

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**May 24, 1985**

The Assembly met at 10 a.m.

Prayers

**ROUTINE PROCEEDINGS**

**INTRODUCTION OF GUESTS**

**HON. MR. DEVINE:** — Mr. Speaker, it's a pleasure for me to introduce to you, and through you to the members of the legislature, seven members from Estevan Pathfinders. The ages of the girls are 13 to 15. And as you probably know, Pathfinders are a branch of the Brownie and senior Girl Guide club, and they provide very, very good education to young people and particularly young women in the province of Saskatchewan.

They are accompanied by Sandi Chipley, the leader, and Marilyn Ehrmantraut. I will be meeting with this group later for pictures and for refreshments, and I would ask everybody to please give them a warm welcome to the Saskatchewan legislature.

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

**HON. MR. LANE:** — Thank you, Mr. Speaker. I would like, on behalf of my seat mate, the Minister of Health, to welcome to the Assembly, through you, Mr. Speaker, some grade 4 students from Grenfell Elementary School. They are seated in the Speaker's gallery. There are 32 students. They are accompanied by teachers Gordon Warman and Keith Biesenthol. Their chaperon is Carol Piller.

I will meet with the students, again on behalf of the minister, after question period. I look forward to meeting with them, having refreshments, and answering any questions they may have. I ask all hon. members to join with me in welcoming the students from Grenfell to the Assembly.

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

**MR. HODGINS:** — Thank you, Mr. Speaker. On behalf of my colleague, the member from Nipawin, it's my pleasure to introduce to you, and through you to all members of the legislature, a group of 25 grade 3 and 4 students from the Wagner Elementary School in Codette. They are seated in the east gallery and are accompanied by their teacher, Bev Gunnlaugson, chaperons Garry Jones, Sharon Carroll, Bob Butler, Joanne McGuire, Joan Swanson, Marlene Crombie, and their capable bus driver, Theresa Armstrong.

I have met with the group for pictures, and I would invite all hon. members to join with me in welcoming these students and their teachers to the Legislative Assembly.

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

**HON. MR. FOLK:** — Thank you very much, Mr. Speaker. It gives me a great deal of pleasure this morning to introduce a special guest to our province. Seated in the Speaker's gallery is Dr. Terzi, the Consul General of Italy, stationed in Vancouver. He's visiting our province and will be meeting with representatives from Agriculture, Agdevco, Economic Development and Trade, and later on this morning I'll have the pleasure of meeting with him.

I would ask all members of the legislature this morning to welcome Dr. Terzi to our legislature.

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

**MR. BIRKBECK:** — Thank you, Mr. Speaker. It's my pleasure to introduce to you and, of course, through you to the other members of the Assembly, a group of students that are visiting our legislature today. I do this on behalf of the Hon. Minister of Health, a member who is representing a riding right neighbouring to mine.

The group of students is seated in the Speaker's gallery. And they are grade 4 students; they are 18 in number. They are accompanied by their teacher, Mr. Moreau, and a number of chaperons — and I hope you'll accept my apologies if I mispronounce any of the names — but they are RoseAnne Faye, Linda Shauf, Shirley Sefton, Colleen Taypotat, Wendy Fafard, Dianne Karlunchuk, and Bev Galbraith, and as well, their bus driver, Don Fathers.

I will be meeting with the group of students, Mr. Speaker, at about 11 o'clock. They're going to be having their pictures taken, and I'm going to meet with them for refreshments in the members' dining room. I look forward to that.

I welcome them to the legislature. I hope they have a very enjoyable afternoon and a very educational afternoon, and I ask members to join with me in welcoming them here this afternoon.

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

## **ORAL QUESTIONS**

### **Impact of Federal Budget**

**HON. MR. BLAKENEY:** — Mr. Speaker, I would like to direct a question to the Premier, and it deals with the impact of the federal budget, which was read yesterday, on the province of Saskatchewan and the people of Saskatchewan.

By many estimates the Mulroney budget will cost a family in Saskatchewan, a family of four, perhaps \$600 a year in higher taxes. This is a double whammy when placed beside the budget which your government brought in, which increased taxes more than any budget in Saskatchewan history.

I want to specifically talk about the two cents per litre or nine cents per gallon tax on gasoline and diesel fuel, which takes effect on September 3rd.

I've looked through the budget papers tabled by Mr. Wilson with respect to this tax; nowhere is it stated that farm diesel fuel is exempt from that tax. Can you advise the House whether or not farm diesel fuel is exempt from this nine cent per gallon tax increase? Have you been in touch with your federal counterparts and found the answer to that key question?

