get into.

But before I get into the specific information that you've recorded, and made available to the people of the world — because of the world-class government we're in — there's just a couple of issues I'd like to refer to. And this is what I was doing on the telephone prior to the estimates, because while I was looking at this book in the House here this morning and preparing for estimates, something in the pictures of them . . .

You know, I learned to read pictures from sitting in Crown corps a couple of mornings and trying to get on a turn in Crown corporations, and watch people reading pictures and reading the pictures of you. And I think maybe I should do something, that if we were in Crown corporations today, you'd have some of your members being involved in this debate as well, reading the pictures to you.

But you know, they tell me a picture is worth a thousand words, Mr. Minister. And I'd like to talk about a couple of pictures and I'm raising this issue about the pictures, because the kind of impression we portray, and what we say to the people of the world with this book, kind of indicates where we're coming from and who is doing the business on our behalf.

And another underlying factor, Mr. Chairman, is that the backbone of the Saskatchewan economy . . . and if that backbone has one too many straws on and you break the camel's back, the whole economy of Saskatchewan seems to sink into a slump. You, as being someone that

was involved in business and having business experience, where people that have a little money like to play and get involved in spending money on amusement, Mr. Minister, you know that that spending goes up as the farmers have more money. So the point I'm trying to make, as I look through this book I was wondering, has anybody in Saskatchewan or in a general sector of the economy contacted you and complained about being left out of the book?

Now if you turn to page 7 we see that agriculture contributes — if you can look at the picture, the member for Moosomin — agriculture contributes significantly to tourism . . . or to the industry. "Agribusiness is good business," it says. And we see some pictures here. Now I'm not going to complain about the equipment. I'm not going to complain about the equipment as shown, but we see a picture of three elevators here. Two of them are of Pioneer Grain and one is Cargill — very obvious. The name — and I showed my member from Shaunavon — the name right up front is very obvious. You can tell from a glance, even at 10 feet away. Even at 10 feet away, he knows that two of those elevators are Cargill grain. And the third one I would challenge the members sitting in the front seats where they really belong, I challenge those members to tell me what elevator that is. You know it's a Cargill grain elevator. You see the tear-drop and you know what's there. It's Otto Lang and Cargill grain.

Now there's one more picture that portrays elevators in this book, and it's a picture of Strasbourg. Now I like Strasbourg and I got good friends in Strasbourg. In fact, the mayor of Strasbourg wrote me a letter not too long ago. But you look at the picture of Strasbourg and you look down the street, you see an elevator, only one. You can tell me from there. What elevator is that? What elevator is it?

An Hon. Member: — Pioneer.

Mr. Engel: — Pioneer Grain, right. You're to the head of the class. Four times, four times your book has portrayed elevators. Not once has the elevator company that has 63 per cent of the handlings, 63 per cent of the grain that's bought in Saskatchewan, doesn't show up in this book.

Mr. Chairman: — Order. The topic under debate is Tourism and Small Business. We're not in an art lesson here or anything of that nature. Could the member have some relevancy to Tourism and Small Business or, if this is relevant, could he get to the point?

Mr. Engel: — Mr. Chairman, if you were listening at the beginning I said that agriculture is the backbone of Saskatchewan. We are showing Canada and the world a first-class blue book on Saskatchewan and *The Saskatchewan Promise*. You decide to tell the world that the co-operative movement hasn't got a role to play with your government's administration. You are downplaying the role the co-ops are taking. Here we have an elevator company . . . And the member for Maple Creek is shaking her head, and she is in disgust of what her colleague, the member for tourism, has done. And here we have an elevator company that . . .

Mr. Chairman: — Order, order. I think you're making the same point you just made. I'm going to allow the minister to answer that question, and you may continue.

Hon. Mr. Klein: — Thank you, Mr. Chairman, because I was enjoying the speech immensely, although it was getting kind of tiresome. You know, I grew up on the east side of this city, Mr. Chairman . . .

Mr. Chairman: — Order. Does the minister have an answer relevant to the point?

Hon. Mr. Klein: — He was asking about the pictures in the book, Mr. Chairman, and my reply to that is this: that I grew up on the east side of this city and my little Polish mother used to tell me . . . There was a "kiss" theory that we enjoyed, and that was to "keep it simple, stupid." And we always believe that pictures are good, and you've obviously enjoyed them. However, if you would have taken the time to read, you probably would have prepared for estimates better

because this booklet is put out by the Department of Economic Development and Trade. It is not relative to our estimates. However, I would be delighted to talk to you about anything in this book.

Your derogatory remarks concerning the co-op sector leaves a little bit to be desired. I would simply point out that we have been working for a long time with the co-operatives in Saskatchewan (far more so than you) and, I suppose, the best example would be the upgrader that's going in place now. If you have some problem with that, then maybe you should . . .

Mr. Chairman: — Order, order. I think we're getting off the topic of Tourism and Small Business.

Mr. Engel: — Mr. Minister, I looked through the *Estimates*, and I think when we look at what your department is doing, and if you are sensitive, if you are sensitive to the figures that are published here . . . I think when we're talking about Small Business and Tourism I would classify, I would classify the elevator system as a small business. But I'll leave that aside, Mr. Chairman, that a company that has 7 per cent of the handlings will be featured in your literature.

I was trying to make a philosophical point of view that the co-operatives, the UGG and the Pool, have a major role to play as far as putting some money into circulation, and helping the business people right across this province. And you refuse to acknowledge the role those two co-operatives groups play. But you would rather pick up and depict twice in your book, you would depict twice and tell to the people twice . . . And maybe you want to shrug it off and say, "Ah, it's the Deputy Premier's book, it's not my book. I'm not going to have no part in it." I think that the references made in this book are obvious, that we have to look at some of the things that are involved there.

Now I think the area I'm going to refer to as the economic indicators that exist . . . I'm going to use this book again, and I'm going to talk about Saskatchewan in general, and the topic is: "Growth — We in Saskatchewan Outperform." And the small-business sector or a large-business sector, and the agriculture sector are depicted as: where is Saskatchewan today in comparison to where have they been and where are we going? And I want, Mr. Chairman, just to let you know where I'm going to and where I'm coming from.

I want to make a comparison of 10 years — 10 years prior — '72 to '82. And then I want to look at some numbers from '82 to '84, and just see what kind of performance you are doing with these extra millions of dollars you have in your treasury and that you have at your disposal to spend. And is the general emphasis . . . All we're going to touch on this morning for a little bit is: what is your approach to creating an environment in small business? Is it working?

We have people coming to meet with us and talking to us — friends of yours in the city here, Mr. Minister — friends of yours in the city are coming and saying now, "We're good friends of the Minister of Tourism. We know him. We know the minister in charge of SGI. We're friends of these people. We know them. We've operated in the business community with them. But something's happening, something is afoot in the province that . . . something is happening in Saskatchewan, because we're in trouble." They're telling us.

Last night we met with some businessmen that said, "Things have never been this bad." Things have never been this bad. You could talk about real estate; you can talk about the entertainment world; you can talk about the whole area of the hotel business in Saskatchewan, and they're saying, "We're in trouble." We've got restaurants . . . One restaurant owner told me, "I've shut one restaurant down. I'm trying to hang on and keep my good restaurant going. I'm not sure if I can do it with these people." Because there's no money in circulation. Things are . . . (inaudible) . . .

I want to point out, from your statistics in a book where you depict the right-wing reactionary

groups, you depict Pioneer Grain and Cargill Grain instead of Sask Wheat Pool and instead of UGG — you depict them — and yet the baseline of the information you're giving us is this: the Canadian West has outperformed the rest of the country during the past decade, and has become a major North American growth centre. Where has this out performance happened?

The province's compound annual rate of real growth between '72 and '82 was 4.2 per cent, compared to 2.7 per cent of the rest of Canada. Saskatchewan's real growth, compound annual real growth, was 4.2 per cent, and compared to 2.7 per cent in Saskatchewan.

The gross, the other measurement, that's very good . . . The gross domestic product rose strongly from 3.4 billion in real terms in 1972 — 3.4 billion was the gross domestic growth — to 5.2 billion in 1982. So you see there's some growth indicators there.

If you take the gross domestic product growth in Saskatchewan, change from '72 to '82, Canada's change was 30 per cent according to your book. Saskatchewan was 51 per cent.

