

April 30, 1985

The Assembly met at 2 p.m.

**THE CLERK:** — I bet to advise the Assembly that Mr. Speaker will not be present today to open this sitting.

Prayers

### ROUTINE PROCEEDINGS

### NOTICES OF MOTIONS AND QUESTIONS

**MR. SVEINSON:** — I just have some notices of question. I would like to pass them to the Table.

### INTRODUCTION OF GUESTS

**MR. KATZMAN:** — Mr. Speaker, I'd like to introduce to you 58 students from Martensville school. They're in the west gallery, plus one down on the floor. Four years ago I had the pleasure of opening this new school. About a month ago, the Minister of Education and I opened another school in Martensville. I'd like to welcome the students here to watch the proceedings, and we'll be meeting after the question period is over to discuss what happens.

Thank you kindly, and I hope all members will join me in welcoming them here.

**HON. MEMBERS:** — Hear, hear!

**HON. MR. HEPWORTH:** — Mr. Deputy Speaker, I would like to introduce to you, and through you, some several students from Weyburn Junior High School seated in the Speaker's gallery. They are grade 8 students that are accompanied today by their teachers, Mr. MacNaughton and Mr. Nedelcov; as well, bus drivers, Les Stock and Dwayne Thackeray. Among the group of students, Mr. Deputy Speaker, is one Thomas Severin who is an exchange student attending school in Weyburn from West Germany. I know they've had a tour while they have been here today already. I presume they will enjoy question period, and I look forward to meeting with them after question period for some pictures and to answer some questions. I would ask all members of the Assembly to join with me in extending them a warm welcome to the legislature.

**HON. MEMBERS:** — Hear, hear!

**HON. MRS. SMITH:** — Thank you, Mr. Deputy Speaker. I have the pleasure today to not only introduce to this House, but to welcome to Saskatchewan, two very special guests, two teachers from Thailand, who, when they arrived in Saskatchewan in the beautiful North, as the member from Athabasca will be pleased to know, it was a minus 42. And I'm sure that there was some cultural shock besides the shock of the winter in Saskatchewan. But I want to assure them that though our weather may be cold in January, our hearts are warm.

Mr. Deputy Speaker, I would like the two teachers to rise. We have Mr. Smark with us, and Ms. Pat Patchera. These teachers are guests of Saskatchewan teachers who have been involved with the in-service education in Thailand. And while in Regina this week they are going to be visiting Thompson School and the Balfour Collegiate where English as a second language is taught, as well as seeing some of the other tourist attractions around the city of Regina.

I would hope the members would welcome them to our province and wish them the best in the remainder of their time here, and have a safe journey home.

**HON. MEMBERS:** — Hear, hear!

**MR. THOMPSON:** — Thank you, Mr. Deputy Speaker. I would like to introduce to you, and through you to the Assembly, a group of 11 adult students from the Saskatchewan Indian Community College in Patuanak, who are seated in the east gallery. They are accompanied by their teacher Conrad Foley, and their councillors Pat Campbell and Ovide Wolverine.

This group . . . I want to indicate to the member from Meadow Lake that his class was in here the other day, and he indicated them came 400 miles, while this group from Patuanak has come 200 miles further than Loon Lake.

I want everyone to welcome them here, and we wish you the best of luck and a safe journey home.

**HON. MEMBERS:** — Hear, hear!

## ORAL QUESTIONS

### Second Hall Report on Grain Transportation

**MR. ENGEL:** — Mr. Speaker, I have a question to the Minister of Agriculture. As he's likely aware, Hall II — not the first Hall Report, but the second one that was studying the payment to farmers — came down and was made public today, Mr. Minister. Are you aware that this committee recommended that the payment go directly to farmers, and what are you doing about it, or what is your position on that?

**HON. MR. GARNER:** — The hon. member is correct that report was tabled in the House of Commons today. We have not had time to peruse that report, and I can assure all members of the Assembly, and the people of Saskatchewan, that as soon as the transportation committee of cabinet, which I had outlined yesterday, gets a chance to look at it first hand, then we will be having a comment for members opposite.

**MR. ENGEL:** — Mr. Deputy Speaker, I have a question for the Minister of Agriculture, and my question was directed to the Minister of Agriculture originally for a purpose, and I will again direct the question to him because I think the Department of Agriculture and the farmers of Saskatchewan want to know what your position is on the payment.

Mr. Deputy Speaker, as background information, the brief that was presented by the Government of Saskatchewan was one that indicated a very uncomfortable position because they were sitting on the fence. They were sitting on the fence on this issue, Mr. Minister. And here is another example . . .

**MR. DEPUTY SPEAKER:** — Order. Does the member have a question?

**MR. ENGEL:** — Yes. I do.

**MR. DEPUTY SPEAKER:** — Proceed with your question.

**MR. ENGEL:** — Do you have a position on who the payment should go to, and what the effect will be with having the payment to the farmers rather than the railways?

**HON. MR. HEPWORTH:** — Well, Mr. Speaker, hon. member, I think our position is the same as it's been for some good long time on this issue, not only a position that was reiterated at the grain transportation act hearings, but at other points in the process. We have, and will always be prepared to support a consensus amongst farmers on this question. In the lack of the face of a consensus, however, we are also of the view that perhaps the 50-50 option makes some sense.

**MR. ENGEL:** — Supplementary question. Do you feel that it's going to make sense, Mr. Minister,

to lose complete control of the railways and give the railways the right — do you feel that it's good for the farmers to give the railways the right to haul when, where, and what they want, when they want, and where they want, with the farmers and the government not having any control at all, and that you expect that the farmers will pick up their own means of transportation to haul their grain? Is that your position?

**HON. MR. HEPWORTH:** — Mr. Deputy Speaker, hon. member, no.

**MR. ENGEL:** — Mr. Deputy Speaker, I have a new question.

Mr. Minister, do you expect any different result from the position you took on this issue as on the Crow issue? On the Crow issue you sat on the fence. We lost the Crow rate. Our price of freight has doubled. On this issue you're sitting on the fence, and you want to be all things to all people. Are you for the farmers, or are you for the railway? It's a simple question.

**HON. MR. HEPWORTH:** — Mr. Deputy Speaker, hon. member, we're totally behind the farmers, always have been and always will. And in so far as what the record of this administration and what the record of the administration is in Ottawa since they took over, my colleague, the Minister of Transportation, yesterday outlined some very fundamental points that we've always considered issues, and now which we finally made some headway on since we got rid of the Trudeau-Broadbent coalition in Ottawa.

### Location of Hazardous Waste Site

**MR. SHILLINGTON:** — Mr. Speaker, my question is to the Minister of the Environment. It concerns your confirmation that the government is looking for a site for hazardous waste dump which would collect toxic wastes such as PCBs and pesticides from across the province.

Can the minister give the people of Saskatchewan a guarantee that no hazardous waste dump will be created without, at a minimum, full public hearings in the area of the proposed site?

**HON. MR. HARDY:** — Mr. Deputy Speaker, yes.

**MR. SHILLINGTON:** — I want then, if the minister is prepared to give us that assurance, I'd like him to be a bit more specific. I want the minister's assurance on the record that the proposed PCB treatment plant in Regina, in north-east Regina, is not and never will be considered as a site for this hazardous waste dump in the province without full public hearings.

**HON. MR. HARDY:** — Mr. Deputy Speaker, first of all, with regard to that site . . . (inaudible interjection) . . . Well, I can be very specific. First of all, we worked in consultation with the city of Regina. Second of all, it was known here for two years what a pilot project did in '83, 100,000 litres done in '84. There's lab testings on site. Third or fourth of all, on top of that, on top of all that the city of Regina issued a building permit, fully knowing what was going to go into there.

We have . . . and I will say again, if the city of Regina has a concern, they may address it to us in writing, and we will take a serious look at what is needed to protect the environment.

As far as regulations go in regards to where this would be located, that's the city's responsibility, and that's who has to share that responsibility totally. Our responsibility is the environmental concerns.

**MR. SHILLINGTON:** — New question. I take it, Mr. Speaker, that the minister's position is that he's prepared to grant public hearings, except with respect to any specific sites such as a site in Regina where he is not prepared to give us any guarantee beyond that verbal diarrhea to which we were just treated.

My question, Mr. Minister, is: is the minister aware that the PCB plant in Regina is not owned by PPM Canada Inc. but is leased by that company from a company called Sanderson Construction co. Ltd.?

**MR. DEPUTY SPEAKER:** — Order. Does the member have a specific question? Supplementaries do not allow a preamble.

**MR. SHILLINGTON:** — Mr. Speaker, I specifically said a new question. In any event, I am three-quarters of the way through the interrogatory.

Is the minister aware that the location for this plant is not owned by PPM Canada Inc. but is leased by that company from a company called Sanderson Construction Co. Ltd., and can you tell the Assembly what liability insurance requirements your department has placed on the owners of this property with respect to the plant before you gave them permission to build it?

**SOME HON. MEMBERS:** — Hear, hear!

**HON. MR. HARDY:** — Second of all, Mr. Speaker, we have not given any permission to build it. That was done by the city of Regina.

In regards to some other particulars, I'd like to refer to the Deputy Premier. I think he can bring you up to date on some particulars there.

**HON. MR. BERNTSON:** — Mr. Speaker, I think what we have here is some small degree of alarmist mentality and some large degree of hypocrisy — a very large degree of hypocrisy, Mr. Speaker.

Mr. Speaker, we have a situation here where PPM Canada Inc. has offered to come to Regina and put a plant, a detoxification plant for PCBs, in the Ross Industrial Park area, an area where environmental impact studies have been done as it relates to the heavy oil upgrader, to the existing refinery, to the Hoechst Chemical Co., and several others I would expect. So the environmental impacts are well known to those who would care to look into them, number one.

Number two, about one month ago when the city of Saskatoon issued the permit . . . (inaudible interjection) . . . I mean the city of . . . it maybe should have been Saskatoon. When the city of Regina issued the permit, the council, including Van Mulligen and others, and the administration, in a closed-door meeting, decided that if three conditions were met they would deem it to be a safe project. The three conditions were: increased liability insurance, single-fill tank as opposed to double to reduce the risk of leakage, and diking. They deemed it to be a safe project at that time.

Now I don't know what has caused — if it was just walking through the door or what — that caused this flip-flop, but now all of a sudden it is not safe; they want an impact study. It is the height of hypocrisy, Mr. Speaker. And if Regina does not want these 40 jobs, I now of three or four communities that do.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. SHILLINGTON:** — Mr. Minister, I wonder if you will spare us the sanctimonious lecture on hypocrisy, a subject about which I will acknowledge your expertise. And will you give us . . .

**MR. DEPUTY SPEAKER:** — Order. Does the member have a question?

**MR. SHILLINGTON:** — Mr. Minister, will you quit playing games with the Assembly, and with the health of the people of Regina, and answer the question I asked the minister. And if you don't remember it, I'll repeat it — and I don't expect you do. Can you tell the Assembly what

liability insurance requirements his department has placed . . . (inaudible interjection) . . . Yes, you answered the question for him. What liability requirements have been placed on that property?

**HON. MR. BERNTSON:** — I don't know, Mr. Speaker. I don't know what level of liability insurance has been asked for, but I expect that Van Mulligen does. I expect that Van Mulligen does. I expect that Van Mulligen does, and I expect that the administration does, and I expect . . .

**MR. DEPUTY SPEAKER:** — Order, order! It's difficult to hear in here with all the noise. Order. The Deputy Premier.

**HON. MR. BERNTSON:** — And it would appear to me, Mr. Speaker, Mr. Deputy Speaker, that if they've asked for significant higher levels of liability insurance, they would have to know what the level was in the first place, and what they've asked for in the second place. And if they've complied with that, I don't know what has caused this flip-flop, this hypocritic position today.

**MR. SHILLINGTON:** — I wish to thank the Deputy Premier for that diatribe. And I'll go back to the Minister of the Environment in the hope that you know something about this issue since you gave them permission in a letter of March 12.

And I'll ask you again, if you're prepared to deal with the question: what liability insurance requirements did your department place on the owners of the property with respect to the plant before you gave them written permission on March 12?

**HON. MR. HARDY:** — Mr. Deputy Speaker, the written permission that was given was to go ahead and continue the operation as it is to date. They're doing it on site. That is the only written permission they have.

The permission to operate the plant is subject to a minister's order, which I have here. But what we're waiting for, the city of Regina to come to us with written requests what they would like to see in it in regards to protecting the environment. So that is what the written request will be.

And I do not know what the liabilities will be until we know what is required of the company and required by the city.

**MR. SCHMIDT:** — A question to the Deputy Premier. I heard on the radio this morning that Regina was not interested in having an industrial plant that had 40 jobs. And the thought came to my mind, is it too late, or is it still possible to move it, for example, to Melville, Saskatchewan?