**HON. MR. DEVINE:** — Well, Mr. Speaker, I anticipated that the hon. member might ask questions with respect to tax this morning, and I want to provide the hon. members information with respect to the federal budget on the impact on the province of Saskatchewan, including the impact on agriculture, Mr. Speaker.

The impact on agriculture is extremely important, and I want to make sure that you understand the increase in agriculture and the impact on agriculture. If I can give you an example, Mr. Speaker. The capital gains tax removal in the province of Saskatchewan . . .

**MR. SPEAKER:** — Order, please. Order, please. The question that was asked dealt with farm diesel only.

**HON. MR. DEVINE:** — Mr. Speaker, the question that the hon. member asked was the impact of the tax on Saskatchewan people, including, Mr. Speaker, the impact . . . Mr. Speaker, the fuel tax

rebate to farmers brought in by the federal government provides a net saving to Saskatchewan farmers of \$40 million a year.

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

**HON. MR. BLAKENEY:** — Supplementary, Mr. Speaker. I say again, I've looked through the budget papers tabled by Mr. Wilson with respect to the 2 cent per litre or 9 cent per gallon tax announced yesterday, and I cannot find whether or not that applies to farm diesel. I think it's an important issue — 9 cents a gallon. And I ask you, Mr. Premier, whether your communications with the federal government have revealed the answer to that question: does the 9 cent per gallon tax on diesel fuel apply to farm diesel? And you will know that it's coming into effect in September.

**HON. MR. DEVINE:** — Mr. Speaker, what I have before me are the impacts of the fuel tax rebate and the recent tax changes that will take effect in September. And the fuel tax rebate to the farmers of Saskatchewan, initiated by the federal government, is worth something in the neighbourhood of \$40 million a year benefit to the province of Saskatchewan.

The 2 cents a litre increase, subject coming in in September, is applied across the board, from my understanding, to everybody in the province of Saskatchewan.

**HON. MR. BLAKENEY:** — Mr. Speaker, and Mr. Premier, from your answer it would appear that the 9 cents per gallon tax which will apply in September, will, in effect, be deducted from the rebate, since the tax will go up by 9 cents per gallon, and the rebate will presumably stay the same.

Did the Premier or his colleagues make representations to the federal government indicating that at this time hard-pressed farmers could ill afford to pay an extra 9 cents per gallon for their fuel?

**HON. MR. DEVINE:** — Mr. Speaker, the hon. member mentions hard-pressed farmers in the province of Saskatchewan. Let me talk a minute about hard-pressed farmers and what is in this budget for them. Capital gains tax removal is directed for farmers in Saskatchewan. The hon. member mentions hard-pressed farmers. Let me talk about hard-pressed farmers. Capital gains tax removal in the province of Saskatchewan is the biggest single tax break in the history of this province for agriculture.

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

**HON. MR. DEVINE:** — Let me give you an example, Mr. Speaker. Let me give you an example. A farmer like, say . . . Mr. Speaker, as an example, Mr. Speaker, if you take a farmer that has 2,000 or 2,500 acres like, say, the member from Shaunavon; that tax break is worth half a million dollars to that particular farm family. That's what it's worth, Mr. Speaker. If you remove the capital gains tax in the province of Saskatchewan, it's worth \$30 million this year to agriculture and \$60 million next year to agriculture.

The members opposite are complaining about 2 cents a litre when we're providing millions and millions and millions of dollars into the pockets of Saskatchewan families. In fact, it's worth over \$4,000 annually, when you add up the tax breaks that we've initiated, the tax breaks the federal government initiated for the average family farm in the province of Saskatchewan. And I believe it was time, and I believe we lobbied for it, and I believe the hon. members would agree.

**HON. MR. BLAKENEY:** — A short question, Mr. Speaker. Would the Premier explain how a maximum tax deduction over a lifetime of \$250,000 can be worth half a million dollars to anybody?

**HON. MR. DEVINE:** — Mr. Speaker, let me give you an example. Let me give you an example.

The member from Shaunavon, I believe, has 2,500 acres, farm. Okay? All right? If you take that as an example . . . Let's take that example. If you take 3 or \$400 an acre . . . They don't want to listen to the example; well I'm going to give them the example. Twenty-five hundred acres from the member of Shaunavon, if you take the 1971 price and you take the 1985 price, it's probably gone up \$400 an acre. All right, \$400 an acre on 2,500 acres is a million dollars net gain. All right? He gets up to \$500,000 saving, \$500,000 saving once in a lifetime — half a million dollars that he can have as an exemption. Well, Mr. Speaker, for the member from Shaunavon, that's 200,000, 300,000, 400,000, \$500,000 in saving.