Non-residential investment — outside investment in Saskatchewan — Saskatchewan's growth grew by 338 per cent; Canada's only by 275.

Retail sales, the small business community that you represent, in 10 years from '72 to '82, grew by 197 per cent; Canada's only 186 per cent.

Saskatchewan was way ahead all the way.

Personal disposable income. That's the money I'm talking about, where people have money to spend in hotels; where they have money to spend in restaurants; where they have money to spend in amusement parks. Saskatchewan's personal disposable income grew by 333 per cent in that ten-year period. Canada's only grew by 267.

This book portrays in graphs, in letters, in statistics, loud and clear, that Saskatchewan was leading. Mr. Minister, what has happened to that since your term of office? What has happened in the last few years to those four categories?

Gross domestic growth, 51; Canada, 30. Non-residential investment, 338 in Saskatchewan; 275 in Canada. Retail sales, 197; 186 in Canada; personal disposable income 333 per cent in Saskatchewan, Canada only 267. How have we fared since you've been in office, measuring it with Canada? Have you got any numbers that would indicate how we fared in the last two years?

Hon. Mr. Klein: — Mr. Chairman, I would sure like to get back to my estimates rather than sit back and listen to speeches. And to get . . . I'll answer your question. But to supply you with some information, because you've been nervous about my long list of personal staff, if I could have a page take you the list of three people, that could help you with a little bit of proper questioning, I suppose.

I don't have to listen to a 20-minute speech about a book that isn't mine in the first place. And I'm prepared to discuss the book totally if it's relevant to my department and my estimates. There's not a thing in there that we're ashamed of. We're very proud of it. And if you want to reply with . . . If we want to go on into 20-minute speeches all day, you versus me, it's fine. I've got a lot of ammunition.

First of all, restaurant sales in 1983 — they're up 4.2 per cent in Saskatchewan. Investment increased by 10.3 per cent in Saskatchewan in 1983. The RDP (real domestic product) will outstrip the Canadian average again in 1984, as it did last year. It was up 3.5. And retail sales were up 6.3. And if you want to start talking about personal disposable income — you don't like hearing it but I'm going to tell you one more time — when we took off and eliminated the gas

tax in 1982, the same thing happened in 1983, the same thing happened in 1984. There's another \$329 million that are available to the residents of Saskatchewan to spend as they see fit, and encourage any business opportunity, whichever one you would like to talk about.

I doubt that you have ever met with any group of businessmen. You would never have made the statement, "Is it worth it to spend our budgetary dollars helping small business in Saskatchewan?" And you should be ashamed for making that statement.

Mr. Engel: — Mr. Minister, I used this book to get four areas of comparison in the business community. I asked you a simple question. I said: what's the gross domestic product growth in Saskatchewan? You didn't answer that question.

You don't want to talk about the non-residential investment in Saskatchewan by outside investment. You don't want to talk about the retail sales over the 10 years that your book . . . I'm talking from your literature. I've asked those four questions. If you won't answer those questions, maybe you should look at this year's budget book.

Let's take a look; let's take a look. You don't want to talk about a publication that you made. You don't want to talk about a publication that you made, and I don't know if the date's in here, but it's this year's book. I don't see a date on it, but will you verify that these figures are this year's book?

Now this is the March 1984 budget address book. This is the March 1984 budget address book. This is page 36, "Province of Saskatchewan, Summary of Economic Indicators."

Now, will this hurt your feelings if we talk about economic indicators when we're talking about small business, Mr. Minister? You seem very sensitive this morning.

But let's look at page 36. The gross domestic products — the same number that I referred to . . . (inaudible) . . . Gross domestic product is the top line I talked about, where it's 51 per cent growth in Saskatchewan from '72 to '80, and 30 per cent in Canada.

What does the Minister of Finance say in his budget address? On page 36: the gross domestic product in Saskatchewan. constant '71 prices, annual rate of change, 1982 — 4.6 is in brackets for some reason. Now maybe I'm not an economists and I don't know that 4.6 per cent means a negative, but 4.6 is in brackets, and in 1983 it's 1.5.

Let's compare it to Canada. I compared these numbers to Canada. Let's compare the gross domestic product to Canada. Gross national product: Canada, annual rate of change, the '82 at 4.6 for Saskatchewan (Canada 4.4). Saskatchewan's growth in the negative was greater then. We're still the winners. But this happens to be in brackets.

What about '83? The Premier has said over and over again, Saskatchewan isn't going to participate in the recession. So we weren't going to participate, so it didn't go 4.6. Let's forget about it. Let's take '83. We got back into the black — 1.5 for Saskatchewan's gross domestic product growth, constant, and gross national product growth, the only measure that we have of where we're at, the rest of Canada did twice as good as Saskatchewan. Explain that to me.

You are saying that everything is so good. That same number for Saskatchewan, in the 10 years prior to your taking office, was 51 per cent growth in Saskatchewan and 30 per cent in Canada. Now it's reversed in just two years. In just two years, with your small-business management expertise, with your open for business philosophy, the rest of Canada grew twice as fast as Saskatchewan. How do you explain that that's working so good?

Hon. Mr. Klein: — Mr. Chairman, it appears that the member opposite has prepared his line of questioning for the wrong department. I could get into all the questioning that you're referring to, but it is economic department and trade and I feel that that should be responded to by the proper minister. We're the Department of Tourism and Small Business. For your information in case you aren't aware of it, we have created two departments in our government. One is the Department of Economic Development and Trade, which is headed up by my colleague, the Hon. Eric Berntson, who published the original blue book from which you are asking the questions. Now you are referring back to the budget, again, statistical information from without the province, as it relates to the Canadian economy and all the rest of it, this is clearly the Department of Economic Development and Trade. Our department is the Department of Tourism and Small Business.

It appears that you are deliberately staying away from our estimates, from the programs that our department is responsible to administer, and I would like to talk a little bit about those — our community economic development, for instance, which people in your constituency can take direct advantage of — programs designed for rural Saskatchewan, to bring economic development into their areas. We don't happen to believe that rural Saskatchewan must die, as you people have been advocating for the last decade, but rather it can remain vibrant and healthy.

We have introduced programs to supply that to the people of this province, and I would like to talk about some of those programs — talk about our expenditures as they relate to that — talk about our new era of tourism for the province of Saskatchewan, because there was a change there and I hope that you prepared for some tourism questions. It used to be the department of tourism and renewable resources. Now it's the Department of Tourism and Small Business, and we've taken tourism and put it where it rightfully belongs — in the business department. And I suppose that the next series of questions then, if you got into tourism, would be about parks and renewable resources. We have a proper minister and department that functions with that. Their budget indicates that. And I would suspect that the line of questioning should be referred to the proper departments.

Mr. Engel: — Well, that's very nice. The minister is very sensitive and as minister of small business, doesn't want to take responsibility — very, very sensitive. You don't want to take responsibility. If the small businessmen aren't performing, Mr. Minister, the point I'm trying to make is that all these wonderful programs you're talking about . . . I started this little review by saying I'm generally going to talk about those bad 10 years we had from '72 to '82, and how tough it was, and how poor it was, and how Saskatchewan's economy only performed twice as good as the rest of Canada. And now when you're in office, and your programs have been working for two years, if your small-business programs are so good, how come the business people aren't taking it up and aren't performing and outstripping the records we set in the past? That's the simple question I make, that's the simple . . . Your own budget document indicates that the growth rate in small business . . . In small business the growth rate of the manufacturers in Saskatchewan who are: Friggstad is a small businessman; Morris is a small businessman; Leons are small businessmen. Their performance, as hard as they're trying, they're manufacturing in Saskatchewan. Their head offices are in Saskatchewan. They're manufacturing under your department. Their growth rate of total consumption, the total productivity of these people operating within your department, operating under the umbrella of Tourism and Small Business, that's what I'm talking about — only performed, only performed and the increased growth rate was half as good as the rest of Canada. And I'm saying to you, it's not these people's fault. It's not these people's fault; it's the government's fault.

You have a little summary in your book here that I just have to draw to your attention, and even if the minister responsible for Economic Development and Trade wrote it.

If a government is only as good as its people, it's no wonder the provincial government has a long-standing reputation of fiscal responsibility and business-like

management. Saskatchewan residents carry one of the lowest per capita debts in Canada and still enjoy an exceptional range of government services.

Mr. Minister, I believe in that concept. The government is only as good as their people, is only as good as its people.