**HON. MR. BERNTSON:** — Mr. Deputy Speaker, there is obviously some significant costs already gone into the project. I am prepared to talk with the principals of PPM Canada Inc. and add Melville to the list that I've already started to put together.

And I'm sure that the good people of Melville understand that the real hazards — the real hazards — in this particular emotional question, the real hazards are the multitudes stored in barrels around the country. They are the real hazards; the detoxified PCBs as a result of the existence of this plant are, in fact, the solution.

Yes, I'll put Melville on the list, Mr. Speaker.

### **Third Printing of *The Saskatchewan Promise***

**MR. KOSKIE:** — In the absence of a number of the ministers and the Premier, I will address the question to the minister responsible for economic development and trade, the traveller.

I just want to indicate, Mr. Minister, that more than a year ago your department produced this booklet, *The Saskatchewan Promise*. And I want to say that you told the House that this booklet

cost Saskatchewan taxpayers \$66,000, and that there were three separate printings of this booklet.

Can the minister inform the Assembly and the Saskatchewan taxpayers why there were indeed three separate printings of this volume?

**HON. MR. BERNTSON:** — I'm not entirely sure, but I'll take notice. But I would expect, Mr. Speaker, that we projected the demand for this particular booklet, and we underestimated significantly, and probably again underestimated on the second one, so we went to the third printing. And if I remember right, in discussions recently with my deputy, we may have to go to the fourth.

**MR. KOSKIE:** — Supplement. A new question, Mr. Speaker. I have here, Mr. Deputy Premier, version one and version two of *The Saskatchewan Promise*. And a local businessman received within weeks a copy of each of the versions — version one, version two. Are you following me?

In the first version of this book, you will find a picture of yourself and the Premier and, as a background, is the picture of the rear end of two work horses.

Now if you look in version number two, you will see that one of the significant changes is that the rear end of the horses are gone.

I would like to ask the Deputy Premier: can you advise the House if that was the essential reason for making new versions — is to get rid of the rear end of the horses? And I thought you should have gone further.

**HON. MR. BERNTSON:** — As the Rt. Hon. John Diefenbaker once said, Mr. Speaker, it's maybe time we had some more whole horses in the Chamber. And I humbly confess, Mr. Speaker, that when we did decide to do the second printing of that particular publication, we did change a couple of the pictures. I think you will also look, if you look carefully — and obviously you haven't — but I think if you look carefully you will find that we also added a picture of the Credit Union Central and Sask Wheat Pool and — to cover the whole spectrum.

And we admit, Mr. Speaker, that we are not flawless in these things, but we learn fast.

**MR. KOSKIE:** — Supplemental. I'd just like to ask the Deputy Premier: did the modifications from version one to version two, where you got rid of the rear ends of the horses, and where you changed the Toronto Dominion Bank and put in . . .

**MR. DEPUTY SPEAKER:** — Order. On supplementary . . . (inaudible interjection) . . . Order, order. The members, in asking or answering oral questions, such questions should be asked only in respect to matters of sufficient urgency and importance that require immediate answers.

**MR. KOSKIE:** — I want to ask the Deputy Premier a supplement. And you may not think it's important that thousands of dollars were spent . . .

**MR. DEPUTY SPEAKER:** — Order. A supplementary question does not allow a preamble.

**MR. KOSKIE:** — I want to ask the Deputy Premier: what was the particular cost of the amended version? Was it an increased cost by making the changes, and who footed the bill for this little extravaganza?

**HON. MR. BERNTSON:** — Well Mr. Speaker, on most of these kinds of things I have the information tucked away right here, and I could usually just respond just like that. But unfortunately I don't have that information with me today. And I'll take notice. I'll take notice. He seems to have a fascination with that particular photograph, and I'll find out just what it costs to

get rid of him and mail the whole thing over to him.

### **Deteriorating Highway Conditions**

**MR. LUSNEY:** — Thank you, Mr. Deputy Speaker. I have a question for the minister of pot-holes, sometimes know as the Minister of Highways. Mr. Speaker, this concerns an article that was printed in the *Saskatoon Star-Phoenix*, and the headline reads: “Car nearly swallowed up by hole on Highway 3.” Mr. Speaker, the article describes how a car travelling along Highway No. 3, west of Shellbrook, had the pavement collapse beneath it, and fell into a hole several metres deep, tearing the rear tires off the vehicle.

Mr. Speaker, I know the condition of the roads in this province, and I sympathize with the minister not really wanting to drive on those highways to check this instance out. But, Mr. Minister, would you at least drive out to the area and check out the instance in an attempt to try and convince your cabinet colleagues that they should provide you with a little more money in your budget to fix up these roads.

**HON. MR. GARNER:** — Mr. Deputy Speaker, I thank the hon. member opposite for raising this very important and pressing matter that’s facing the people of Saskatchewan. Mr. Deputy Speaker, I don’t know of every culvert that perhaps . . . (inaudible interjection) . . . Let them talk, Mr. Deputy Speaker. It doesn’t matter. They won’t understand it anyways.

I don’t know of every culvert that collapses in the province of Saskatchewan, or specifically, every accident that happens in the province of Saskatchewan. But Mr. Deputy Speaker, I will take notice of it, but I will also inform members opposite we have come through a long, hard winter. There was a great deal of snow. The sun is shining; the temperature has warmed up; the snow is melting; and when the snow melts, it turns to water. It runs through the culverts, and, Mr. Deputy Speaker, some of the culverts have collapsed. I will check into the specific details and report back to the member opposite.

**MR. LUSNEY:** — Supplementary, Mr. Deputy Speaker. Mr. Minister, are you prepared also to compensate this individual that was involved in this accident in the hole that he dropped into on the highway — to compensate him for the damage that resulted to his vehicle at the time?

**HON. MR. GARNER:** — Mr. Deputy Speaker, it’s very hard to say that I will, that the Government of Saskatchewan will compensate for whatever. The one thing I can assure you, Mr. Deputy Speaker, and the people of Saskatchewan, is that this government cares about the people of Saskatchewan. That’s why you’ve seen less accidents, less fatalities since the Progressive Conservative government has come to power in the province of Saskatchewan, and I will investigate it.

### **Extra Billing by Physicians**

**MR. SVEINSON:** — Thank you very much, Mr. Deputy Speaker. We’ve talked about pot-holes and horses today. I think one area that hasn’t been discussed that’s a very pressing matter is that of extra billing — extra billing by physicians in our health care field.

I just want to ask the Minister of Health if he can assure the people of the province that removing extra billing, as an option to the physicians, will not decrease services in this province?

**HON. MR. TAYLOR:** — Mr. Deputy Speaker, as you well know, and I think most members in this Assembly know, that of July the 1st, last year, under the Canada Health Act extra billing became a penalized type of situation. If you allowed extra billing, the province was penalized dollar for dollar for such extra billing.

It is the decision of this government to eliminate extra billing in this province. I have been in

consultation with the medical profession over the past six months to work out an agreement with them which will be followed by legislation which will outlaw extra billing.

I would hope that it would not result in the people not having services. I guess we'll have to wait to see what happens at that point in time. I can't give that assurance at this time.

**MR. SVEINSON:** — Supplementary, Mr. Deputy Speaker. There are some areas, in fact, Swift Current today is out on a study session. There are also specialities in this province that are in very short supply, such as ophthalmology, in the city of Regina.

Can you guarantee the people of Regina and the people of Saskatchewan that these services will be maintained if some of these physicians decide to leave our jurisdiction because of this decision?

**HON. MR. TAYLOR:** — I guess that's rather a hypothetical question because I don't know if anyone is interested in leaving our jurisdiction.

As far as the study session on Swift Current taking place tomorrow for one day . . . I think the doctors there, and I wish it wasn't taking place, but I suppose they're registering their protest to eliminating extra billing. But as far as what could happen down the trail three or four weeks or two years from now. I have now way of telling, and I don't think the member opposite has either.

So I can't make any guarantee. I can make this guarantee though, that I will be monitoring the situation very closely because the services, medical services to the people of Saskatchewan, are very important to this government.

## **STATEMENT BY MR. DEPUTY SPEAKER**

### **Ruling on Point of Order**

**MR. DEPUTY SPEAKER:** — Before Orders of the Day, yesterday the member from Regina Centre raised a point of order regarding the ministerial statement made by the Minister of Highways and Transportation. I reviewed the statement and find it covered a federal government program and was not, strictly speaking, a new program under a provincial government department.

I refer all hon. members to a ruling of the Chair of March 22, 1967, as follows:

It has long been established practice of this legislation for ministerial statements to be made upon the orders of the day, and it is traditional that the cabinet ministers should, as a courtesy to the House if the House is in session, make any major policy statement or announcement in the House prior to announcing the same outside of the House. Each of such statements should be brief, factual, and specific.

And further, from a ruling of the Chair of April 4, 1979, as follows:

The purpose of a ministerial statement is to provide an opportunity for statements on government policy and administration to be made to the Legislative Assembly. While the matter raised in the statement is certainly one of provincial interest, it should be dealt with by some other avenue, and not as a ministerial statement.

I therefore find the point of order well taken. I ask all ministers to adhere to these guidelines as outlined by previous rulings of the Chair.

## **ORDERS OF THE DAY**



MOTIONS

**Resolution No. 2 — Benefits Arising from Heavy Oil Upgrader**

**MR. HOPFNER:** — Thank you, Mr. Deputy Speaker. It gives me great pleasure to speak on this motion in the House today, this motion which I'll read further into my discussions as I ask for my seconder to come forth. It's basically on bringing to the attention of this Assembly, and to the province of Saskatchewan and the people that may be viewing today, the knowledge of what has been taking place on the events of the Lloydminster Husky bi-provincial heavy oil upgrader.

I want to commend my minister today in this regard, and his department. I think that, if we go back in history, we will have taken notice that this upgrader has been discussed for quite a number of years, from anywhere from about 15 to 20 years has been a discussion in the province of Saskatchewan.

I would like to indicate to you, Mr. Deputy Speaker, that this was a ploy that the previous administration, the NDP, had used in my particular area, especially around election time. They, through the aspect of the fact that if we are voted back in as a government, as a government of this province, this heavy oil upgrader would never become reality.

I want to say that they had 15 to 20 years to put this upgrader to bed, to get it working, to get people working, and what has happened was it has absolutely not even gotten to the drawing board.

I want to say that when we take a look at what my minister and what this government has done on such a short mandate in the last three years, that we have initiated one of the greatest and largest announcements in the province's history — a \$3.4 billion expenditure in regards to the participation of what the heavy oil upgrader will accommodate for that particular area for Saskatchewan, for western Canada, and for all of Canada.

I want to indicate to you that when we talk about heavy oil upgraders, we are talking about probably, to put it in a simple term, it's a glorified oil refinery which will bring the heavy crude down to an upgraded level so as that it can be transported properly to various other markets, other than the fact of the slight market that we may have in the United States today. It'll make it much more effective for other refineries to pick up this heavy crude under the upgraded technology that is being used and refine it to their basic needs. It'll open up the markets to a much more general area, not only for Canada but for all of North America.

I want to say though on the outset, when we were government, when we were elected government, I went out to my people, as I had represented in previous to running as their elected member, I was involved as the mayor of Lashburn, involved as a spokesman for the heavy oil upgrader.

There was a type of a fiasco that was taking place prior to the election call, and what this was, was a ploy again by the previous administration, by the NDP government of that day, and it was around election time, and they, in their wisdom, thought that it would be to their betterment to get everyone excited about such an ordeal. So what they did, Mr. Deputy Minister, is they established a fact that Husky Oil should take it upon themselves to travel the province and put it up for grabs of where the location should be of this upgrader. And so what happened was it got everyone excited out in the particular area where the heavy oil is located in the province. They thought that they were going to lose something that they'd been promised for 15 to 20 years.

So in this fiasco, I can remember, I never missed one of the meetings because I did represent the north-west area. But I want to suggest to you that, even when they were government, they had an elected member from my constituency and he was the minister of highways at that particular time, and he never once showed at anyone of these public hearings to represent our particular

area for an upgrader. It was a mistake for him. It was a mistake that defeated him because he showed the people that he was not fighting for the north-west region, and he was not fighting for his own constituency.

Another thing is, is that it didn't make sense in the first place. It didn't make sense for us to be looking at other areas to build a heavy oil upgrader other than where the announcement has taken place. It didn't make a whole lot of sense to put the people through this exercise, to think that an upgrader of this magnitude, that would have to upgrade the majority of our oils in this province, would be best set in the southern part of the province.