The member from Assiniboia-Gravelbourg would find something the same. That has never, ever, ever taken place in the province of Saskatchewan, Mr. Speaker. And there's an example where one individual on your side of the House can save hundreds of thousands of dollars because of capital gains tax alone.

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

**HON. MR. BLAKENEY:** — Mr. Speaker, it is obvious that the Premier does not understand that tax. It is obvious to anyone who has read the budget papers that the absolute maximum is \$250,000 — absolute maximum. But I'll move on; I'll move on.

Mr. Speaker, a new question. Mr. Premier, I'll ask once again. Are you asserting that because of that budget anybody could save \$500,000 in tax on capital gains? Are you asserting that?

**HON. MR. DEVINE:** — Mr. Speaker, what I am saying is that a member like the member from Shaunavon that has 2,500 acres could save hundreds of thousands of dollars in his lifetime, in his farm. Okay. And he can save, if he made \$1 million in capital gains, okay, \$1 million, which he probably could on \$400 . . . acres. He can look at hundreds of thousands of dollars of net benefit to him and his family, which I think is terrific, because Saskatchewan people have been asking for that capital gains. And you're worried about 2 cents a gallon, and he's getting hundreds of thousands of dollars. And the average farm in Saskatchewan could pick up \$100,000, net gain, as a result of this capital gains removal. And you're complaining about 2 cents a gallon when we've given them a \$40 million rebate already.

I think it's time you put it in perspective. I think if you start adding them up and say 3, 4, 5, \$6,000 a year to the province of Saskatchewan (a year) — \$150 million from us and over \$100 million from the federal government — a year — to the farmers of Saskatchewan . . . And you're saying, well, for heaven's sakes the farmer lost a \$264 farm rebate — \$264. And the farmer's picking up \$100,000 in his lifetime, plus thousands a year because of programs being initiated — because of transportation and various other things — I think you've got it out of context. Hundreds of thousands of dollars should be compared to 2 cents a litre.

**MR. ENGEL:** — Mr. Speaker, thank you. I don't plan on selling my farm for a while yet, Mr. Premier; 99 per cent of the people I talked to aren't planning on selling their farm. They're planning on making a little money this year. They were hoping to make a little money this year. But with your budget, Mr. Speaker, and with your harvest tax, your 9-cents-a-gallon harvest tax, I'm not sure they're going to make any money because this budget document reveals that there's going to be another \$50 million taken from agriculture this year from agricultural programs — \$50 million.

These cuts have been recommended by our friend, Erik Nielsen, who happens to come from the Yukon where it shows the kind of support he has up there. It's down the tubes. Erik Nielsen and his famous task force, his famous task force in government cuts, said that there's \$50 million that's going to be cut.

Can you tell Saskatchewan farmers what agricultural programs will be cut, and how much of the \$50 million will come from Saskatchewan farmers?

**HON. MR. DEVINE:** — Mr. Speaker, I'm sure my hon. friend would like me to give him the impact of the budget on agriculture . . . (inaudible interjection) . . . Well you want to know the impact on agriculture. You asked the question; you're having a dramatic impact on agriculture.

**MR. SPEAKER:** — Order, please. The members have been doing nothing but shout since the beginning of question period. I'm going to ask for order on both sides of the House so that we can carry on the business of this House.

**HON. MR. DEVINE:** — Mr. Speaker, I just want to point out to the hon. member . . .

**MR. SPEAKER:** — I'm going to caution the member for Regina Centre about his shouting in the Chamber.

**HON. MR. DEVINE:** — Mr. Speaker, I just want to point out the agriculture . . .

**MR. SPEAKER:** — I'm going to, as well, caution the member from Quill Lakes. For the last time, I caution the member from Quill Lakes.

**HON. MR. DEVINE:** — Mr. Speaker, the impact of the federal programs on agriculture are extensive, and the impact on the budget on agriculture is extensive. When we look at what they have done recently, and as late as yesterday, with respect to the budget, it has a significant impact on the province of Saskatchewan. And it is extremely positive, Mr. Speaker, extremely positive.