The people are very disappointed in the shadow that you raised, in the image that you said that — it left us, and things are going to be so good. The point I'm making is that with this election came the promise of things that are going to be wonderful, the promise of a paradise for businessmen. And I'm telling you the businessmen are knocking on our doors, and are visiting us, waiting till after the session last night till 10:30 at night to meet with us. Businessmen are asking us to come and meet with them and saying, "What can we do about the plight? What can I do to help? Where can I run to defeat that minister so that we can change the programs that are happening?" That's what the businessmen are saying.

Some Hon. Members: Hear, hear!

Mr. Engel: — Unfortunately, unfortunately the narrow, negative, wrong-headed policies of your open for business have failed. You've failed to create jobs; you've failed to develop investment; you've failed the Main Street; and you've failed the Saskatchewan economy. Those are the points I made by drawing attention to this. You have failed in all four counts, Mr. Minister.

The Premier talked about Saskatchewan not participating in the recession. You participate in the recession — half the growth of the rest of Canada. You like to say there's a boom on in Saskatchewan, but the evidence is all around us that Saskatchewan is indeed participating in the recession. Just ask one of the hundreds of Saskatchewan small businesses that have been forced into bankruptcy since your big-business crowd took office. Just ask the thousands of farmers who are severely strapped. Ask the minister responsible for crop insurance how many people can't pay their premiums. As the 44,000 unemployed, and they'll all say Saskatchewan is indeed a one-term Tory recession. Indeed unemployment is from Devine.

And if we look at the economic indicators that have been published by the Minister of Finance in his budget speech, Saskatchewan's real economic growth in '82 is worse than the national average. Saskatchewan's real economic growth in 1983 is much, much worse than the national average. The nominal value of manufactured shipments — and that's small businessmen — fell from 2.5 billion in '81 under an NDP government, to 2.4 in 1983 under your Tories. The real costs in dollar value, if you take that 14 per cent into account, fell much more than that, much more.

In 1981, under the NDP, Saskatchewan had a lower inflation rate than Canada; but in 1983, under the Tories, you have a higher inflation rate. Those are the points I'm trying to make by measuring, and the only source of statistics that's easy and available were your *Saskatchewan Promise* book and your budget book, that have both been delivered this year.

And, Mr. Minister, you have these job creation programs. Let's just talk about — in general terms, what have your programs done to create new jobs? What have your programs done to create new jobs? You don't like these 20-minute speeches. I don't like taking that kind of time, but I think we've got to make the point. We've got to make the point. What has your job creation program done as far as jobs in the business sector?

Hon. Mr. Klein: — Mr. Chairman, I won't get into the personal name-calling that he started his remarks with when he said that I had a lack of responsibility. But I would like to point out a couple of things for your information.

You said that, you know: what have you done for two years? Well again, you're not paying attention. I'm prepared to ask questions that relate to my department. My department has been in operation for nine months, sir, not two years, and you seem to have missed that point. And

again, I'm saying that the proper ministers will respond to their proper departments. So I encourage you to ask questions about our department, and I'm going to take this opportunity to respond with some of the answers as it does relate to my department. And again, your cohorts and the member beside you there, when you start talking: What are we doing? What's happening out there? . . .

Let's talk about the oil patch for a moment. We've changed a few regulations as I think that you're aware of, because I understand some of you have even dabbled a little bit in oil. Are you trying to tell me that after knocking out all these regulations, after having record level drilling and all the rest of the activity that's gone on in the oil patch, that our Saskatchewan manufacturers are little guys that we truly represent — are not enjoying good business at this time? You're not talking to the right people, my friend. There have been a lot of jobs created. They are doing business. That's just in one sector of our economy — just in the oil sector.

You want to talk about job creation. Yes, our department has been in place now for 9 or 10 months. We introduced the Small Business Employment Program last year — created 3,600 new jobs — 2,800 of them now, as they're winding up, permanent new positions in the work-force in Saskatchewan. And all this happening while Saskatchewan is growing and while we are enjoying the largest number of people working in Saskatchewan in its history.

You want to start talking about the past 10 years. That leaves me awful surprised. Because I was a businessman for the last 10 year and there was nothing ever in place under the NDP. So let's start addressing the situation.

You guys don't understand anything about small business — you never did; you never will. I'm trying to teach you a little bit. Ask me the questions; I'll give you the answers, so that you can go out into your constituencies and if you're around the oil patch — and a couple of you are — you can say, "Boy, this is really good stuff that you people are working and doing business." Don't go out there and say that, you know, they're suffering and that there's nothing happening, and that they're irresponsible and all the rest of it. They're truly responsible.

Now what are we going to do, or you want to talk about national averages? And if you want me to respond for another minister, I'll talk national averages for a moment. Our real domestic product, Saskatchewan, up 3.5 per cent — higher than the Canadian average.

Investment in Saskatchewan increased by 10.3 per cent in 1983, while Canada went down 3. Doesn't that tell you anything? Investment growth to exceed the Canadian average in 1984, up 3.5 per cent; Canada, .8 per cent.

I know that you don't like to hear this. Last year we had the best unemployment rate in Canada: 7.4 per cent. Canada was 11.9. Where have you been? Get your head out of the sand.

A lower rate of business failures in Saskatchewan than the Canadian average. New business incorporations in Saskatchewan last year, up 11 per cent.

Now the big concern that you've got . . . And if you want to talk big manufacturing for a moment — and that's not my department, that's the Department of Economic Development and Trade. It was set up and designed to export Canadian shipments. It was set up and designed to bring investment dollars into Saskatchewan. You're talking to the wrong minister, but I will give you one figure to chew on for a little while, to let you know how far off base you are, not only as it relates to small business, sir, but as it relates to the total economic development and your concern about manufacturing. Manufacturing shipments were up 18.7 per cent in January, this year over last year.

Mr. Engel: — Last year was such a disaster, Mr. Minister, that it's nice to go this year over last year. I was saying, "your two-year performance," and you neatly tried to duck it by saying, "Well,

our department's only nine months old." Well, if you want to avoid that, I was kind of suggesting that maybe in 1981 we had 21,000 people that weren't working. In 1983, because of your wonderful policies — and you'll talk population, and you'll talk everything else — but in 1983 there were 35,000 people looking for work, and today there's 44,000.

Now maybe that's great. Maybe that's something to really be proud of, Mr. Minister. But I think the hundreds of business bankruptcies since you took office — more than 600 since 1982 — is an indication of how wonderful things are under your administration. And I think these 600 fall into your cap. You're trying to shove them off on the bigger minister. Maybe he's got broader shoulders. And that might be a nice neat trick, but you're the Minister of Small Business. Those 600 that failed are your responsibility. That's twice as many bankruptcies as there ever were in any given year. A hundred and sixty-one was the highest there was under an NDP year, and yet in 1982 you had 600.

In fact, in 1983, under these negative, failing policies that you're purporting that are working so good, there were twice as many business bankruptcies — 314 — than there were in 1981; only 161. Twice as many. How do you account for your programs working so good when that is only the tip of the iceberg?

Let me run those numbers by you again — 600 that you're responsible for. Now in nine months there weren't 600, but you've been elected for that length of time. Six hundred since May 8, 1982; 161 in the last year we were in office; 314 in your last year. How do you account, if those programs are working so good, that there's that many business failures?

Hon. Mr. Klein: — Mr. Chairman, I'm not ducking anything. I don't have to duck. Most ministers are bigger than me.

But I really am disappointed. You know, you talk about what we're doing and all the rest of it. The other ministers can take care of themselves. They don't need a tough kid from the east side of the city to represent them. I'd like to stick to my department.

I got my officials here from the Department of Tourism and Small Business. Why don't we get into some of our programs. You got no guts. Let's talk about the good stuff we're doing. Don't talk about the other departments. They'll take care of it when the time comes, and don't accuse me of shirking responsibility or being afraid to respond for them. I can, but I would far rather let them handle their own questions.

What are you going to ask the Minister of Economic Development and Trade if I answer all his questions? You'll go through his estimates in five minutes, and I know that he would like to talk to you a little bit about his programs. And he has programs directly related to his department. We have programs directly related to ours. That's what our estimates are all about. That's the line of questioning that I would like to get into so that if you have any legitimate concerns out there about what we're doing for small business, let's talk about them. So far you're not addressing that.