So what we did is we let logic rule, and through hard-ball negotiations, which took some time I must admit — and we were under considerable questioning all the time in our particular area, but I assured the people that we were moving along, and whether it took two or three years to get an announcement, get an agreement in place and get the project on its process to a building and into a completion stage . . . I went to them with the fact that we are doing everything in our power to get the project under way to follow its process, to go through all the socio-economic studies, the total impact study, so that people were aware of the effect and impact it would have on our particular area.

I know there's a lot of people in Saskatchewan that may not have had anything to do with the particular oil area. I know many of my colleagues and members of the opposition don't understand what it is to live in an oil-concentrated area. There are many, many problems that come along with the fact of the oil being explored and drilled and refined in particular parts of our provinces.

But these are things that can be talked out, and the awarenesses and the dangers can be sought out to eliminate as much of the effect that it may have on an area. I must say that our government, along with Husky and the other independents out in that particular area, have been working diligently with the public to try and keep things at an all right level.

When we talk about a heavy oil upgrader, we talk about many things. And many things relate to the heavy oil industry. I'd just like to bring to attention some of the questions that are being asked and some of the answers that are given: what are the productions and the exploration in the pipelining plans; what lies ahead for enhanced oil recovery projects; and what is the present status of our bi-provincial heavy oil production and upgrading project? Maybe members of the opposition would really like to pay attention to this because we have been moving ahead quite substantially.

(1445)

Husky's operation in Lloydminster, too, are vital to the well-being of the oil company since about 70 per cent of their oil production is in the heavy oil area. But as you may not be aware the Husky Oil area . . . in the Lloydminster area I should say, Mr. Deputy Speaker, Husky themselves employ in excess of 500 employees to this date, and it's approximately 30 per cent plus, of their total employees for the country of Canada. What I would particularly like to emphasize on is the fact that this heavy oil upgrader is going to increase their hiring states of not only Husky Oil but all the independents and the spin-off groups.

I'm going to get into some of the more specifics in a moment, but to think of the impact that it's going to have on an area we must all, as individuals and citizens of this province, take time to rationalize and take time to assure ourselves that the steps forward from here on in are the right steps to be taken under such a new project such as the heavy oil upgrader.

I think if we look back at the facts of the refining operation of Husky's members of the opposition have always said that we have had too many give-aways to the oil companies, to the multinationals, to these conglomerates that are just to milk the province of Saskatchewan for

everything they have, and not put anything back into the province.

Well, Mr. Deputy Speaker, I must say that the opposition, if they would listen to the facts that we've been tabling in this House, or have been giving to the public, if they would take that into consideration, you know it sometimes makes me think and wonder whether, you know, they absorb any kind of the information that is passed across this Assembly.

I can understand them being concerned as an opposition that their popularity may not be growing to any great extent because of the good job that our administration has been doing in handling this particular industry, and the job creations that go along with it. But I would tend to think that they would probably make more marks by accepting the facts and, if they had anything better to submit to this Assembly in regards to increasing the activities out in the oil field, would be much better than condemning this government, this administration, for the productivities that have taken place, and the jobs that had been created in the past.

I would like to say that the refinery is also linked up to the Lloydminster asphalt plant. And with both of these plants, that the asphalt plant which is in production today has been, but it has been remodelled and expanded — and we have a new asphalt plant now in Lloydminster — is that with the expansion with the asphalt plant and with the upgrading of the oil, I wonder how many people here can just sit back and think of what a site like this, how many people it would employ.

The asphalt plant alone in Lloydminster employs in excess of 100 people — that's 100 families, Mr. Deputy Speaker. And the spin-off from that expansion in Lloydminster was something phenomenal. The enhanced oil recovery products that have been taking place over the past, and as you'd remember when I was speaking on behalf of the . . . on our budget speech here in the House earlier, I had brought to the attention of this Assembly and to the province of Saskatchewan, the announcement of the Aberfeldy enhanced oil recovery project. And I don't know if the members opposite have taken the time to check into that particular project but it's going to generate hundreds of millions of dollars into our province and into the economy, not only Saskatchewan — western Canada, and indeed all of Canada.

I think, when we take a look at the impact that the upgrader is going to have in our particular area, you're going to find what I've found that's taken place with just the enhanced oil recovery projects and the increased drilling activity to date. For instance, in the town of Maidstone in the last year there has been 20 new business starts in the community of Maidstone. It shows a positive, a positive way of thinking from the private individuals that are servicing the people that work within the oil-related fields.

Not only that, but the farmers benefit from this also. They benefit from the extra cash that's generated for oil rights, lease rights; some have mineral rights. They benefit from the new businesses coming in because they don't have to travel the larger distances for their goods. The communities are becoming more diversified, and so forth — cuts down costs to individuals in the area.

I think that if the NDP at the time would have sat back and gave it some serious thought as to the amount of employment that our initiatives that we've given towards the oil industry and the small . . . what I call the smaller tax, and they call it the tax giveaways, they would have . . . and given the private sector a chance to show that they can create jobs quicker, more meaningful, and long term — that they wouldn't have found themselves in the predicament they were in when they went into the 1982 election.

I'm not one to condemn anyone in this country for their past administration when they have done good, but I must say that I had little desire to compliment them on many things, and such as the fact that they were one of our . . . the NDP government were one of our biggest exporters of our human resources in the province of Saskatchewan.

Mr. Deputy Speaker, if they'd have taken the initiative to give, in my particular part of the country, the right for oil companies to go out and work and drill and do the meaningful things they want to do and have a reasonable profit, we would have seen today, Mr. Deputy Speaker, what we're going to see in five years time — that it takes a government time to put things to work and to get things into motion.

And I want to remind the people of Saskatchewan that I can speak with the fact . . . and with facts and knowledge known that there are more industries out there that are willing to come to Saskatchewan, but they're afraid . . . the remarks that have been made in this legislature in the past couple years, they're afraid to set foot in, thinking that they really cannot trust the voter out there, if you will, because if they happen to vote the NDP back in, they couldn't live under their regulations. They couldn't afford to invest their dollar in our province.

There are many, many companies out there that will be moving into the province of Saskatchewan, Mr. Deputy Speaker, guaranteed moving into this province of Saskatchewan if the people of Saskatchewan leaves this government where it is. And what I'm trying to say is, I thank the people of Saskatchewan for giving us these past three years, and we're going into four years, and I hope that they will continually support us so that we can create these jobs to bring the rest of our children that haven't come home, and for the ones that are home, to help us come back here to give them the opportunity to stay home in Saskatchewan and be proud and work in the province of Saskatchewan.

I think that the NDP government of that particular time had more than their ample chance to prove that this province was not going to take a back seat to any province in the country, in our country of Canada.

I think that when you take a look at the way the rest of Canada, the rest of this country looks at Saskatchewan right now, they're looking at Saskatchewan as kind of the bail-out for the rest of them. And we've got people coming into our province looking for jobs. They're coming into this province by thousands, looking for jobs.

And you know, I must apologize to the public out there, to the people of Saskatchewan, that it's impossible for us to create jobs for all of Canada, but we are doing our utmost to create the jobs as quickly and as positively as we can.

I think that when you take a look at the work-force today, the amount of people that are in our provincial work-force today, you'll find that it's never been at a high level as it is today. I think that initially, if you come out into our particular area, into the oil area, and where the heavy oil upgrader is going to be built, you'll find — and I'm going to go over and tell you just exactly how many man-years of work is out there and what kind of training and job requirements are necessary for that particular project, and for the spin-offs of that particular project, it's phenomenal. It's phenomenal.

But I'll guarantee to you, Mr. Deputy Speaker, from what the Leader of the Opposition has been saying in this Assembly, and other members . . . What the NDP have been saying in this Assembly, if those people were ever re-elected, I'll guarantee my people out in Lloydminster that that upgrader will never be built. It'll never be built; it'll be put on hold because of their mentality. They've got a mentality that is to keep people down.

The young people have to arise to the occasion in this country. People have to be given an opportunity to arise to their limitations. Members opposite have kept those young people down. They've driven them out of this province. And I don't ever, ever want to have to see that happen again.

I can speak personally, Mr. Deputy Speaker, as I've spoken in the House. My family is spread all

over North America — all over. I can remember 16, 18 years ago that they were looking forward to an opportunity to make a home and a life in Saskatchewan. But no, when they grew up, when they graduated from their schools . . . They had an opportunity to take their education here in Saskatchewan, which cost the taxpayers millions and millions of dollars.

(1500)

But they had to migrate into other countries. And it was the members opposite that didn't have any passion for those people, for my brothers and sisters. They had to leave the country, they just had a hard time finding a job in Canada even, in the ways that they were trained. I've got one sister that's in Florida today and wouldn't even think of coming back now because of the fact that she had to go through all that trouble. And she's a nurse in the OR room in the hospital in Florida.

But these are things that personally hit me. And I can remember when it hit my mother the worst, is when they started to move out of country. I can remember her words. She says, you know, our family is not really going to be all together again. But she was wrong. She was wrong. We had a family reunion a couple of times where we all got back together.

But that's not the issue, Mr. Deputy Speaker. The issue is to create jobs such as an upgrader, such as getting into these enhanced oil recovery programs. It's not an end-all or anything like that. But this is what keeps the families together. It gives them an opportunity to work in areas and to move to an area, part of their province, and to remain and to be able to say that I am a Saskatchewanian, and I am proud to be a Saskatchewanian.

I want to tell you something here. A project of this magnitude is forecast to require an expenditure of approximately 3.5 billion over the next five years. Of this total about 1.4 billion would be invested in the construction of the upgrader facilities — 1.4 billion just in the construction of the facilities. One billion would be invested in the production capital and about 1.1 billion would be spent on the production operating costs.

Mr. Deputy Speaker, during the first five-year period, approximately 1,700 primary and enhanced oil recovery wells will be drilled. From a technology viewpoint, the proposal would encourage the development of the new enhanced oil recovery project so that commercial scales, EOR, enhanced oil recovery productions can be achieved.

It is forecast that the production and upgrading facilities would continue in operation for a minimum of 25 years following start up of the upgrader complex in about — well, it's moved on a little further now, but we were thinking about 1987.

Expenditures to maintain the heavy oil production and to operate the production and pipeline facilities during this 25-year period are forecast to amount to about \$26 billion. Can you picture \$26 billion in the economy, a new, a total new expenditure, new dollars, \$26 billion . . . (inaudible interjection) . . .

The member opposite from Regina west says the people of the North west, people are concerned about nickels and dimes. I agree with you. They're concerned about nickels and dimes. But I want to remind the member opposite that it's jobs and investments such as these that give those nickels and dimes and a few cents to the people and puts a few cents in the hands of the people in Saskatchewan so that they're able to live properly and to advance themselves to a degree.

So I would tend to think that the member from north west is inaccurate in his facts, that that's not the case. But I just want to say, Mr. Deputy Speaker, that about \$26 billion to be spread out throughout western Canada and Canada. That's a shot in the arm that this country can certainly use within the economy. The bi-provincial heavy oil production and the upgrader project are

forecast to have a significant economic benefit for the Lloydminster region and, as I stated, for Canada as a whole. The project would create employment, provide for industrial and technological opportunities. It would increase the recovery of oil from reservoirs in the area beyond primary depletion, and improve Canada's long term energy security.

The employment benefits can be viewed from two perspectives: first, there will be jobs available in the near term associated with the upgrader construction and with the expanded heavy oil production facilities and well drilling activities. Second, there would be longer term employment associated with the operations of the upgrader facility, the operations of ongoing production activities, plus the continued engineering and construction associated with the development of the new enhanced oil recovery project.

Approximately 300 jobs would exist in the Lloydminster area to operate just the upgrader, while about 2,500 man years of direct — 2,500 man years of direct employment per year would be associated with production, enhanced oil recovery, and pipelining operations.

In addition, Mr. Deputy Speaker, to the direct employment, the bi-provincial project would stimulate indirect job opportunities to supplier organizations, service sectors, and manufacturing. Small and medium sized local and regional businesses would be the main benefactors of the ongoing production and operating activities of the project. These firms would include drilling contractors, for example, metal fabricators, and other businesses within the oil field service and supply industry. In total about 322,000 indirect and induced man years of employment are estimated for the total project over its forecast life.

So you can understand, Mr. Deputy Speaker, that this is important, and this is why I am commending my minister for the great job that I felt he was doing in regards to our . . . with our Department of Energy and Mines.

So, Mr. Deputy Speaker, I would so like to move, and seconded by the member from Saskatoon south:

That this Assembly congratulates the Minister of Energy and Mines and his department for the successful negotiations and agreement to build a bi-provincial heavy oil upgrader near Lloydminster, creating thousands of jobs in construction and related oil industries and, thereby, promoting further economic diversification in the province.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MYERS:** — Thank you, Mr. Deputy Speaker. It's a pleasure to speak behind my colleague from Cut Knife-Lloydminster in this congratulations to the Minister of Energy and Mines for negotiating a heavy oil upgrader in the Lloydminster area.