If you look at the programs that are initiated with respect to agricultural programs, related to farm income, it's over \$150 million a year to the province of Saskatchewan. With respect to the \$50 million that the hon. member . . .

**MR. SPEAKER:** — Order, please. I have cautioned the members enough times this morning. You ask questions. The questions are broad and they take a broad answer, and I'm going to ask you to be a little attentive and listen to the answer.

**HON. MR. DEVINE:** — Mr. Speaker, the \$50 million in the agricultural budget that the hon. member is talking about is not outlined in detail. It will be outlined when we talk about things that were going on in agriculture, as will be changes with established program financing, when those things will be in negotiation, and we will be talking about them.

I suspect a good part of it is related to subsidies to the dairy industry in Quebec and Ontario. I would think that it probably is associated with that. With respect to western Canada, I can only say in one sentence, there has been very, very large positive impacts as a result of the budget and recent moves for western Canada.

**MR. ENGEL:** — I guess there have been large impacts, Mr. Speaker. It says here:

The planned annual expenditure reductions of \$50 million, starting in 1985-86, reflect reductions arising from current fiscal requirements, and will include reductions in grants and contributions and, to the extent necessary, reduction in operating and capital items.

Does that include crop insurance? Does that include the stabilization programs? Fifty million dollars worth of cuts. Have you consulted with your counterparts in Ottawa to know what those cuts are?

**HON. MR. DEVINE:** — Mr. Speaker, I just said the \$50 million in operating may be related to staff. They've also already said they are going to cut the size of government. I don't know how

much they are going to cut the size of the administration. Most farmers would like to see a smaller administration and more programs for people.

And that's what's in the budget — an awful lot of programs, as I mentioned. Capital gains tax, for example — hundreds of thousands of dollars per farmer. That's an awful lot of money.

Now he talks about the Canadian agricultural budget of 50 million. Saskatchewan picks up 50 million alone just in capital gains tax next year — alone. And you're taking the entire agricultural budget of 50 million with the most population, Ontario and Quebec, and you're saying, well, that's going to have a big major impact. We're picking up more in cash in one year than that one cut across the whole nation.

If you're against capital gains removal, then you should say so because I think it's one of the most important things that have ever hit this province. And if you're against it, then you better be talking about it and make it very clear, because it's very positive for you. If you have over 1,000 acres in your farm it's extremely important in your area and your riding, and you shouldn't forget it.

**MR. ENGEL:** — Mr. Speaker, he can talk to the fellows quitting farming and the people leaving Saskatchewan all you want. I'm here for the farmers that want to farm. I'm not here for the farmers that want to sell.

**MR. SPEAKER:** — Order, please. Does the member have a question? Well get directly to it.

**MR. ENGEL:** — Mr. Speaker, my question has to do with this study team on agriculture led by the famous Erik Nielsen. The team is listed on page 66. Team director is former past president of St. Lawrence Sugar Company from Montreal. Team deputy director is Peter Cassidy from Environment Canada in Ottawa. Private sector members is Rexdale, Ontario; Ottawa, Ontario; Ottawa, Ontario. And then the old boy, Mac Runciman from Winnipeg, is on it, the only one representing western Canada.

What input did you have when this study team was studying agriculture? Did that hotline you have to Ottawa burn off completely? Did it melt? We have no representation from western Canada whatsoever. A retired Mr. Mac Runciman on there from Winnipeg, and that's it, on a team that is studying agricultural programs. Why not even have the minister in charge of crop insurance on there? At least you could have one person on there representing the concerns of Saskatchewan. Have you no more input with this government at all?

**HON. MR. DEVINE:** — Mr. Speaker, I think my hon. friend would remember that we sent an entire delegation of our caucus to Ottawa to talk about agriculture prior to the budget — Friday prior to the budget. And what did they get? They got capital gains tax removal for agriculture in Saskatchewan. That's what this caucus got, Mr. Speaker. That's an extremely important thing.

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

**HON. MR. DEVINE:** — . . . (inaudible interjection) . . . My hon. friend, are you saying that you don't like capital gains tax removal in Saskatchewan? Are you saying that?

Let me give an example. Mr. Speaker, we brought in a program to protect farmers in this province. We said the bank can't foreclose on farmers for at least one year. And now farmers that need to sell a quarter of their land, or someone who wants to sell a half section of land, pay no tax at all, Mr. Speaker — no tax at all if they want to move some of that land to help stabilize their farm. That's one of the most important things that have hit this province. And we lobbied hard for that. And we got that.