Manufacturing, for your information, 1983 versus 1982 — again not my department — but none the less, it was up 3.5 per cent in Saskatchewan. You talk about business failures in Saskatchewan. Do you know why they failed? You don't have the foggiest idea. Let me tell you why they failed. When your administration was still in power, what did you do for small business when the interest rates went totally out of control in 1981? You let them go up over the 20 per cent mark. Then you ask: why do these businesses fail in 1982? It's obvious. They couldn't afford to pay the interest rate that you people let it get to.

We got a program. There will never be another 1981 in Saskatchewan. Do you know why? We're going to stabilize the interest rates. We're not going to let that happen to them again. We're going to protect our small-business people. You weren't interested in that. You said, "Oh,

let them go. They're making a lot of money. They can afford to pay whatever the tariff gets to." That's what you did. You talk about ducking?

We have more business starts, one of the highest percentages in the country. And as far as it relates to failure again, I know that during question periods since I've been a minister, you have seized the opportunity during I don't know how many days of question period, to ask me one question. And you still don't understand the answer.

And the member from Shaunavon — if he's listening, I'll run it by again one more time. Saskatchewan business failures were 1.2 per cent. The national average was 1.7 per cent. That means that in Saskatchewan we are below the national average. And it seems that you can't understand that. I hope that you recognize that. That figure was ahead of all the provinces in Canada except the Atlantic provinces.

Now if you'd like to start talking about some area of our department, of Tourism and Small Business, I'll try to, you know, supply you with the proper answer. I'll try to harness my emotions and tell you exactly what we're doing for small business — why it's going to work; how it's going to work; how it's going to affect rural Saskatchewan; and how this economy is going to get going.

Because we recognize that agriculture is the broad base for our province, but we do recognize that we would like to broaden that base. It's through good, healthy, strong, economic programs that we are introducing through our department that this, in fact, will occur. And along with a healthy base — employment, job creation, job security — all the rest of it falls into place when the necessary fuel is given to the engine that drives our economy. And that engine, gentlemen, is small business.

Mr. Engel: — Mr. Minister, you seem to . . . Well maybe you'll get some good advice from the member for Moosomin now, and you'll really be able to fly. You seem to be very, you seem to . . . I guess he's ready to listen now, Mr. Chairman. You seem to be very offended because I'm asking questions about business bankruptcies.

The question is: are these 600 people that went bankrupt since you've taken over . . . They didn't go bankrupt in 1981; they didn't go bankrupt before 1981; they . . . (inaudible interjection) . . . I said 141 and nearly 600 since then, and I ask you simple: the promise you made in 1981 that there will be no businessmen paying a certain percentage of interest, what percentage of interest rate did you promise businessmen?

What did you tell them in your election campaign when you said there will never be another 1981, Mr. Minister? Those are the only words that can be etched in the hour that we've spent so far that are worth remembering, because I want to tell you, Mr. Minister, there are many, many businessmen and, like I said, we met with some last night that told us there will never be another 1981. Never will we be spooked again by the Tories telling us, "You're going to get some low interest money." You said they went bankrupt because they were paying 20 and 21 per cent interest.

What should Saskatchewan do about the interest rate? You said you were going to give the businessmen some low-interest money. Was it at 13 per cent?

An Hon. Member: — No, nine and five-eighths.

Mr. Engel: — Nine and five-eighths. Where is that nine and five-eighths money that could have saved these 600 businessmen, when you say there'll never be another 1981? Last night during estimates, I wrote the percentages down by what you won by, all across the board. And there's only 13 of you that got a comfortable enough majority that aren't going to go under with that 10 per cent.

“There’s never going to be another 1981,” Mr. Chairman. That’s what he said. And I want to tell you that happened 50 years ago. Fifty years ago we had a 1981 on your second anniversary. We had the longest day in the legislative history.

Mr. Chairman: — Order. I would like to . . . I would ask the member from Assiniboia-Gravelbourg to please stay on the topic so we can make some progress in these estimates.

Mr. Engel: — I’d love to make some progress. I’d love to make some progress with this minister. I’ve been asking him: has he implemented his 9-plus per cent interest rate program to alleviate the 600 bankruptcies that have taken place since you’ve taken office? Have you implemented that general program? The farmers thought they were going to get \$350,000 at 8 per cent. The businessmen thought they were going to get some money at 9 per cent. And they elected you. When you said there’ll never be another 1981, I want to assure you that it’s going to take more than 50 years before they’ll believe you again.

Tell me: how many of these 600 people could you have saved if they’d have had some 9 per cent money? How come you didn’t make it available? Where is your program where you’re going to bring us some 9.58 per cent loan? The time you acknowledged that high interest rate was a problem, you acknowledged it, you promised it — where is it? Where is the program?

Hon. Mr. Klein: — Mr. Chairman, I’m delighted that the member is finally getting to my department, so that now I don’t have to get as excited as he, and I can just give him and provide the proper answers.

If you want to talk about election for a moment and creating a healthy climate, I would sure like to do that because we recognized that the first thing that was necessary for small business, the thing that does drive our economy, is in fact a good, healthy climate in which to exist. And, Mr. Chairman, I would say that that climate had never existed, and in 1982 the change started.

The first method of the change that we had to deal with was: how do we address the problem of small business? It was obvious that the past administration didn’t have the foggiest idea in the world what to do for small business, how to handle small business, what small business wanted. Very seldom did they ever approach the small-business community. Very seldom did they enter discussion and listen to the problems that small businesses were suffering. I had lived with those problems for 27 years, so I knew exactly what was happening in the small-business community.

Well, what we did, Mr. Chairman, was we said the first thing we’d better do to address it properly is get some departments going that know how to handle it and have the expertise and the willingness to do just that. So we created, as I mentioned earlier, two departments: the Department of Economic Development and Trade and our Department of Tourism and Small Business. I have my top officials with me this morning, representative of knowledge, knowing exactly how to handle small-business problems and what kinds of plans to implement. And we don’t implement those plans by what my officials or myself feel must be implemented, Mr. Chairman, but rather we go out to the business community and listen to the problems and we address those problems and deal with them.

When the interest rates soared uncontrollably in 1981, you didn’t do anything about it because you didn’t know how to do it. You didn’t know how to go about it or even what to do about it. So you simply closed your eyes and said, “Well, there’s only 33,000 of them anyhow, and they really don’t matter because in terms of numbers they’re not important to us,” and you let it go at that.

We did address the situation of the interest rates. And when we went out into the business community after the interest rates settled down and were reduced, because it was too late for us

to do anything about it, the bankruptcies had occurred already because the interest rates were high. So we said, well . . .

All of a sudden the business community told us, “We can afford the interest rates now. We’re willing to pay our share. We’re a pretty smart bunch of people.” And they are. And all the need is a little bit of assistance, a little bit of consultation, and a little bit of deregulation — or maybe more than a little bit of deregulation.

And you know what they said to us? “We’re not so concerned with interest rates now, Mr. Government, but rather, how can we avoid another 1981? And that’s where we came up with the program of stabilized interest rates. And we went back to them now and said, “How would you like a stabilized interest rate so that 1981 never comes back?” And that’s what they wanted. They wanted stabilized interest rates, and they’re going to get that program. And that’s going to be far more important to them than the interest rates themselves, because for the first time in history, Mr. Chairman, our small-business community can go about proper planning, proper budgeting, and all the rest of the things that go into operating successful businesses, knowing that they can do proper budgets and proper planning.

And we are encouraging, with some of our other programs, expansions, new business to get started — all to create jobs and provide security for Saskatchewan. And it’s just that simple. But unfortunately, you people never realized that.

Mr. Engel: — I’d like to make a comment on what the minister is leading with — what part of his anatomy — but . . . Mr. Minister, you think that you’ve soothed the conscience of the businessmen by talking to them. Before the election you promised them nine and five-eighths per cent interest. Once the interest started coming down a little bit across Canada, and because of the economic conditions, you said, “Now the businessmen don’t want stable interest rates any more.” They don’t want your program — the nine point five-eighths per cent interest is what I’m calling a stable interest.

I’m saying that if you put a program in place saying it doesn’t matter what the interest does in Canada, you, if you get into this program and you’re into a venture, we will give you nine point five-eighths per cent interest — what you promised them. And you said, “We’ll level it out.” You’re saying the businessman is telling you, “We don’t want that any more; we don’t want that any more.” Mr. Minister, what did the interest rates do yesterday?