People may wonder, if they're watching TV in Saskatoon, what that has to do with a member from Saskatoon congratulating a plant being built in Lloydminster. Well it has many, many spin-off effects for the city of Saskatoon — that is, in the light industrial areas and the servicing areas. I know my colleague from the North Battlefords also has a considerable amount of spin-offs in his constituency, and he will be enlightening us on those in a few minutes.

The Husky Oil upgrader is only one of two upgraders being built in the province of Saskatchewan. The other one will be built right here in Regina — a \$600 million project which will create over 2,000 construction jobs during its construction period.

We have to realize that oil, it did not stop at the Alberta border but is a significant part of Saskatchewan revenues and its resources. As a matter of fact, my colleague from Saskatoon University says it's the largest well. He's right. I believe, I believe that in last year there was \$727

million in oil revenue, which makes it larger than any other revenue source we have in this province. That includes income tax, sales tax, and whatever kind of tax you need. It is the single largest revenue supply for this government to create programs and continue programs for our people and our senior citizens.

But the heavy oil upgrader in Lloydminster is only part of the initial program which was established in 1982, that's the oil industry recovery program. That program has established 3,800 jobs in this province since 1982, and if you can remember in April, 1982, this province was pumping about 60, 65 per cent of its oil. In other words, we had a third of our oil shut in.

And you wonder why. Well it was under the policies of the former government. But since that time we have had 400 companies, that's oil and gas companies, establish in this province, and we've had 130 service companies servicing those gas and oil companies establish in this province, and that means jobs. On top of that, over 2,000 for the Regina upgrader and the 4,500 jobs over 5 years. For the Lloydminster upgrader, we've had 3,800 jobs as well. And you know what their response is? Well, we're giving it to the oil companies. We've heard it the last two weeks since the budget — we're taking it out of your pocket, and we're giving it to those rotten oil companies.

(1515)

Well I'd like to tell you something, Mr. Speaker. In 1982 when this government came to office, there was \$300 million — \$300 million owed to oil companies under their incentive programs. And did it produce any more? Not very much — \$300 million, and they paid the money up front, or they paid it regardless of whether the oil well produced or not and they talk about us giving it to oil companies. Well they really gave it to the oil companies in the tune of \$300 million, and they left us with that debt — that ongoing debt. You know, I sometime wonder if you can really believe the opposition.

Another important part of our oil industry program was . . . that we've just signed . . . We've just had negotiations between the Government of Canada, the province of Alberta, the province of Saskatchewan, and the province of British Columbia. And this will increase our oil production by over 10 per cent. That will add about 1,000 wells, which wouldn't even have been . . . under our program, to the program we've established.

Last week we attended a reception. Last Wednesday night we attended a reception by IPAC, the Independent Petroleum Association of Canada, and they opened up a new office here in Regina. They have an office in Calgary, but they felt the industry and the opportunity to establish companies, create jobs in this province, was so great that they had to establish an office here in Regina.

Well I went to that reception. And I ran into a friend of mine, and he said, "It's good to be back here." He works for one of the oil companies in Calgary, and he said, "It's good to be back here." And I said, "What do you mean, back?" He says, "Well we had an office here until the early 1970s. We had an office here, but we withdrew it and did everything out of Calgary." . . . (inaudible interjection) . . .

And why? Why? They ask why. Well they didn't like oil companies. They still don't. And they probably wouldn't like the \$727 million either — the single largest revenue source for this government, and not out of the pockets of the people. What the people have to pay out of their pockets is the \$300 million, the \$300 million that they gave to oil companies when they were in office.

There are other facts. There are a lot of other facts I would like to move on to. The recent policy that we signed between the Government of Canada and the province of Saskatchewan, along with two other participating provinces, will give us \$460 million more over the next few years for

this economy — \$460 million. I'm not so sure if they would have sided or even would have agreed to it if they had been at the negotiating table.

It will also mean that there will be 3,400 new wells that wouldn't have been drilled, right there in Saskatchewan. And that means more jobs, more servicing companies, and what it really means to this province is long-term security. They wouldn't agree with it.

This year it's anticipated that we will drill more wells than last year. As a matter of fact, at this present time we're running 40 per cent more wells drilled right now than we were at this time last year, and last year was the all-time, record-setting pace for drilling wells.

Well, we need those wells. As I said before, the source didn't stop at the Alberta border, but somehow in their mystical minds they believed it did.

We need that source, and we not only need it for the oil companies, but we need it for Sask Power to supply a rural gasification program. We were buying natural gas at 50 cents a thousand cubic metres more than we could buy it right here in Saskatchewan, but we are signed into a long-term agreement with Alberta to buy it for the higher price. So when people ask me, why is their gas so high in Saskatchewan, I will say that the former government, the former government could not believe, or would not believe they could give that gas to residents of Saskatchewan at a lower price. They just could not believe that in their minds.

The gas will not only benefit our rural farmers, but it will help to establish small industries, and maybe even large industries in Saskatchewan. That, too, establishes security for jobs, and of jobs.

There is a lot more I could say at this time, but I know my fellow colleague from North Battleford wishes to say more about . . . (inaudible interjection) . . . I'm told he has lots to say, but I should continue on.

Well, I have a little back sheet here, Mr. Deputy Speaker, and it compares our 1984-1985 oil revenues — what we are going to take in this year — to what we would have taken in — I should say last year — to what we would have taken in if we had followed the guide-lines set up by the former government.

Production — let's look at production. With the program we have 63.7 million barrels of oil. Without it we would have had 47.2. Definitely an asset.

Value of production. Well, total value of production \$1,988.8 million. Without it, \$1,413.7 million. Over \$500 million in this province with that program. And it'll be spent here.

I am told that there are other members who would like to speak, and I'd like to give the Leader of the Opposition a chance to respond. Thank you, Mr. Deputy Speaker.

**SOME HON. MEMBERS:** — Hear, hear!

**HON. MR. BLAKENEY:** — Mr. Speaker, I rise to enter this debate on the motion moved by the member for Cut Knife-Lloydminster that dealt with an upgrader, as I recall it. I would not have known that that was the subject of debate, having listened to the last speaker for some time, and even to the member for Cut Knife-Lloydminster.

But none the less I will enter the debate and attempt to answer one or two of the points raised by the hon. members, and then turn some brief remarks to the matter of the upgrader.

Firstly, I think the point made that oil revenues are now the largest source of revenue for the province is an interesting one in itself, but I think all hon. members and the public should know that this is not because oil revenues have particularly increased, but rather because other sources



of revenue have decreased, and it is essentially because yield from income tax has gone down. I note that members opposite are taking some credit for that. They might be able to take some credit if any rates of income tax had gone down, but they haven't.

What's happened is people's incomes have gone down. Our government, along with the federal government, are getting less income tax, and, lo and behold, the income tax is no longer our largest source of revenue, but oil revenue is. I am unable to see why any members opposite would want to take credit for that turn of events. But that is what's happened, and I think it does not reflect credit on the government, but rather the reverse.

I was interested in some of the comments of the member from Cut Knife-Lloydminster, saying that presumably because of the deficiencies of the policies of the previous government in Saskatchewan, his brothers and sisters were unable to find employment in Canada. I thought that was drawing a long bow. If, in fact, his sister had to go to Florida to get a job in a hospital and couldn't find one in Alberta or Ontario, which have been ruled by Conservative administrations for about 15 years in one case, and back at least 40 years in another, that suggest to me some shortcomings, not on the part of the previous government of Saskatchewan only, but presumably of all Canadian governments.

I think it really reflects a desire on the part of a Canadian to live elsewhere, in perhaps a more salubrious climate. I think I have many times, in the winter-time, wished I lived in Florida, and I can understand why someone should choose that option, but it hardly reflects on any government in Canada.

The further reference that people were moving in here, by the thousands into this province, is contradicted almost daily by statements in the press. I don't know how they're coming in, but they're coming in by stealth and dark of night, since the moving companies assure us that more families are moving out than are moving in. And that was true of this year, and it was true of last year.

If members opposite quarrel with that, their quarrel is not with me, but with the stories which have appeared in the papers consistently, put out by the moving companies. And whether or not they are true, the moving companies believe them to be true. The papers that publish them believe them to be true, and I suspect they will continue to believe them to be true until some rather more cogent evidence than we have had advanced today is advanced on behalf of the opposite point of view.

It is, I think, a matter of clear statistics that the labour force in Saskatchewan grew much more rapidly in the three years prior to 1982 than it has in the three years following 1982, and that hardly supports the theory advanced by the hon. member for Cut Knife-Lloydminster that people were streaming into our province.

It is simply not the case, and while I know they advanced this story to try to explain why the unemployment rate has gone so very much higher than it was three years ago, try to explain the fact that even in statistical terms the unemployment rate has moved from 21,000 to around 45,000, to explain the fact that unemployment is doubled — that's a hard fact, but their explanation is soft wool. Their explanation will not stand up. The hard fact of unemployment is around for us to see in all the communities of Saskatchewan.

I turn now to the upgrader, and I turn to the rather remarkable propositions put forward by the member for Cut Knife-Lloydminster that someone should have been talking about an upgrader 15 or 20 years ago, he said. Well let's be charitable and say 15 years ago, when you and I, Mr. Deputy Speaker, know that the price of light crude was about \$3 a barrel and the price of heavy crude was about \$2 a barrel, and that margin was a little thin to support an upgrader, just a little thin.

And there was no prospect of an upgrader. There was no economic base for an upgrader, even in the wildest imagination of anybody, until the price of oil started to advance very rapidly, and until the spread between the price of light oil and the price of heavy oil provided a sufficient margin so that people could talk about upgrading heavy oil and making it into light synthetic crudes and making it a competitive product with natural light crudes.

And so that, as all hon. members will know, is not more that 10 years ago, not more than in 1975 when prices began to edge up about January 1, 1984. And it is only in recent years that an upgrader has had any economic feasibility whatever, if indeed it has that now.

We have heard discussions about the hard-ball negotiations. And I am pleased if the hon. members are conducting hard-ball negotiations, and I'll be even more please if the hard-ball negotiations are successful.

What I would like to hear sometime in this House, either in this debate or another debate, is indications of just how successful the hard-ball negotiations have been. We have . . . And if in fact, we have an upgrader pretty well guaranteed to us at Lloydminster, I know hon. members opposite will be very pleased, and hon. members on this side will be very pleased as well.

(1530)

If in fact we have a final agreement, then I will be delighted. I have no evidence that we have a final agreement. I have no evidence that we have moved beyond the tentative agreement stage. Indeed, there's some suggestions, and I'm not putting them any higher than that, Mr. Deputy Speaker, some suggestions that the tentative agreement is becoming a little less firm, on the part of the federal government — some lack of enthusiasm on their part to guarantee the \$780 million which is involved in their commitment.

They may not be true. That may not be true. We certainly didn't suggest that it was not true. It was not we who had suggested that the Hon. Pat Carney was reviewing this federal commitment made by the government which preceded her. It was not we who have suggested that they wanted — they meaning the federal government, the new federal government — wanted to take another look at what Mr. Chretien committed them to.

And I do not know what the solid facts are, and I suspect all hon. members opposite don't know what the solid facts are, because I suspect that the federal government has not made up its mind finally as to whether or not it will honour that commitment made by the Hon. Mr. Chretien in Mr. Trudeau's government.

We very much hope that that commitment will be honoured or, in the alternative, some other commitment will be arranged so that the upgrader can go forward. But I suggest to you, Mr. Deputy Speaker, and to others, that there is a level of uncertainty there now which was not there prior to the review by the Mulroney government.

There is, I think, no doubt . . . there is no doubt in my mind and, I suspect, no doubt in the minds of the people of Saskatchewan that the heavy oil of Saskatchewan represents an enormous potential. It represents a potential for us to build, to have an oil industry in north-west Saskatchewan in the Lloydminster area which is in many ways, a different kind of oil industry, an oil industry which is labour intensive, certainly an oil industry which is dealing with heavy oil, which involves secondary modes of recovery, probably tertiary modes of recovery, enhanced oil recovery, and the rest will be not only labour intensive, but will be technologically intensive; will involve a good number of applications of high quality labour, skilled labour, and applications of modern technology which will mean that for each barrel of oil, there will be a substantial amount of economic encouragement for that part of the province and indeed for the whole provincial economy.

So we very much hope that we can find a broader market for Saskatchewan heavy oil. We very much hope that the economics will support a tertiary recovery. There's no doubt about them supporting secondary recovery. There are many of those projects under way. The tertiary recovery projects, the enhanced oil recovery projects, the thermal projects are under way in an experimental sense. And what I think we have to know is whether they are under way in an economic sense. We are very hopeful that the Aberfeldy project indicates that there is a commercially proven process of tertiary recovery.