Hon. Mr. Klein: — Mr. Chairman, this is exactly what I’m talking about. You’re missing the whole point. You know, I find it extremely difficult to reply, because you don’t understand business. There is nothing as important as a stabilized interest rate, so that once that program is in place — and I’d like to get on with the job of putting it in place — what the interest rates did yesterday, or what they do tomorrow, won’t affect the planning of small business. Don’t you understand that? Don’t you understand how important a stabilized interest rate is? So that they can go ahead and invest their dollars, start their new programs, start hiring people to operate these small businesses, knowing that that interest rate is fixed for them for five years.

Mr. Engel: — Mr. Minister, I asked you a short question. What did the interest rates do yesterday?

Hon. Mr. Klein: — I acknowledged it. The interest rates went up slightly, and a stabilized interest rate is going to alleviate that burden. So let’s get on with the job and let’s get this program implemented so that when they go up again, if they go up again, it’s not going to affect the operation, the day-to-day operation, of the small-business community. I mean, it’s that simple.

Mr. Engel: — Mr. Chairman, did I hear you correctly? First of all, you’re saying that you’re talking to someone that doesn’t know anything about small business or medium-sized business. I’m not

going to argue or challenge that. I'm not going to argue or challenge that. I never ran an amusement park. I'm not in the entertainment business. I'm not in the entertainment business, Mr. Minister, and I don't like being entertained today.

Did you say that the interest rate yesterday went up slightly? Is that what you said?

Hon. Mr. Klein: — Mr. Chairman, that's exactly what I said. The Bank of Canada put their interest rate up. Now if it goes up and continues to rise, understandably, our businessmen are going to have to carry an additional burden. We want to avoid that burden. We want to get on with the job. We want to stabilize that interest rate for them.

Now let's get on with the job so that we can protect them. You didn't know how to protect them before. You still don't understand now how we're trying to protect them. And I think, if you want to relate to my past business activity, the amusement business, that was part of my life. That was 18 years, and it was entertaining. But, sir, I find you very entertaining.

Mr. Engel: — Oh, oh, I don't. I don't. When I watched the news last night and I saw the interest rate take a jump that was the largest increase in a year and a half, I don't call that a slight increase, Mr. Minister.

And do you know why that interest rate went up that high? And do you know why the interest rate's going up so fast? It's because governments like you, with your kind of deficit mentality, have borrowed and put a strain on the finances of this country by the tune of \$830 million worth of interest. That's why the interest rate's going on. The kind of demand you're putting on money, Mr. Minister, has gone into competition with the businessmen.

Instead of helping them, you're putting up a roadblock. Instead of being a program that helps businessmen, you put a millstone around his neck and threw him out into the sea of free enterprise and into the sea of open competition.

Mr. Minister, Mr. Minister, you promised in 1981 some stable interest. You promised a program of 9.5.8 per cent interest. I'm asking you. The businessmen are starting to say, "We don't need any help. We don't need any government interference." I didn't either. I didn't either. But I want a chance to do some work. I want a job. I want a place to market my product. I want a little stability in the income. I don't mind paying wages. I don't mind paying wages when the guys that are getting the money can afford to buy the houses I'm building. I don't mind that. You have turned the table around. Instead of putting a little money out there to circulate amongst the masses (I think is what the businessmen said last night). He said, The masses haven't got any money to spend. The amusement business wouldn't be worth a hoot," he told me, "because the masses don't have the money to spend." They're not eating out like they should. They are not going to expensive restaurants. They are not buying expensive entertainment because you have shut off the tap. You've turned the cream separator into the spouting of friends in the Royal Bank. You've increased and turned everything over so that a few people can hoard the money, and the rest of us have nothing to work with. That's the basic difference in my philosophy and yours, Mr. Minister.

I was involved in business. I was involved in business. I paid more income tax in 1963 than I earn this year, and I don't mind telling you that. I know what big business is all about. But, Mr. Minister, I know when you can make some money and under what conditions, and under the conditions that we have in Saskatchewan today, they're not going to pick up your programs because there's no incentive to expand. There's nobody buying the product. There's nobody eating the food. There's nobody sleeping in the fancy hotels. The money isn't there, and what are you going to do about that situation? All you're doing is . . . It's been a slight increase in interest rates — a slight increase. The largest in a year and a half, Mr. Minister, and you're the root cause of it with your big deficit.

Hon. Mr. Klein: — Mr. Chairman, it's obvious I struck a nerve. The member over there is getting a little excited, and I'm really sorry to hear how you just condemned small business in your dissertation. And again, I can only reiterate that you never did understand small business. I doubt that you ever will. You know, I point out that the interest rates . . . It's the federal deficit, the size of the federal deficit that certainly has an awful lot to do with the interest rates and why they are going up, and I suppose again you're going to deny that you voted with that government that's in power federally, that you kept them in place, and by keeping them in place and allowing that huge federal deficit to run out of control, you can see how it's affected Saskatchewan. So I ask you: do you really care about Saskatchewan, or do you really care about the small-business people in Saskatchewan?

If you want to talk about basic philosophies and basic differences, all I can say is thank God our neighbours to the east, under your administration, presently a \$6 billion deficit in Manitoba. Is that where you want to take us to? The same spot as they're in? You want to talk about our deficit. Let's talk for a moment about how you handled your Crown corporations. Let's talk for a moment about the debt. Let's talk for a moment about the debt of Sask Power. We didn't put Sask Power in debt . . . (inaudible interjection) . . . No, you were the one that brought up the deficits. You want to talk deficits. I'm prepared to talk deficits. You said that our deficit financing was out of controls.

Mr. Chairman: — Order. Order. We had some leeway in this debate, but we're not going to discuss deficits on Tourism and Small Business. So if we could limit ourselves to Tourism and Small Business.

Mr. Lingenfelter: — Mr. Chairman, I would like to ask the minister a couple of questions. He talks about how people are having the confidence they need because of the open for business philosophy of this government. And I look at their own statistics. In the monthly statistical bulletin for April of '84, you find some interesting numbers, where the general merchandise stores across the province have sales of 3.7 per cent less than they did a year ago.

When you look at service stations, 13 per cent less; men's clothing stores, 3 per cent less; furniture, T.V. and appliances, down by 6 per cent. Mr. Minister, I wonder if you would take that as an indication that all is well and that your open for business philosophy is working in the province of Saskatchewan?

Hon. Mr. Klein: — Mr. Chairman, we're back to the same old boloney. They never use all the figures. Let's talk for a moment, department stores. So, using the same figures, department stores, up 16.4 per cent. That would indicate to me that our people in Saskatchewan are spending some money. Department stores sell everything. So, obviously they're doing reasonably well. Household furniture stores, up 20.1 per cent.

An Hon. Member: — How much?

Hon. Mr. Klein: — Up 20.1 per cent. Obviously, obviously the people of our province . . . Obviously, the people of our . . .

An Hon. Member: — Where are you getting those numbers from? Where are you getting them from?

Hon. Mr. Klein: — The same numbers that you've got. All stores — and part of my part experience, if you wanted to get into the amusement park — I was also in the retailing business and it's nice to see that all stores were up 6.3 per cent.

Mr. Lingenfelter: — The people of Saskatchewan will be the judge of how things are booming in this province. And the debate that we're having here is important, but I think when you go out and talk to the business people who are in a great deal of trouble, for example a

lumber company in Shaunavon that had a loan from your department, from Sedco, who employed 10 people in the manufacturing of rafters, who came to Sedco and pleaded to reduce their interest rate from the 19 or 18 per cent they had to the going rate at the banks, and your government refused them. And they subsequently closed the doors and laid off 10 people.

You go out there, Mr. Minister, and ask them how well you are doing in dealing with small-business people. You go out to the farm manufacturing sector and ask them how things are booming under your government. And I want to ask you, Mr. Minister, can you tell me how many farm manufacturing operations have been started under your government?

Hon. Mr. Klein: — Mr. Chairman, again they seem to miss the point, because they don't understand. You talk about an isolated business in your community, and I don't believe that that's fair that you would do that to a constituent of yours in this Assembly.

Business is risk taking. There's nothing assuring any . . . For 27 years, when I was . . . And I took a heck of a risk for 27 years, because I didn't have our people on this side, and there was not much going on out there . . . (inaudible interjection) . . . I keep striking a nerve, don't I? You can't wait to ask the next question. You've got to interfere while I'm trying to give you an answer.

For 25 years I tried to operate a business in a climate that was not very healthy for small business. It was a struggle, not only for me but for all the small businesses within the province. And I think that it's totally unfair to drag out one single thing, one single business, and use them up and prop them as a tool, because we all recognize that business is taking the risks, and profit is involved. And profit is not a dirty word. You know what I mean? That's why they're investing their dollars, because they're trying to earn a profit.

If you want to get into the problem of Sedco, we're going to do that very soon in Crown corporations, so I'll avoid that question today, because I have an awful lot to talk about at Sedco.

As it relates to your question, regarding how many manufacturing businesses were opened up, I can't answer that directly. That's the wrong department . . . (inaudible interjection) . . . Are you ready to listen to my answer? . . . (inaudible interjection) . . . You're not giving me an opportunity. That is the wrong question of my ministership and I . . .

Mr. Chairman: — Order, order! The minister is attempting to answer the question. Could he please be allowed the time to try?

Hon. Mr. Klein: — I can tell you this: that through the various programs introduced through our department we have created a healthy climate. And the farm implement manufacturers recognize what we have done for them to date and are appreciative of it and all the job creation programs that are in place now that they are taking advantage of, and all of the new programs that we are trying to introduce now. If you would allow the business of government to get on with the job, we could introduce those new programs to make it an even healthier climate for them to operate in.

Mr. Lingenfelter: — Mr. Minister, I find it interesting that you wouldn't answer the question on how many farm manufacturing operations have been opened in the province, and try to shift it out to some other minister to give the bad news to the people of the province that there have been, if any, very, very few.

On the issue of small business, or the open for business philosophy, Mr. Minister, I would refer you to yesterday's *Star-Phoenix* that the headline says, "Province Must Move to Strengthen Economy," and read a quote and have you comment on what the press, the public, and everyone is saying about your government.

The Devine government has attempted to shrink the public sector and it has

accomplished this. Unfortunately, it has also eliminated thousands of jobs and the thrust of privatization continues and the list of those losing jobs goes on expanding. The present government's efforts to revive the economy through tax cuts and other giveaways to large businesses have been a flop. The recent budget contains nothing substantial to offset the effects of unemployment.

The government appears to be obsessed with ideological considerations while a lot of people are losing their homes, their pride and dignity, and are being thrown onto the unemployment lines and pushed onto the welfare ranks.

Unless there is a shift in policy, a very rough road lies ahead for the people of this province, particularly the thousands of unemployed.

Now, Mr. Minister, when we look at the record of your government in creating employment, and I would refer you again to your statistical bulletin on employed labour force by industry, and look at 1982 under manufacturing. We find there were 28,000 people working in the manufacturing sector and, today, in April of 1984, 23,000, or a reduction of 5,000 families, without work in manufacturing.

Now I want you to tell me, and explain in clear, concise terms, the kind of job you're doing because it's not clear to anyone else how you're creating employment in that sector.

Hon. Mr. Klein: — Mr. Chairman, again, you know, the poor NDP. You have to resort to just such low tactics that it's unbelievable. You stand up and read that holier-than-thou situation. Why don't you read it all? Following is the personal viewpoint of the writer, an economist living in Prince Albert, hardly representative of being what the business community is . . . (inaudible interjection) . . .

Mr. Chairman: — Order, order! The members from both sides are disrupting the debate. The minister can't answer the question. The member from Shaunavon will have ample opportunity to ask further questions and reply, so could we continue with the minister's answer.

Hon. Mr. Klein: — Thank you, Mr. Chairman. I'm trying to respond to that questioning and obviously, again, it's an embarrassment when he tries to disguise a personal viewpoint taken out of a publication and relate it to the entire business sector of our province. And you should be ashamed for doing that.

I spent the last couple of days with business people. The Saskatchewan Chamber of Commerce is having their annual meeting right now, and the discussions proved very interesting. They proved very meaningful, and we don't have to revert. It's done with groups, and it's done with unison, and it's a true voice. It's not a personal opinion. And why do you always continue to do that? And, if this kind of material is your only source of reference, then it's no wonder you don't understand small business. It's no wonder that you can't understand the programs that we're trying to implement.

And, again, I won't speak on behalf of all of our other ministers. We have a new industrial incentive plan designed for job creation that I'm sure that the Minister of Economic Development and Trade will deal with. We've got a lot of job creation programs that you asked about, some of them in question period today, done by some of our other departments that are addressing the question.

A direct answer regarding the labour force. Obviously one sector might be down while another one is up. There's a lot of movement going on out there. But let's talk about the total number of people working in our province. We have the largest work-force in the history of our province.

That's a significant thing to be very, very proud of. And obviously, as you're bringing people into

the province and the total work-force is increasing, there's going to be shifting around, and our unemployment numbers dictate that we're not doing too badly.

As far as it relates to what our department is going to be doing about that thing — about job creation and investment — we're going to be introducing our venture capital program, which will do two things, and I doubt that you really understand the two things that our venture capital program is going to do. And it's not designed for big business. You keep harping about big business. I wish you'd get down to the reality. These programs are not designed for big business.

But the venture capital program will do two things. It will reduce the need for loans. You seem to be wondering how we're addressing the situation of high interest rates. Venture capital is one method, because it will reduce the need for loans and, obviously, with venture capital programs in place and new corporations starting or expanding, a job creation is going to be automatic. And surely, no matter what you use for a reference, you must understand that if new businesses open and expand, that job creation is automatic.

Mr. Lingenfelter: — Mr. Chairman, the minister seems very sensitive of what the public is writing and is being printed in the newspapers. I quoted from an article that appeared in the *Star-Phoenix* on page A5 in the "Forum." Apparently he thinks that people who write to the paper and have articles published, approved by the editorial board of the *Star-Phoenix*, have no purpose and no meaning in this province any more.

And I think, Mr. Chairman, what we are seeing here is an attempt by a member within this Assembly to muzzle individuals outside of the Assembly who write articles that tell the truth about what this government was doing.

The important thing, Mr. Minister, is you didn't mention the main substance of my question. That is: your statistical bulletin. And I don't know whether you'll find someone to fire who's printing this booklet or not. But in your attempt to cover up and to keep people quiet about how badly you're doing, you neglected to comment on the fact that in manufacturing there has been a 5,000 decrease in the number of people working since 1982.

When you look at transportation and communications — and these are your numbers, Mr. Minister — there has been a decrease of 7,000 people. When you look in the area of trade, the number has gone from 78,000 to 74,000, or a decrease of 4,000.

And, Mr. Minister, I can well imagine why you didn't want to comment on your own material that you produce in the department, not in your department but a government department. But maybe if you could get to the point and get away from attacking individuals who write to the *Star-Phoenix* and have comments printed and deal with your own material. I would appreciate that, because skating around and covering up and attempting to muzzle people is no longer acceptable in Saskatchewan by your government.

Hon. Mr. Klein: — Mr. Chairman, as a rookie politician it amazes me to watch the experienced politicians manoeuvre. I didn't condemn anybody for writing. I didn't condemn anybody for writing . . . (inaudible interjection) . . . Mr. Chairman, can we have a little order so I could answer the question.

Mr. Chairman: — Order. I've asked for order on several occasions and the members are not co-operating, so I'm afraid the minister will have to shout over the members, or I will have to eject some members.

Hon. Mr. Klein: — As always, you missed the point. I didn't condemn anybody for writing a letter. I condemned you for taking one single opinion as that of all the business community. We could do the same thing but we don't need skills. We go out into the community and we listen. We listen to the chambers, we listen to tourist bureaus, we listen to

any business group that wants to talk to us. And we don't have to get any single individual writing in his opinion and standing in this House and saying that that's representative of what's going on. So don't try pulling off cheap political stunts at the expense of small-business people.

Some Hon. Members: Hear, hear!

Hon. Mr. Klein: — Now I'll get back to answering your question. And I did answer it the first time. You're not listening. You're busy reading individual opinions that you're entitled to read, that they're entitled to write. Our labour force is up in this province, and as a result of it being up, obviously there's been a shift in employment. And where you want to quote individual numbers of shifts going downward, I can quote individual numbers going upward. And I'm going to win because the total is higher. But you people don't understand numbers in any event, so you wouldn't understand that one.