As I say, Mr. Acting Speaker, there had been a goodly number of experiments, very interesting experiments, some of them rather exciting experiments. And we look forward, as I know members opposite do, to the successful completion of those experiments.

We note the fact that oil companies — and here I'm talking not only of oil companies who operate in the heavy oil patch, but all oil companies — have done exceedingly well in the last number of years, speaking from a profit point of view. No one, I think, can deny that. In 1983 the five major oil companies reported a 28 per cent profit increase over 1982. In 1984 there was a further approximately 40 per cent profit increase over 1983. And in 1985 we are bound to see yet another profit increase resulting from the \$1.3 billion that the oil industry will collect from the changes in the national energy program.

There are, therefore, Mr. Acting Speaker, there's money in the tills of the oil companies. It is perhaps an opportune time to talk with them about joint venture projects which will finance enhanced oil recovery, which will enhance the upgrader — which will enhance the prospects of the upgrader. I should make myself clearer.

I want by way of side bar, by way of varying from my argument for a moment, to point out that the province has been getting a very much smaller percentage of the total value of oil production in the last year or so than it did in previous years. I will just round out the figures, but I could certainly give them.

In 1980 and 1981, the gross value of oil production, which I marked down as \$862 million and \$821 million in those years, the province got in gross yield over 50 per cent — over 50 per cent. Mr. Acting Speaker, members opposite point to the export tax. But, Mr. Speaker, when the government was getting approximately 50 per cent in royalties and when the government was getting exactly 50 per cent in export taxes, it did not matter whether the oil was exported or not, you still got the same yield. And a little bit of mathematics will indicate that.

So that when one got 50 per cent of the export tax, and the export tax represented the difference between the Canadian price and the international price, and when you were getting 50 per cent of the royalty on the Canadian price, then it did not matter if the Canadian price went up, you still got 50 per cent of it. If the Canadian price was low, you got 50 per cent of the difference in export tax. When the Canadian price moved up towards the international price, you lost on export tax and you won on royalties and they about balanced out.

But of course that's not true now, Mr. Deputy Speaker. Far from it. When royalties are being collected at rates less than 30 per cent, then clearly a drop in the export tax, when you're losing 50 cents on the dollar, is not compensated for by an increase in royalties when you're only picking it up on 30 cents on the dollar. And that, Mr. Acting Speaker, is what's happened to us.

In 1983 and 1984 and 1985, we are collecting royalties not at a rate of 50 per cent plus, but around 30 per cent. We are losing 20 cent son the dollar, the gross value of production. And the oil production this year, in 1985, will be of the order of \$2.4 billion — \$2.4 billion. And if we were getting, and members opposite will say this is not possible, but if we were getting an additional 20 per cent, that would be an additional \$480 million. Now even if it is asserted that that is overstated because production wouldn't be so high, it is still very, very clear that a very large amount of revenue was being foregone — a very large amount of revenue was being foregone.

But, Mr. Acting Speaker, I want to turn particularly to the matter of the upgrader, and I want to talk to you, sir, and to members opposite, to find out whether we've made any progress over the memorandum of understanding that was concluded last year, last June. I was very disappointed that the member for Cut Knife-Lloydminster, in his resolution, spoke of the upgrader as an assured fact — as an assured fact — and did not disclose the nature of the agreements which have followed the memorandum of understanding.

I believe that you, sir, and all members of this House, would agree that the memorandum of understanding, while it is a useful step towards a commitment to build an upgrader, is not a commitment to build an upgrader. We very much hope that it will be followed by a commitment to build an upgrader. We do not see that having happened as yet. We do not see that having happened as yet.

I know that some of the provisions of the memorandum of understanding are operative, and we will . . . But some of the other things which were to be followed upon the basis of this memorandum, I am not aware that they have happened. They may have. And I will invite hon. members to advise the House on this, and I'm sorry that the member for Cut Knife-Lloydminster didn't do it, because if he is speaking of the upgrader as something which is moving along, I would have thought he would have taken the memorandum of last June, of June of 1984 and said, here is what that agreement said and I want to tell you what progress has been made.

I want to refer you to the provision which says that I think people might ask, or well, there's supposed to be an agreement between Saskatchewan and Alberta, and that's been concluded. Well, perhaps it has, but I haven't heard about it. And I wish the member for Cut Knife-Lloyd had told us about it.

Then here's a further provision dealing with the financing of the upgrader which says:

The participants agree to guarantee completion of construction and start-up of operation of the upgrader by a date fixed at the time that a commitment to construct is made.

Good enough. Now I wish the member for Cut Knife-Lloyd had said: the commitment to construct has been made on a given date, so we can announce that date, and then we could give you the time frame in which construction would take place. We know, Mr. Acting Speaker, that this will be some time. But if in fact, if in fact a commitment to construction has been given pursuant to paragraph 6, sub-paragraph 3, of the memorandum of understanding, I haven't heard of it, and I wish the minister would announce it, or I wish he would have briefed the member for Cut Knife-Lloyd on that point.

The guarantee shall commence with the time of the signing of the definitive agreement, and throughout this memorandum of understanding it is clear that what is contemplated is a definitive agreement, a definitive agreement which is going to tell us whether the upgrader is going to come, when, and on what terms.

Well Mr. Acting Speaker, I'm not aware that a definitive agreement has been signed. I wished the member for Cut Knife-Lloyd would have told us that. People in Lloydminster and in that general area of north-west Saskatchewan are hoping, are relatively confident, but still have some doubt in their mind as to whether the upgrader is going to be built, and they want, and they want the government to state that a definitive agreement has been signed, if it has, or to state that it is about to be signed if it has not. And I would have thought that that would have been a very useful thing to advise the House and, through the House, all of the people of north-west Saskatchewan.

And there will also be, as you will be aware, Mr. Acting Speaker, a number of conditions and assurances in the memorandum of agreement which say that within six months of June of 1984

certain things would happen. Now the six months is gone. It's 10 months now. I would have thought that the member for Cut Knife-Lloyd would have said, "We're clicking right along, the six-month period has elapsed, and I tell you that this has happened. This six-months period has elapsed, and I tell you that has happened." But he hasn't done that, Mr. Deputy Speaker, Mr. Acting Speaker, and I am sorry that he has not done that.

(1545)

Mr. Acting Speaker, there are a number of other matters which I would like to refer to in the comments of the previous speakers and, accordingly, I beg leave to adjourn the debate.

Debate adjourned.

### **Resolution No. 7 — Development and Maintenance of the Highways System**

**MR. LUSNEY:** — Mr. Deputy Speaker, I'm pleased today to enter into this debate on the motion no. 7 . . . resolution no. 7 that urges this government to improve the transportation systems of this province.

Mr. Deputy Speaker, the resolution basically emphasizes the importance of transportation to rural Saskatchewan. There can be no doubt that an effective transportation system and better transportation facilities make it very vital, are very vital to the existence of rural Saskatchewan and to the people of rural Saskatchewan.

We are dependent a lot on all forms of transportation. We need air, rail services to link our people, not only in the province, but beyond our borders — rail services to move our wheat and potash to markets abroad. We also need good highways to link our families and our communities. Mr. Speaker, an effective bus service is also very important to serve our senior citizens, small businesses and others in the province.

But this government does not recognize this reality, Mr. Speaker. Instead of improving the transportation system in this province, it chose to cut services to Saskatchewan people. Cuts in highways, Mr. Speaker, indicate that this government is not really serious about providing good transportation services to Saskatchewan people.

In each of the three successive budgets in this province less money has been spent on highways every year — less money for construction; less money for maintenance; less money for the total system that we have in highways in this province.

Mr. Speaker, not only did it reduce its budget, but even what it suggested it was going to spend in the budget, it did not spend. They underspent in their budget, as low as it was. In 1983-84 they underspent their budget by something like \$6 million. In the 1984-85 budget, which was last year's, the capital budget was underspent by some 20 to 25 per cent. And in this latest budget, Mr. Deputy Speaker, we see another \$15 million cut from the Highways budget.

That, Mr. Speaker, would indicate that this government really is not serious about providing a good transportation system for the people of Saskatchewan. I suppose one can go to various and many news articles that appear in the papers, and it seems that what the minister has been doing, in looking at the one article, it says: "Highways minister must have been flying." And it says:

Highways Minister Jim Garner (I shouldn't have mentioned his name but the article says that) must have been flying, rather than travelling his highways, to ring up more than \$62,000 in travelling expenses last year.

Well, Mr. Deputy Speaker, that seems to be the importance to this government — the money

that they spend in travelling; the money that they spend in different news release. This appears to be the most important thing in the budgets of this government.

They're not interested about providing good service, good highways. But they do believe in travelling around. And I don't know why the minister would have spent this much money travelling around the province, but this is what he was doing, and yet couldn't keep the highways in reasonably good shape.

The latest article, and the one we talked about today, where the car was nearly swallowed up by a hole on Highway 3 — well, Mr. Deputy Speaker, that's a clear indication of just what condition our highways are in today in this province — a very clear indication of what they're like.

The minister continues to talk about increased truck transportation and how we can move grain by truck rather than by rail. And I think we'd all agree that rail transportation is still the most efficient and the cheapest form of transportation that any province can have, especially Saskatchewan. But the minister talks about truck transportation. And he even talks about increasing the load limits on some of the highways, on some of our secondary highways.

Well, Mr. Deputy Speaker, this would all be fine and good if we had a proper road system in this province that would be able to accommodate the additional weight that the minister is talking about. And in order to do that he would have to spend more money in highways, more money in maintaining our roads, rather than less.

This is what the minister should be doing, Mr. Deputy Speaker. But he has chose to do the opposite. He chose to cut back the spending. He chose to spend the money in news releases and travelling, and less on highways.

This certainly is going to be an additional cost for the public of Saskatchewan, because every time somebody hits a pot-hole, like the fellow did around — Mr. Ferster, I believe it was — on Highway 3, every time someone hits that pot-hole, it's going to cost them money.

And even if it's not one as big as the one on Highway 3, every time any individual drives around the roads, and keeps bouncing through those pot-holes, they are going to wind up having to take their vehicle in to the garage to get their front ends repaired. And that certainly is going to be more expensive to them.

And I think sooner or later the minister should realize that the public can't afford to keep spending money in that manner, that they would like to see a government that would be responsible, that would do something with the highways, the poor condition, deteriorated system that we have in this province.

And you can do that quite easily, Mr. Minister. You can do it by putting some money into the system. And sooner or later the people will realize that this government is not going to do it, and they will put in a government that will look after the road system. We've had one of the best road systems in the country. We've got the most highways per capita, I think, in the whole country. And it was a good road system, and people were proud of it. But I don't think you'll find too many people today that can stand up and say that they are proud of the highway system that we have in this province.

And you can do that quite easily, Mr. Minister. You can do it by putting some money into the system. And sooner or later the people will realize that this government is not going to do it, and they will put in a government that will look after the road system. We've had one of the best road systems in the country. We've got the most highways per capita, I think, in the whole country. And it was a good road system, and people were proud of it. But I don't think you'll find too many people today that can stand up and say that they are proud of the highway system that we have in this province.

Mr. Speaker, I think one can go on to say that many of the statements that this minister has made in this House, and possibly one could refer to the statement that he made just the other day. And it seems that the minister has very little that he can get up in this House and talk about because he has never got up and talked about the good road system that he has in this province, or how he's going to improve it, and where he's going to build more highways or improve the highway system. He has so little that he can talk about in this House, Mr. Deputy Speaker, that he chose the other day to come in with a ministerial statement that talked about nothing more than

programs that the federal government had announced.

Well, Mr. Deputy Speaker, it's unfortunate that the Minister of Highways had nothing else he could talk about, nothing else he could tell the people of Saskatchewan but what the federal government was going to be doing.

**AN HON. MEMBER:** — I wouldn't want to talk about my program if I was in his department either.

**MR. LUSNEY:** — And as my colleague said, I guess he wouldn't want to talk about any programs if they were as poor as what this minister has in this province. So I guess if you don't have anything to talk about, it's best not to say anything, and apparently the minister is doing just that.

Another area of transportation, Mr. Deputy Speaker, is the Saskatchewan Transportation Company that we have in Saskatchewan. It's been a long established company, Mr. Deputy Speaker, and it's been providing a service to people since 1946; and it's been providing a good service, one that the people of this province were proud of; and it's been a vitally important service for rural Saskatchewan. But does the minister make any attempt, or does this government make any attempt to improve that service to? No, they sure don't. Instead this past year they chose to cut services to rural Saskatchewan. They chose to cut those services and leave many communities without the service that they were used to, without the service that they depended on.