Mr. Lingenfelter: — Well, Mr. Minister, I would like to quote to you some of the ones that are going up, because you won't. I'll quote to you a number like: public administration has gone up. I'll quote to you finance, real estate and banks' employment has gone up.

But, Mr. Minister, what I'm talking to you about is the areas that you are responsible for — manufacturing and small business. They have all gone down. And what I'm asking you is: why is it that in an area that you like to talk about — small business, manufacturing, in those kind of areas; in fact, construction, where last year we had 22,000, this year, 20,000 — all those areas where small business is involved, the numbers have gone down?

Yes, it's true that public administration has gone up. Finance, the bankers, insurance, real estate — they have gone up. But, Mr. Minister, why in the areas of manufacturing, construction, and in the trades, have the number of people working in Saskatchewan gone down? I would like you to comment on your areas that you're responsible for and tell us why that's happening.

Hon. Mr. Klein: — Mr. Chairman, I'm delighted to hear that you finally want to talk about our department. You haven't mentioned a word about tourism. You know, you guys let tourism simmer on the back burners for so long. Your idea of tourism was provincial parks. Now we're still encouraging that activity for sure, but do you recognize, do you realize, that a million dollars worth of tourist dollars coming into this province creates 33 jobs? You don't understand that at all.

Why don't you start getting into some of the meat of our programs? You're afraid to talk about the programs that we're putting in. As far as it relates directly to the jobs in my administration, which you seem to want to get to, I'm happy to tell you that the service industry, which is our responsibility, has an increase in employment.

Mr. Engel: — The minister keeps on crying away, "You're not going to get to my department. I've got this department I want to talk about." We've raised . . . I'm on my eighth point in your department and we're going on to it. And point number eight is venture capital. Now, great, now I'm into it. I wasn't into it when I talked about interest and your eight and a half or nine and five-eighths per cent interest. That wasn't in your department because you didn't implement that program and that promise. You didn't implement the job creation thing you're talking about, so we're not going to get into your department by talking about those things.

But we're going to talk about something wonderful, original, the new idea, the venture capital the minister has. It's very interesting when I look at a program overview from Ontario. Here's how it works. It says in the Ontario literature:

A group of investors or a single investor can pool their capital and form a small business development corporation, SBDC.

So Ontario's little pamphlet, Mr. Minister, has a picture and they've got Ontario's symbol. They don't have a wheat sheaf; they have an Ontario symbol there and it says, "grant or credit of \$30,000," and it points an arrow into a huge pile of money. There's "investor, \$100,000," and there's this big pile of money of there, and there's all kinds of money falling down on top of it.

And then it shows Turner . . . I mean, it shows a brief-case. It shows a brief-case. It's not the Liberal leaderships brief-case, you know — SBDC brief-case, small business development corporation's brief-case. And on the side of the brief-case it shows \$100,000.

And the below the brief-case is another arrow and it's got a light bulb on top of a test tube. It's got a guy laying in a bed with a roof over it. It's got three books piled up and a couple of gears meshing. It's got a couple of gears meshing. This is the Ontario program.

Now the boys are getting very sensitive because on the back of the Saskatchewan venture capital program happens to be a little picture. Instead of the Ontario crest, it's got the wheat sheaf. Underneath the wheat sheaf, it says, "grant or credit, \$30,000." Here's a grant or credit, \$30,000. It's got \$100,000 worth of money falling into a brief-case that's not initialled SBDC, but it's VCC. I wonder what VCC stands for?

An Hon. Member: — That's the best question you've asked.

Mr. Engel: — Yes, I wonder. It's got the same \$100,000, and the ironical part is the picture underneath where the arrow falls out of the brief case is identical. Same light bulb, test tubes, same bed, same gears, but you left the books out. Don't we have any writers in this province that there's no books there, that we're not going to get venture capital for the publication industry?

I was wondering: where is this original venture capital program? It's very similar in design as far as the brochure is concerned. When will you be introducing details on legislation of this program?

Hon. Mr. Klein: — Mr. Chairman, we finally got into our department in a big way, and I can understand now why they were shying away from it. You don't have the foggiest idea. You know we are trying to sell this message to the business community, and obviously, obviously, we're getting through to the business community, and hopefully, somebody will talk to you about it.

First of all, I'll deal with the brochure. You know, business is just a delight to be in, and when somebody has a good idea and it turns out to be a success, the first thing that you do is copy the idea because it worked. So with regard to the brochure, yes, we copied some stuff off of their brochure because we knew that that attracted and brought attention to the brochure, which is what it was designed to do. We copied a good idea and there's nothing wrong with that, because it happens all the time. But if you want to talk about originality of the venture capital program itself and that we've copied somebody, you know, you're so far in left field it's unbelievable.

Do you know that this is the first time in history — and we've said this and said this and said — the first time in history that a province has been allowed access to the federal tax act. Where have we used this? We've used it in our venture capital corporation as the incentive to bring the funds into these corporations. Hardly a copy if we're the originators of it, and the first time that it's been done in Canada's history. So, you know, you can't even begin to compare or say that it's not original.

And another thing, not original — rural Saskatchewan. I'm thinking of not only the massive majority that we have from our members in rural Saskatchewan, but you people, too, are in rural Saskatchewan. This program has something unique for rural Saskatchewan. We always have said, contrary to your opinion, rural Saskatchewan must not die. We won't let it die.

So the originality of this venture capital program that we're putting in for rural Saskatchewan is that any business, any business will qualify in rural Saskatchewan. And not only that, they can qualify by putting in lower amounts of capital than we're encouraging to go into the other ones.

Obviously, a venture capital system will reduce the needs for loans and therefore alleviate pressures on the interest rate. It will create jobs because there's going to be new business enterprises. And the funny part again, the whole small-business community knows how you're trying to fool them and you're not getting anywhere. You're knocking the program that small business has wanted in this province for so long, and they're finally getting. You're going to be the laughing-stock of the entire business community, because we're finally putting it in.

Mr. Engel: — You know, if this were a ball game, I'm sure the coach would pull the pitcher because you've been on the mound there a long time. I just asked a simple question: when are you going to make the details of that program available? I asked a question, and you went and talked about the program. I just asked you: when are you going to make it available?

Hon. Mr. Klein: — Mr. Chairman, the legislation will be introduced, hopefully, next week. As you know, you were involved in a slight delay of procedures, and as a result, we haven't been able to introduce it.

Mr. Engel: — Are you saying that you've got a venture capital program pamphlet out and you've announced it and you haven't even introduced the legislation yet. Is this the proper procedure? I kind of think there's another term for ministers who do that.

Mr. Minister, I'm just asking you: when is the legislation going to have a chance to review this same information that's already in print material and been widely circulated?

Hon. Mr. Klein: — You know, we had to put out the brochure because the business community has been waiting for this vehicle for a long, long . . . years and years and years and years, and the past administrations weren't addressing it. The brochure simply highlights what we said in the budget.

Mr. Engel: — I'm going to ask it for the fourth time: when are you going to make this information available? And when are you going to release the details of this program?

Hon. Mr. Klein: — As soon as you let me introduce it into the House and pass the legislation. And surely that's going to go through very, very quickly because it's so good you should put it through non-controversial.

Mr. Engel: — It sounds like the same kind of strategy as the Minister of Agriculture has been trying. You know, the budget came down, and he promised his little program of loans and special loans to farmers, similar to what this venture capital might be, if . . . And then, all of a sudden, you introduce it, and zap! If the opposition talks about it and wants to adjourn it once and talk about it for three hours. It just takes a little bit. Then we're stalling and the farmers are waiting. Then we're stalling, and you've had months and months. This budget's been down for months. You've got program material out, and yet you won't give this House the respect it deserves to introduce the legislation before you print your program material.

Mr. Minister, I think you are disgracing this House. And the form it's taking that if you've got legislation you talk about it in your budget, your print programs, and you don't introduce the bills. You're thumbing your nose at this Legislative Chamber, Mr. Minister, and I think that's a serious offence, a very serious offence by the minister to say, "Give me time to introduce it." You've had

months. You've had two months to introduce this as legislation. You get legislative authority and then print your material. I think you're a disgrace to this House. If I were the coach I'd pull the pitcher.

Hon. Mr. Klein: — Mr. Chairman, we've got political grandstanding going on again. I suppose that if I felt for sure that you could read I would have done it in pictures, because you enjoyed the first brochure that you were talking about because it had a lot of pictures. And I suppose that if I wanted to design one for you I would have put venture capital in pictures so that you could have understood it.