Mr. Speaker, there are many, many news articles regarding Sask transportation services in this province, and you can go through a whole handful of them of people objecting to the cuts and to the kind of service that is being provided to rural Saskatchewan. And one can just go to an article here and it says, "If economics are going to be the dominant aspect, this town might fold." And this person says the lack of an express service will affect the villages, the machinery dealers, and the automotive garage which gets parts delivered by us nearly every day. That's just one of them, Mr. Deputy Speaker. And there are many small communities that depend very heavily on the bus service that comes to their community, and a bus service which the minister chose to remove from these communities.

Here's another one that comes from the chamber of commerce. It says, "Therefore the proposed cut in service shows a lack of consideration for the people on that route and opens the government up for criticism." That is what the people of this province are thinking, Mr. Speaker. This is what they're saying: the chambers of commerce, the towns, the villages, everyone that has been serviced by Sask Transportation Company, and now that service is cut to them are objecting to those cuts. They're saying that this government and the minister should take a second look at it.

Another one, "Residents petition bus cancellation." Since the current schedule was implemented three years ago, traffic has increased tremendously, passenger volumes have increased 40 per cent, and freight has doubled. That's coming from an area that the minister chose to cut the service to, Mr. Speaker.

**AN HON. MEMBER:** — Where's that?

**MR. LUSNEY:** — Humboldt, Mr. Speaker. The minister chose to cut the service going through that community. And there are many, many others. There are many others here that are just as critical of the minister and his actions with the Sask Transportation Company.

Mr. Speaker, this government has broken just about every promise that it has made to Saskatchewan people, not only in the transportation system; it has broken them in the improvements in highways that they said were going to be world class, and that they were going to double-lane all the primary highways in this province. And what we see today is a

deterioration of every highway system that we've got in this province. Not one highway that I'm aware of has there been double-laned. In fact they haven't even been maintained to the standard that they've been at before.

Mr. Speaker, I think the minister should certainly hang his head in shame. And I don't blame him for leaving his seat because if I did the kind of job that he did, in both Highways and with Sask Transportation company, and cut as many routes on STC which provided a very necessary service to the people of Saskatchewan . . . And he didn't do it with any real consideration, he did it on advice of some of his expert managers that he hired, Mr. Speaker, the expert managers that were supposed to come in here from the private sector and make this province boom. They were going to make money of all kinds because of the expert management and advice that were going to get.

Yet every company that they got into which wasn't losing money before — Sask Transportation Company was providing a very essential service to rural Saskatchewan and was able to do it without losing millions of dollars like what is happening now.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. LUSNEY:** — And, Mr. Speaker, if this government was serious about their commitment to the people and the promises that they made, they would not be cutting those services. And if some of those routes were not generating as much revenue as they wanted, they should have talked to the communities, to the people involved. They should have talked to the bus drivers and tried to somehow rearrange the scheduling and the routes that would have made it more profitable and still would have been able to provide that service to every community.

But they chose to do the opposite. They decided to cut the service. It doesn't matter what happens to the small towns or to the people in them or to the senior citizens that live in those small towns. They have no consideration for people in rural Saskatchewan whatsoever.

And, Mr. Speaker, I think that the people in the next election will let this government know exactly what they think of many of their programs. I think they will let them know that they are not happy with the way that they've been treated.

Mr. Minister, or Mr. Speaker, I'd have to say that every one of us should support this motion, support this motion because the people of Saskatchewan feel that more could be accomplished for rural Saskatchewan, and more could be accomplished through better road systems, better transportation systems, and we could also try to promote more use of our bus system.

The minister talks in his latest annual report about trying to cut charter service or trying to cut the rates on charter services and trying to improve or increase the amount of charters that they have in this province. Well, Mr. Deputy Speaker, that would not be difficult. All the minister would have to do is try to maintain that fleet to the standard that it was back in 1982.

Rather than dispose of a number of buses, he should have purchased some new buses. But he got rid of some new buses and he got a bunch of junken heaps into the system. He got buses that are breaking down, that are not worthy of being on the road, Mr. Deputy Speaker, buses that are not worthy of being on the road, and the minister spent thousands of dollars to get in old buses rather than maintaining a fleet of new buses.

They would sell off anything that was worthwhile and get in, if you'll pardon the expression, junk — something that should have been at the salvage division. That, Mr. Speaker, is what the minister has done with the Sask Transportation Company since he has been the minister of it.

People continue to phone Sask Transportation Company, trying to get charters through STC. They continually keep phoning, and what do they get for answers? They are told that they



cannot provide a charter service to them because they don't have any buses available. They don't have any spare buses, and I believe that. They don't.

When you reduce your fleet, there is no way that you can continue to provide the kind of service that you had before. And it doesn't matter who would do that. When you reduce your fleet, that means you are going to have to reduce the service. And that's exactly what has happened.

People would prefer to charter a service through a company that they have had a lot of experience with and they have had good service from — a good, dependable type of service. Many people and different groups would prefer that. But this government and this minister has decided that they are not going to provide that service. And instead, what they do is continue to run the company into a deficit position, deeper and deeper every year.

And I suppose, Mr. Minister, or Mr. Deputy Speaker, that should not be surprising because everything that this government has done they have done by running it into a deficit position. It doesn't matter if it's Sask Transportation Company or Sask potash, or whether it's the government as a whole. All we see from this government are deficits and more deficits and more deficits.

Mr. Speaker, I think the people are not going to accept any government running the province that way, and I think in the next election they will let them know exactly what they do think.

Mr. Deputy Speaker, I would wish that every member in this Assembly would join with me in urging this Government of Saskatchewan to improve the transportation services in Saskatchewan which it has allowed to deteriorate, and specifically to increase the capital and maintenance work on provincial highways and bus transportation to communities throughout the province.

Mr. Minister, or Mr. Speaker, I move this resolution, seconded by my colleague, the member for Regina Centre.

**MR. SHILLINGTON:** — It takes this government to make highways an urban issue. I have sat in this Assembly for 10 years and it is not until this year, and this government began to fine tune the levers of power, that highways has become an urban issue. And it has. Tune on the radio every morning and you hear disc jockeys making cracks about the pot-holes in the Regina streets and the holes. And I say there's a reason for that.

The Minister of Highways seems to think that something unusual happened this year. We had a winter, Mr. Speaker, we had a spring; we've had sun and we've had rain. And the Minister of Highways seems to think that those unusual events, which Saskatchewan people have never seen, has caused problems with the highways.

I know some people in my riding that think that there's nothing unusual about that. Some of them seem to remember a previous winter — seem to remember sun and rain happening before. The cause, Mr. Speaker, the cause of the abysmal streets, you don't have to look any further than these estimates.

It doesn't matter whether you're driving down College Avenue, or Victoria, or 13th, or any of the main drags in this city, your car is bouncing over the roughest roads that the people of Regina have ever had to experience. And I understand that is true of other urban areas as well. I understand that it's not just at Maidstone they're losing cars. They disappear for an hour at a time in the streets of Saskatoon before they rise again. And I see the Minister of Energy agreeing with that . . . (inaudible interjection) . . . Yes they are. They haven't lost more than a dozen vehicles in the last week. And what's more, three of them, since they were lost, have reappeared, I understand.

I say, Mr. Speaker, that the cause of the abominable conditional of urban highways can be found in the blue books. I'm starting with the estimates for '84-85, last year's estimates.

In 1983-84, the amount budgeted for urban surface transportation, in the Department of Highways was \$18,00,440. The amount budgeted the next year was 10.6 million, almost half the previous year's estimates. This year the amount budgeted is 5.2 million, almost half again. In two years, Mr. Speaker, the amount budgeted for urban streets is about 27-28 per cent of what it was two years ago. Now that is the cause for all of those vehicles disappearing in the centre of the streets in Saskatoon. And it's the cause for all of the sour jokes about the Regina streets.

I say that members opposite may think they're going to blame it on Harry Van Mulligen and company — the alderman, or Wilma Staff, to pick another example out of the air. I say to members opposite that I don't think you're going to get that lucky, because I think there's a goodly number of people out there know where to lay the blame.

The blame lies in the fact that urban municipalities are being short-changed. The public have the notion that when they're being cracked over the skull with the highest tax increases ever, and when their eyes are still watering from the tax increases, the least they can expect is a road in which you don't lose a vehicle. You did it at Maidstone and you're not far from it in the streets of Regina. I'll tell you, you're not far from losing vehicles in the streets of Regina. The roads, the streets, are the worst they've ever been.

As I say, it takes the incompetence of this government to make highways an urban issue. This is the first time in 10 years of elected office I have ever spoken on the subject of highways. I have never felt that to be an urban issue. But I'll tell you, if it isn't this year, then you people simply aren't listening. And I know you're not. I know the answer to that is rhetorical. You people are not listening, but if any of you people take the time to go to your ridings and ask them what they think of urban ridings and ask them what they think of their streets, what they will say is about what rural people say about their highways, and that is that they are in terrible shape. They're in awful shape.

I say, Mr. Speaker, that when the province increases taxes to the extent they have the largest tax increases ever, and cut in half such essential services as streets . . . they're not a frill, unlike the Deputy Premier's holiday in China, beginning March 11. I understand he's taking half the city of Regina with him, so only one half will be left to put up with the streets. They will go to China and enjoy some good streets, probably in a great deal better shape than what we have here.

Unlike the Deputy Premier's holiday in China on March 11 . . .

**AN HON. MEMBER:** — Is that March or May?

**MR. SHILLINGTON:** — May 11, I'm sorry. Unlike his holiday in China on May 11, streets are not considered by most of my constituents to be luxuries. Streets are considered to be necessities, and this government is simply not funding it. They are simply deciding that somebody else can worry about the problem.

Why? Because they have been such bad managers. They have allowed, as my colleague the member from Regina Elphinstone so eloquently pointed out, they have allowed the oil companies to take this government to the cleaners, and so we have no revenues, and they have allowed the interprovincial trucking companies to take the government to the cleaners, and so we have no tax funds. What we have in Regina are streets that are very difficult to travel over.

I can congratulate myself each day when I go back and forth to work, that I don't drive an expensive car, because that is a waste of money if we . . . (inaudible interjection) . . . Well, it may be a hazard on the highway, but the way the Regina streets destroy vehicles, at least I haven't

got a fortune tied up in something that you people are in the process of destroying, and you're in the process of destroying and ageing most vehicles . . . (inaudible interjection) . . . Well, I hear the member from Saskatoon describing the streets in Saskatoon. I understand they are no better in Saskatoon.

I say to the members opposite: if you have any conscience, if you think at all about what you're doing when you go to draw your pay cheques at the end of the month, you will vote in favour of this resolution, and you'll do something about not only rural highways, but urban highways, which have never been in worse condition than they are now. Never been in worse condition than they are now.

And if members opposite aren't ashamed at what you have done to the public to increase their taxes and destroy their roads, all practically in the same breath, then I say members opposite are impossible to embarrass.

I hope members opposite will give this resolution consideration and thought, because if they do, they'll vote in favour of it, Mr. Speaker.

**SOME HON. MEMBERS:** — Hear, hear!

(1615)

**MR. KATZMAN:** — Mr. Speaker, I listened to the mover of the motion, and if the motion is as correct as the mover, speech-wise, then everything in the motion is wrong. He said we sold new buses for poor buses. He should have spent some time at the STC garage when those buses came in, and when they were inspected to see what the brake-shoes looked like, and everything else did, as I did. They were in good shape, no matter what he says. They were in good shape. And what did we get rid of? We got rid of luxury buses —buses that one person, maybe two people, and at the most three rode in. It was the only bus in the world that you got your meals served to you as you rode a bus.

And you know, it was interesting to note when you were government, you told people, the staff: you've got to ride the bus because we've got to get those buses full. No, you didn't play it straight, Mr. Speaker, the member from Pelly. You didn't play it straight. You didn't tell the facts that you had buses that nobody could afford to ride and were not built for Saskatchewan. And we were lucky to get as good a trade as we got for those buses when we got rid of them.

You know, he talks about routes. There's no routes cancelled at this time. At this time, they're in before an independent board of the Highway Traffic Board making a decision and listening to the people of Saskatchewan. Not like you fellows did. When it came time for to put some new buses on, when did you put them on? Right before the election. You didn't do it two years before. No, you tell them right before the election, April 1st; election called April 26.

What kind of bus routes were these? These were political bus routes you put on. You didn't have the common decency to put them on ahead of time. And that's why, Mr. Speaker, this motion that they moved is so redundant that it needs to be amended so it follows the true aspect of what's happening in the province, not the aspect that they set in their day-dreams and dream about.

You know, the second speaker that stood up and spoke, Mr. Speaker, talked about funding of highways. For every dollar that we spend on highways we get more miles of road than they ever got with the way they did it. For the amount of dollars we're spending —and it may be a little less, not much — we're getting much, much more road miles for it.