It's not program detail. Read it. It's not program detail. It simply highlights what was said in the budget, and it fully qualifies the fact that it's subject to putting in the legislation, and we will get on with the process. You know, you're doing not a bad job. I'm surprised that you've been able to ask this many questions about tourism and small business since you've started, but most of them haven't related to my department. But it's stuff like this that delays the process of the House, and we could put in this important legislation if you let us do it.

Mr. Engel: — The minister is saying I'm not letting him introduce his legislation. You could have had first reading to that bill three months ago. That bill could have been introduced in February if you'd have called this House in. When the people were waiting to come back to the House your government decided, "We're going to wait and we're going to start the latest ever session. Then we're going to use some heavy-handed tactics and we're going to railroad that small opposition." Then you can stand up and say I don't know any questions to ask. You don't want to answer. You haven't answered any questions. Why ask you some? You don't answer the questions. When are you going to give the House the authority to look at the legislation before you print the details? And I think it's disrespectful. It's the same kind of respect as you have for the legislative process. You don't care about the policy and the philosophy of the British parliamentary system.

You think you can run it in your little boardrooms, and your back rooms and cover up your details. Mr. Minister, this is a blatant example of your attitude towards the legislation. You sit up and you keep on saying, "He doesn't ask any questions about my department." I can't. You're not revealing the information. You're not revealing the information. You print brochures, and you don't pass the legislation. I think you're a disgrace to the businessmen of Saskatchewan. You're as successful at being a minister as you were as a businessman, which is a disgrace.

Hon. Mr. Klein: — Mr. Chairman, I've obviously struck another nerve. And your closing remark — I thank you for the compliment of being as successful a minister as I was a businessman. I was . . . You know, this is a new role to me, and I wasn't sure that I was doing as good a job as a minister as I was in business, but now that you confirmed that I am, I appreciate that very, very much, because, in spite of your past administration, my businesses were always reasonably successful without any government assistance. But, you know, . . . (inaudible interjection) . . .

That brochure has created a whole host of questions from the business community, and we've been able to answer and deal with those questions. Now, rather than grandstand politically, why don't you start asking some questions about venture capital, and we'll answer them. You don't understand the program at all and I can understand your anxiety into getting the legislation before this House, but who's going to explain it to you anyhow?

So if you're so concerned with it, it's part of our estimates. Let's start asking the questions. We can answer them, subject to the legislation, as we have been doing for small business, as I'm prepared to do for you right now.

Mr. Engel: — We're here till July, I guess, with this minister. "Subject to the legislation." You want to me to ask details about a program that you haven't introduced in legislation, and then you

say, "I'll answer them subject to the legislation." How many businessmen are there in Saskatchewan? How many small businessmen do you represent in Saskatchewan?

Hon. Mr. Klein: — Now we're getting down to the nitty-gritty. I can answer that — 33,000.

Mr. Engel: — Well, when I was on that side of the House, there were 35,000 businessmen in Saskatchewan. That's the number we got. Now if you've lost 3,000, what's 3,000 businessmen as far as you're concerned? They're likely not the banks and the big businessmen — your friends — anyhow.

Okay. How many of them will be eligible for your equity capital program with this new venture capital program?

Hon. Mr. Klein: — Mr. Chairman, I'm pleased to inform them that any manufacturing or processor will qualify; research and development will qualify; tourist-oriented businesses will qualify; and, in rural Saskatchewan, any business in a small community will qualify.

In terms of number, I would suspect that I could quote 24 million, you know, because anybody that comes in can qualify. So in terms of number, I can't give you a number. It's as broad as the businessman's imagination. The sky is the limit.

Mr. Engel: — You must have a budgetary restraint. You say it's up to 30,000. You must have some budgetary restraints of how many people can qualify.

Hon. Mr. Klein: — Mr. Chairman, when we have introduced such an original idea, and have got support from the federals for the . . . from the feds for the first time in history to have access to the tax system, obviously when it's a tax credit, it doesn't implicate the budget.

Mr. Engel: — I'd venture an educated guess that there'll be about 2 per cent of the businesses involved in that venture capital program. I'd like the minister to challenge that. Was a private firm used as a consultant for the government to develop this venture capital program?

Hon. Mr. Klein: — Mr. Chairman, we used the firm of the Deloitte Haskins & Sells to assist us in developing the program detail.

Mr. Engel: — Are they involved with Houston Willoughby? Is this permanent partnership, or involved with Houston Willoughby?

Hon. Mr. Klein: — No. Deloitte Haskins & Sells is a national or international accounting firm. Houston and Willoughby is a stock brokerage firm, totally the two different businesses.

Mr. Engel: — Did you put this out for tender?

Hon. Mr. Klein: — Mr. Chairman, we asked two companies that had the type of experience necessary to develop this kind of program detail, and we took the lowest bid.

Mr. Engel: — And what did you say the name of the company was?

Hon. Mr. Klein: — Deloitte Haskins & Sells.

Mr. Engel: — How much did you pay this firm for doing this work?

Hon. Mr. Klein: — The contract was approximately \$35,000 plus expenses. The total cost to develop and assist our department and departmental staff with developing the program is in the neighbourhood of \$43,500. And the final figure on that would be in *Public Accounts*.

Mr. Engel: — Does that include . . . Did you let out a separate contract for advertising this program? Have you got another firm involved in promotion and advertising?

Hon. Mr. Klein: — The advertising brochures and everything were done in our department. They were done in-house in our department.

Mr. Engel: — The brochure was prepared in-house?

Mr. Yew: — Thank you, Mr. Chairman. I have a few questions here for the Minister of Tourism and Small Business. I understand that we have a section in your department pertaining to northern economic development, Mr. Minister.

I want to start off my question with respect to your government's procedures and policy towards promoting and encouraging local economic development initiatives in northern Saskatchewan for the benefit of trappers, fishermen, wild rice growers, small businessmen, local community groups, and local organizations. Mr. Minister, what is your procedure and policy for the development of local economic development initiatives for that group of people?

Hon. Mr. Klein: — Mr. Chairman, that section has been moved into our Department of Tourism and Small Business just recently, and we are presently trying to adapt it to operate within our department totally. First of all, all of the Saskatchewan programs that are available are certainly available to the northern areas. We have opened up the revolving loan fund in the North. We have our staff in place, and they have been — been familiarized with all the existing programs in Buffalo Narrows, in Creighton, as well as La Ronge, all working daily with the business community. We are working on a northland agreement with the federal government at this time. We also have in place the Special ARDA agreements, and some general grant funding.

Mr. Yew: — Mr. Chairman, the minister has responded by saying that certainly all programs are open to Northerners, that provincial economic development programs are open to Northerners, and that, further, the revolving loan fund, as well, has been reopened for northern local economic development initiatives and programs. I want to ask the minister very specifically: which programs is he referring to in terms of provincial economic development programs that are now available to Northerners? And secondly, what is the amount of the revolving loan fund that he talks about?

Hon. Mr. Klein: — Mr. Chairman, first of all we're going to encourage the North to use all of our incentive programs. Certainly they qualify and we would be delighted to install them wherever we could. Our community economic development program, our management assistance program, our marketing assistance program — all the new programs that we're introducing in this budget — will be available to them. All of our new tourism strategies and so on, that will all be available to them, and will be discussed with the business community through our business consultants in the various field offices.

To answer your final question, we estimate \$1 million will be available in the revolving loan fund.

Mr. Yew: — Mr. Minister, I asked about the specific procedures and policy of your economic development program for northern Saskatchewan. I am of the understanding that the policy that was there before, where we had local loans committees and district loans committees involved with the department in the review and extension of loans and grants to local communities, has somewhat changed in terms of policy. Is this not correct, Mr. Minister?

Hon. Mr. Klein: — Mr. Chairman, I think that all in all we've improved the overall situation. As is our tradition and normal practice, we went to the community themselves. We wrote all the local loan committees and tried to get their input into it. We had very, very little response regarding that. So we think that the program will be improved now because we are removing it from the local committee and working with, instead, the district committees, which is what was

in place before.

Mr. Yew: — Thank you very much . . .

Mr. Chairman: — The Chair recognizes the House Leader.

The committee reported progress.

The Assembly adjourned at 1 p.m.