Our maintenance is better. We're getting miles for 72 cents when it used to cost them \$1, and it's just as good a road. That's what we've got to talk about. Let's look at how much road we're

getting for our dollar. Let's look at how well the service is working.

He talks about that the STC shows a loss. Well let's talk about it. The reason that they showed a loss, by the way, was all those political miles they put into the system and didn't have to take responsibility for because they were defeated. And everybody knew they were political miles.

You know, Mr. Speaker, I could probably spend an hour just rebutting the stuff that was said by the fellows from the opposition — what I used to call in my first speech in the House, the negative opposition. They're negative, negative, negative, and that's the only way they can think. No positive ideas over there.

Therefore, Mr. Speaker, I wish to amend resolutions no. 7 . . . Resolution no. 6, sorry; no, it's no. 7, Resolution no. 7, by striking all words after "Assembly" and adding:

That this Assembly endorse the efforts of the Government of Saskatchewan to improve the transportation services in Saskatchewan, which it has drastically upgraded, and specifically endorse this government's accomplishments in the area of school bus safety.

I'm proud to move that motion, seconded by the member from Moosomin, Mr. Birkbeck.

**MR. BIRKBECK:** — Mr. Speaker, I was rather impressed with the comments from the member for Rosthern. Well it got pretty excited in here for awhile. And the members of the opposition are sitting over there with their heads hanging and wondering just what hit them, and I don't think it'd be fair to give them a double blow at the same time. So in wanting to get into some other further business in the Assembly this afternoon, Mr. Deputy Speaker, I would ask leave that we adjourn debate on this motion.

Debate adjourned.

## PUBLIC BILLS AND ORDERS

### SECOND READINGS

#### Bill No. 30 — An Act to amend The Occupational Health and Safety Act

**MR. SHILLINGTON:** — Thank you very much, Mr. Speaker. I am pleased today to be able to speak in favour of this Bill, an Act to amend The Occupational Health and Safety Act. In my view it is an important Bill, one which directly affects thousands of Saskatchewan workers, and I sincerely hope that Conservative members opposite will join with me in supporting it.

In my view it is an important Bill, one which directly affects many people. I would like briefly, Mr. Speaker, to put the bill in context. First, as an amendment to The Occupational Health and Safety Act, this Bill fits in that long Saskatchewan tradition of workplace legislation which has sought to ensure a fair deal for working people, the right to form democratic organizations of their own and to bargain collectively through those trade unions, decent minimum employment standards such as statutory holidays and annual vacations and overtime, and fair compensation for the victims of industrial accidents.

Perhaps the most important, certainly the most recent and the most innovative, is safe and health working conditions. In fact, The Saskatchewan Occupational Health and Safety Act passed by the Blakeney government in the early 1970s, was truly a landmark in Canadian legislation, a model which was respected and emulate by other jurisdictions, a long Saskatchewan tradition to work place legislation, and New Democrats are proud to have played such a major role in forming that tradition.

This Bill fits into another context, the contemporary technological changes in the workplace, for this Bill addresses problems that have only recently emerged because of the rapid pace of technological change. There can be no doubt that the microchip revolution is upon us. Indeed there's some danger that we're being swamped by the extremely rapid pace of technological changes whose full effects we can only dimly perceive and even more dimly understand.

Nevertheless one thing is crystal clear. The microchip revolution and the widespread use of computers and word processors in our workplaces have made the video display terminal a concrete reality for tens of thousands of workplaces — more and more of them every day.

It's fair to say, Mr. Speaker, that when you were first elected three short years ago, a video display terminal in a smaller office was probably an exception rather than the rule. Nowadays it's probably fair to say that a video display terminal is the rule rather than the exception. The revolution is taking place with great rapidity.

But while our society can use their technology, we certainly do not yet fully understand its effects on working men and women. We do not, for example, fully understand the physiological and other effects of prolonged exposure to low level radiation emitted by video display terminals. But here are other things which are indeed understood, at least by those who work with the VDTs, and that is that negative symptoms of ill health are often produced by these machines. These symptoms include typically: eye and vision problems; stress, strain, and tiredness; musculoskeletal problems; and most alarming, health problems in the reproductive organs.

The Bill now before us attempts to deal with several of those issues. As an amendment to the present Occupational Health and Safety Act, it builds on established principles, the rights of workers not just to know about the hazards of the workplace, but what was the major innovation in the Act introduced in Saskatchewan, the right of workers to participate in decisions about their workplace, their health, and their safety, and to refuse dangerous conditions and the established principle of local worker-management occupational health and safety committees in the workplace.

The substantive provisions of this Bill are simple and straightforward. One, it requires that employers, in consultation with the local occupational health and safety committee, provide eye examination and ensure that all video display equipment is properly installed.

And I may say, Mr. Speaker, in that regard there is a great deal of difference in the various machines that are used. Some machines are designed as such that they can be adjusted for the particular build and size of the worker and the critical job the workers are doing. Some, often cheaper machines, cannot be adjusted at all.

The legislation provides that video display operators shall have frequent periodic relief, an opportunity to do their work for a while to relieve the symptoms of prolonged continuous exposure. Contrary to myths that members opposite spread, this will not involve any additional expense to the employer. Every operator of video display terminals has other work which has to be done. It's simply a matter of organizing the work such that he, or more often she, do that other work and gets away from the machine on a regular basis, and doesn't leave it all until the last hour of the day.

(1630)

Finally, the legislation provides that employers shall grant to pregnant video display operators, at their request, alternative work where there will be no potentially harmful exposure to the video display terminal. Where there is no alternative work, as might be the case in a very small office, then the worker is eligible for workers' compensation until after the period of pregnancy.

This latter, Mr. Speaker, is based on a statistical, an alarming statistical correlation between

miscarriages and people who operate video display terminals. There is a much higher than normal incidence of miscarriage with operators of video display terminals. No one has — and in spite of many efforts — no one has been able to find a causal link between the two or scientific explanation, but the statistics are such that they're alarming. And we think until the conundrum is resolved, it ought to be resolved in favour of the worker, and the operator of the video display terminal ought to have another alternative if he or she should choose it — if she should choose it.

As government members opposite will know, this Bill has been widely circulated among Saskatchewan workers and their union representatives. I may say that I have been very gratified, Mr. Speaker, with the warm and enthusiastic response that the Bill has received, especially from nurses and other health care workers. I can say — and I have the letters here — that I have received expressions of support from the University of Saskatchewan, extension division; from the Saskatchewan Women's Institutes; from the Saskatchewan Union of Nurses; from their counterparts in Manitoba; from the Saskatchewan Registered Nurses Association; and other groups.

The Bill has even received positive and encouraging comments from a quarter that I haven't always received support from, the Saskatchewan Chamber of Commerce. I have received, in my time, some bad press. Some of it has even found its way into the chamber of commerce newsletter, but not always. I'll just read a sentence out of the legislation in their March 6th report — occupied almost a full page of the report. I read one sentence out of it:

Private members' Bill has — never has more than a proverbial snowball's chance of getting past approval in principle in the House, let alone being passed into law, but NDP Ned Shillington's attempts to get some changes in the workplace for people who work on video terminals may get some action.

In fairness, it should be noted that the Tories, while in opposition, also wanted changes, and the policy now in effect, although unwritten, is the same as when the NDP was in power.

So I say, Mr. Speaker, that I received encouragement, not just from organizations which represent workers, and particularly female workers, but also organizations which represent employers — the Saskatchewan Chamber of Commerce.

Mr. Speaker, the matter before us is important. It directly affects the health and lives of thousands of Saskatchewan workers. To date, this PC government has been consistent on one thing, if only one thing. This government has not introduced a single positive piece of work-paced legislation or policy. Every, every change, whether it be in — whether it be in legislation or in policy, has from the standpoint of the worker been negative, and there is no exception to that; nothing but negative amendments, negative policy changes, and an undermining of the enforcement of the few laws which do remain.

In short, this government's, this government's treatment of working people and its record is one of betrayal. I call upon the government, and in particular the Ministers of Labour and Health — one of whom is in his seat — to support this Bill. Let's conclude this second reading debate; let's support this Bill now and in committee; let's pass the legislation.

I, therefore, invite all members of the Assembly to join with me in supporting Bill 30.

I, therefore, move second reading of a Bill to amend The Occupational Health and Safety Act.

**HON. MR. BERNTSON:** — Mr. Deputy Speaker, I beg leave to adjourn debate.

**MR. DEPUTY SPEAKER:** — Order. Order. The member has asked for leave to adjourn debate. Is that agreed?

Debate adjourned on division.

### **MOTIONS FOR RETURNS (Debatable)**

**HON. MR. BERNTSON:** — Mr. Speaker, in the interests of time and with leave of the Assembly, I move that:

Items 1 through 682 be stood.

Motion agreed to.

### **GOVERNMENT ORDERS**

#### **COMMITTEE OF FINANCE**

#### **CONSOLIDATED FUND BUDGETARY EXPENDITURE**

#### **AGRICULTURE**

#### **Ordinary Expenditure – Vote 1**

#### **Item 1 (continued)**

**MR. CHAIRMAN:** — The first item before the committee is Agriculture. Item 1, administrative services. I would hope that we can make progress today.

**MR. ENGEL:** — Well that's a good thought, Mr. Chairman, and maybe we could make some progress if we can get some answers from the minister.

Mr. Minister, there's several things that I thought, in general, that I wanted to discuss with you before we go into the item by item amount. You seemed to indicate yesterday that by looking at the overall picture of Agriculture — and if I stop at page 21, for example, and we look at the totals to that point, you seem to indicate that it wouldn't be fair to measure your performance in treasury board and saying that you only got 64 million, when last year's estimate was 90 million. And you seem to indicate that, look at the whole book. Look at the entire amount.

So I did that, Mr. Minister. I took the 64,113,000 and I added onto it the capital expenditures; I added onto it votes that were taken from different sections of the book, and I went through the entire book — the whole of *Estimates* '85-86.

Did we include . . . or did I include all of the figures when I added up the totals and I got to estimated expenditure for Agriculture in the year '85-86, arriving at 110 million? Does that include all the expenditures you have in Agriculture, or is there something else I missed? Are there funds that you're getting other than from this book — is the question I'm asking?

**HON. MR. HEPWORTH:** — Mr. Chairman, hon. member, I think the best summary relative to Agriculture expenditures, and even to compare to last year, is on page 7 of the blue book. And that shows clearly that the Agriculture expenditures are up over last year. And I suppose one could further go on to say that it doesn't clearly, even there, show the expenditures being made in crop insurance because it's a separate vote.

It doesn't clearly show the expenditures being made through the water corporation. It doesn't clearly show the moneys expended on Agriculture on behalf of the market development fund which is now in Economic Development and Trade, the rural natural gas program in Sask Power Corporation, and I could go on and on. But if you want to get as clear and concise a summary as

any, I would draw your attention to page 7.

**MR. ENGEL:** — I'm just wondering what you included in page 7 to come up with 115 million, because when I took the subvotes out of this book I only arrived at 110 million. Where did the extra 5 million come from? Because . . . Would you take me through item by item after page 23 and tell me what pages . . . subvotes are included? Which subvotes are we going to include in Agriculture estimates? You're not going to take me through that?

Starting at page 23, the next place we find Agriculture, as you go through the book, would be what page, Mr. Minister?

**HON. MR. HEPWORTH:** — I think the sum totals for Agriculture, excluding things like crop insurance and the water corporation and other things I referred to, would be found on pages 18, 19, 20, 21, 22, 23 and 121.

**MR. ENGEL:** — Okay, I gotcha. And those are the numbers I added up. And I guess you had the water corporation in there, when you think that they're Agriculture, but your this year's totals come to 110 million. Last year's estimates was 139 million, Mr. Minister. To me, in clear numbers, that indicates almost a 28 per cent drop in expenditures in Agriculture.

And I look at that and I begin to wonder just what you had in mind, because this is a bad year. This is a tough year for farmers. And we look at the totals and we see that you have 28 per cent less for agriculture than we had last year, and last year was a poor year.

Last year the farmers were bugging you for money for the flooded-out areas. Farmers across southern Saskatchewan were saying that your drought relief program was ineffective and wasn't doing its job. The numbers that you look at drought relief — \$250,000, Mr. Minister, in the worst drought in Saskatchewan's history.

I think this budget reflects a lack of concern, a lack of concern for the conditions as they exist. And I think you should have put a little more effort in. But seeing you didn't do it, we might as well deal with the topics that we have available.

Where in your estimates do you have the section that would talk about the money that farmers would get for tax credits on their income tax on beef and on goats and special mares and so on? Where is that recorded in the agricultural estimates?

**HON. MR. HEPWORTH:** — Mr. Chairman, hon. member, that's a foregone revenue to the province, one that we have no difficulty in foregoing to the farmers, and hence does not have a line, if you like, in the estimates book.

To run briefly through these numbers for you again — I don't know whether it's the batteries in your calculator or what the problem is — but if I add up program services at 35,222,840, and third party grants at 6,411,860, and grants to individuals at 22,478,430, and capital at 9,994,250, and the agricultural development fund at 21,315,300, and the Heritage Fund at 29,082,000, by golly, I get 115 million — \$150,504,680. I get it every time I add it.

**MR. ENGEL:** — Even if you come to 115 — and I don't know where you get the 5 million from that I haven't got in there — but without adding the equivalent number on the other side of the page, you still only have a hundred.

Even if you take that number, and don't increase the estimates for last year by that amount, you're still more than 20 per cent behind last year's revenue at 115 million because last year was 139. Last year the total estimate of revenue was 139.

But aside from that, I was . . . take that as established, you could raise that to 115 instead of 110.



It's still 20 million, 22 million less than last year's estimates.

Now the question I had, the next question, the new question, Mr. Minister of Agriculture: how much are the farmers saving as far as your tax credit is concerned? What do you expect or what do you anticipate the notes that will go out to farmers that they'll be able to use on their tax credits?

Do they get this in a form of a receipt, or how are you notifying the farmers how much they can apply as a tax credit? Do they get similar like a T4 slip, only whatever number you're going to give to it? Can you explain what that is called and how much of that's going out?

**HON. MR. HEPWORTH:** — Mr. Chairman, hon. member, yes, they do get a slip similar to a T4, and the estimated — at this point in time — tax credit that farmers will be claiming, or is eligible for claiming is something in the order of \$4.5 million. Given that you have been of the view somewhat that farmers have had tax increases, I would suggest to you that that's a fairly substantial tax decrease that by itself doesn't even show up in the blue book, and one could argue . . . in fact, I could argue fairly successfully that our commitment even to the agricultural blue book numbers, not including Water Corporation, Sask Power, and these many other areas, but our commitment to agriculture has gone up 50, 60, 70, 80, perhaps 100 per cent in the last three years, in terms of dollars and cents.

But more important than that, our commitment to the farmers as a government, and the human dimension to farming, is increased immeasurably above what it was when you were in office. I think, by every measure, the commitment, whether it's financial or the human dimension, by every measure, our commitment to the farmers is second to none.

(1645)

**MR. ENGEL:** — Well I'm glad you think that way, Mr. Minister, because if you go to the polls with this budget and you all an election, I'm looking forward to it. I'm looking forward to that enthusiasm that you had there.

Mr. Minister, you indicate that there's about \$4.5 million worth of slips going out. What do you call these slips, or what is the official name for them?

**HON. MR. HEPWORTH:** — Livestock Investment Tax Credit slips — does that sound okay?

**MR. ENGEL:** — I thought maybe it would have a special number, an eligible number that the person could use in his income tax return, and you must have a name or a number that it's indicated by. Do you, or don't you? Haven't you indicated that as such?

**HON. MR. HEPWORTH:** — Mr. Chairman, hon. member, in fact, we have done everything we can to facilitate the administration of the tax credit, and the line is right on the tax form itself.

**MR. ENGEL:** — Now you indicate that you have sent \$4.5 million worth of receipts or slips. I wanted a name for it so I could call it something — but eligible tax credit slips. You sent 4.5 million out to farmers. Is that the number you indicated?

**HON. MR. HEPWORTH:** — Yes, sir.

**MR. ENGEL:** — Could you tell me how many people or how many individuals this went out to, or companies, or corporations?

**HON. MR. HEPWORTH:** — At this point in time, the best number I would have would be something very close to 4,000.

**MR. ENGEL:** — Average about 1,000, \$1,200 a receipt.

It's strange, and why I'm asking the question is that several people or accountants that do income tax in particular have talked to us and indicated . . . And as you would fairly well be aware that today is the last day that farmers are filling or being able to do their income tax. And you indicated you sent yours in this morning. Mine has been in for several weeks. I would also share that information, but . . .

I've talked to a number of accountants, Mr. Minister, and it's strange that they indicate that only about 2 per cent of the farmers' income tax they're filling out have these slips. How many of these 4,000 individuals that receive these slips are bona fide farmers, that are considered as farmers, other than feedlot operators?

**HON. MR. HEPWORTH:** — Well in so far as what your definition of bona fide farmer is, I'm not certain. As you will know, we've had some good long debates in this House as far as what the definition of a farmer is today — for tax purposes, for government program purposes, beginning farmer programs. How do you define a bona fide farmer today? I'd be interested in knowing your definition.

What I can tell you is that every one who got a tax credit fed cattle, or hogs, or sheep.

**MR. ENGEL:** — Well I understand that everybody that got a tax credit receipt got this tax credit receipt for having invested in cattle, sheep, goats — \$3 a goat, or so on. And . . . (inaudible interjection) . . . Isn't it \$3 for goats? Is it less than that? . . . (inaudible interjection) . . . Well if you didn't include the goats, I suppose you've got a few of these people that think goat's milk is pretty good, and that raise goats. I thought you included goats.

But I agree that everybody that got a tax credit receipt for cattle sold cattle, but not everybody that sells cattle is a farmer, Mr. Minister. You know that, and I know that. There's some people that buy cattle, and put them on somebody else's feedlot at a cost per head feeding that are not cattle, that are farmers.

And I'm wondering, of those 4,000, how many got tax credit receipts that own cattle on the farmers' feedlot, but were not actually farmers, that were actually . . . industrious in a feeding program? Could you have a breakdown of that percentage of that 4,000 to know that how many went to the doctors and the lawyers and the business men that decided to get a tax break and buy some cattle and leave them on a farm so that they could qualify for this tax break? How many of that 4,000 were not farmers?

**HON. MR. HEPWORTH:** — Mr. Chairman, and hon. member, as I mentioned before, by the definition, I suppose, how one defines bona fide farmer would qualify how I might answer your question. All I can say is that if a farmer is defined as someone who, for the purposes of this tax credit, feeds out cattle or hogs or sheep, but I suppose according to that definition they would all be farmers.

If there is some barley grower, for example, who, because he has a lot of barley around and saw no market for it, decided to buy some cattle and put them in his neighbour's feedlot, I suppose you might not define him as a farmer. I guess I would. Having said all that, we are not a government that particularly believes in sending out some kind of police force there to see whether they fed them on their farm or on a custom feedlot. Those happen to be a fact of life out there so I don't have the answer to your question, nor do I necessarily want to pursue getting the answer.

**MR. ENGEL:** — I guess you wouldn't want to pursue getting the answer because the people I talk to . . . and the one accountant this morning told me that out of every 100 income tax forms he did, out of every 100 income tax returns he did, one out of 100 had a tax credit receipt. Out of

those people, only half of them were able to use them. He says, out of those people that got the tax credit receipts and are holding them, they're accumulating and hoping they have a better day tomorrow. They hope there's an election this year and that there'll be a change of government and that the farm income will pick up. And so they're saving their tax credit receipts. But out of 100 farmers, and he's right on, because 4,000 out of 65,000 farmers isn't even one out of 100. So his numbers weren't that far off. I thought it would be closer than that. But of the ones that pay income tax, the farmers that go to accountants, less than 1 per cent were involved in tax credit receipts.

And he asked, he says, specifically find out for me today who's getting those tax credit receipts, because the farmers I deal with aren't getting them. The farmers . . . And he was very suspicious. He was very suspicious that the bulk of this money is going out to people that aren't necessarily farmers. And so to get this information a little clearer, do you have a breakdown, Mr. Minister, on . . .

Mr. Chairman, I thought we were going to move along kind of nicely today and we'd get some answers. But I'm not sure if I should just kill time until the minister listens again or not.

But do you have a breakdown . . . and I'll check and see if some of his staff members are listening. Maybe the Minister of Culture and Recreation will take note and ask them . . .

**MR. CHAIRMAN:** — Order. Do you have a question?

**MR. ENGEL:** — I certainly do.

**MR. CHAIRMAN:** — Would you go ahead?

**MR. ENGEL:** — I don't want to repeat this 50 times, Mr. Chairman. Mr. Minister, do you have a breakdown on these numbers as to a formula? Out of the 4,000 receipts that went out, can you tell me how many receipts were for \$100 or less for cattle, how many were for \$500, how many were . . . and so on, and give me a kind of a breakdown to indicate that maybe one receipt, maybe one receipt was for a million dollars? Is there a ceiling on how much you'd get? And just give us kind of a breakdown as to how this money was divided up into some three or four categories, at least.

**HON. MR. HEPWORTH:** — Mr. Chairman, hon. member, I distinctly feel that what the member is trying to weasel out of me on this question is he is trying to make me say that it's only the big rich lawyers and doctors out there who are taking advantage of this program. That's what he's trying to make me say.

What I am going to tell you is this: that this government because, unlike yourselves, we view the livestock industry as one that can create tremendous economic wealth in this province — it can create jobs, it can create new money, the feeding industry, the packing industry. In fact, they estimate that for every cattle beast that's fed out in the province, it takes 71 bushels of barley. So it's good for the grain farmer; it's good for the irrigator; it's good for the custom feeder.

And if you're against creating new economic wealth that will build schools, build hospitals, build nursing homes, build agriculture, so be it. But we're not.

And I ask you, and I ask the members of this House: what is the record, and have we succeeded? Have programs like the Livestock Investment Tax Credit been successful? That is his question. Is the program working? Is the feeder loans association guarantee program working? Are the changes to the Agricultural Credit Corporation of Saskatchewan working? And the answer on every count is yes, yes, yes.

By his own admission in this House yesterday and the day before, much concern about the

\$1,000 — according to him — tax increase, and now today when, for the first time in the history of this province, we're prepared to give our farmers a well over \$1,000 tax decrease, all of a sudden it's no good. It's bad. He's against jobs; he's against economic wealth.

What is the record? The record is this: in 1984, compared to 1983, we fed 10, 11, 12 per cent more cattle out than the year before. And that's in the face of a drought. In the face of a drought we fed 450,000 head out this past year, and the year before it was 404,000, roughly.

The hog numbers are even more startling — a 25 per cent increase. And that's in the face of a drought. So by every measure the programs are working. And if you're against the plumber in town who was raised on the farm and still visits the farm every weekend, if you're against him investing in agriculture on his brother's farm or his dad's farm, or feeding out some cattle, you don't understand what family farms mean in this province. We do; you don't.

That's the old Socialist mentality that's coming through again. You're against progress; you're against change. We're not.

**MR. ENGEL:** — Mr. Chairman, you were talking about progress. I thought we were getting some. We've got \$4.5 million paid out to 4,000 farmers.

**AN HON. MEMBER:** — Not really. Pretended to be paid out.

**MR. ENGEL:** — Well this \$4.5 million, he said, is issued in slips, special little slips. He hasn't got a name for these slips. But I would like to know the denomination of these slips. Were they \$1,000 slips, or \$5,000 slips, or \$18,000 slips, or is there a ceiling on how much one farmer could get — was the first question, the first part of the question I asked you? And I haven't heard that answer.

**HON. MR. HEPWORTH:** — I think there's . . . The member, Mr. Chairman, is trying to make the point that it's just the big operators that are enjoying and reaping the fruits, the fruits of this program. Here are the facts. Here are the facts.

If the average tax credit, and to . . . I think the numbers were pulled forward to April 8th, so you'll appreciate that variation. The average tax credit was \$1,072. Now if you're in the cattle business that would mean that you had claimed a tax credit on 43 head. Yep, there's your big multi-millionaire Tory banker feeding cattle again. He's got that huge herd of 43. But none of you is into the hog business. He's a real big capitalist. He had 350 of them on average. That would be the average number. And lambs would be 535, and so on, and so on.

**MR. ENGEL:** — That is not what I asked the minister. I asked the minister: what is the maximum one rancher could get?

**HON. MR. HEPWORTH:** — Mr. Chairman, there is, there is no maximum. We do not believe in limiting farm size. We do not believe in limiting initiative. We do not believe in limiting innovation. We do not believe in limiting the creation of economic wealth in the agriculture sector. That is our style. I know the socialists opposite believe in limiting just about everything. We do not.

**MR. ENGEL:** — How much was the largest cheque that went out then?

**HON. MR. HEPWORTH:** — I do have that information for the hon. member.

**MR. ENGEL:** — Well Mr. Minister, then we'll hold up your estimates until you get that number, because averages, averages don't mean a thing. And I'd like to know . . . I'd like to know what the largest denomination of the receipts . . . how many cattle were eligible for a tax credit for the largest one that went out — to indicate that you're helping your friends and you're able to, you're able to make a program work? What was the largest tax credit of these that went out to

come up with this average of 1,072?

**MR. CHAIRMAN:** — Order. It being 5 o'clock, this committee will adjourn until 7 p.m.

The Assembly recessed until 7 p.m.