As a result of the kinds of things that we have done and lobbied for, the money to the province

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of Saskatchewan is over \$100 million a year net for us. And you're worried . . .

**MR. SPEAKER:** — Order, please.

**MR. KOSKIE:** — I have a pointed question, and I hope a direct answer. The budget documents, Mr. Premier, announced that the Mulroney government plans to increase the number of fees for agricultural services such as grain inspection, and so on. This government's fees jumped \$193 million this year for those services. Next year the Mulroney government plans \$65 million more in fee increase directly affecting agriculture.

I ask you: were you consulted on these massive increases which will affect the farmers, and what, in fact, you plan to do about it?

**HON. MR. DEVINE:** — Mr. Speaker, the hon. member knows that the fees in areas of crop inspection and seed grains and so forth haven't been changed for years . . . (inaudible interjection) . . . 195 million; well they haven't been changed for years, and I'm sure he'd agree that over a 10-year period the fees should go up something.

Now we can have a debate whether the fees should go up X per cent or X-plus-one or whatever. I am lobbying, and the Minister of Agriculture is lobbying, to have the fees as low as possible. The fee increases are going to have to take place. The question is: how high and where should the increases be sawed off?

So, Mr. Speaker, when we look at the changes in agriculture with respect to what we see in the budget versus what you're talking about — 2 cents a litre versus a fee — I'll trade capital gains tax removal in the province of Saskatchewan any time of the day.

**MR. KOSKIE:** — New question, Mr. Speaker. Mr. Premier, are you aware that the Mulroney budget announces plans for Ottawa to cut payments to the provinces for medicare and post-secondary education? The document talks about cuts of \$2 billion by the year of 1990. Negotiations on these cut-backs are to begin this fall.

What I want to know, Mr. Premier: will you, in fact, be fighting against this tax shift which the federal government is shifting to the taxpayers of Saskatchewan, or are you going to sit idly by and watch the taxpayers of this province and this country being raped by your counterparts in Ottawa?

**HON. MR. DEVINE:** — Mr. Speaker, my colleague here says that the taxpayers in Saskatchewan have not benefited. That's what he said.

Now it seems to me I can respond to that . . . (inaudible interjection) . . . No. You asked me if we'd been fighting for Saskatchewan taxpayers and if they've got any benefits, and I'm going to say yes. And I can go through a complete list of benefits. If he wants to hear the benefits to Saskatchewan as a result of the tax changes, I'll go through them. There are all kinds of them.

Mr. Speaker, I will say Saskatchewan people received benefits in the last budget, and we will be glad to make sure that the arguments that we present to the federal people will continue to provide benefits to Saskatchewan people.

**MR. LINGENFELTER:** — At this point in time, because of the lack of answers and just not getting anything from the Premier, I would move that the House adjourn.

Motion negatived on the following recorded division.

**YEAS — 7**

Blakeney  
Lingenfelter  
Shillington

Thompson  
Koskie

Engel  
Lusney

**NAYS — 30**

Devine  
Duncan  
McLaren  
Baker  
Dutchak  
Bacon  
Myers  
Hampton  
Tusa  
Zazelenchuk

Muller  
Katzman  
Garner  
Dirks  
Embury  
Smith (Moose Jaw South)  
Rybachuk  
Gerich  
Meagher  
Swenson

Lane  
Pickering  
Smith (Swift Current)  
Klein  
Maxwell  
Hopfner  
Caswell  
Schmidt  
Glauser  
Morin

**POINT OF ORDER**

**MR. LINGENFELTER:** — Mr. Speaker, on a point of order, during question period earlier this day the member from Elphinstone was asking a supplementary to the Premier, and a short supplementary, I might add. In the answer the Premier picked one word out of the question, out of the supplement, and went on to make what we perceive to be a speech on an irrelevant point.

I wonder if the Speaker could take the time to review the record and see whether or not he could bring back a ruling that would outline clearly whether or not a minister or the Premier can take one word out of a supplementary question which has nothing to do with the principle of the supplementary and make a speech on it. I wonder if you would do that for us.

**MR. SPEAKER:** — I'll take the opportunity to review the record and bring back a ruling.

**ORDERS OF THE DAY**

**GOVERNMENT ORDERS**

**SECOND READINGS**

**Bill No. 83 — An Act to amend The Summary Offences Procedure Act**

**HON. MR. LANE:** — Mr. Speaker, this Bill makes four separate policy changes to the manner in which provincial offences are to be dealt with in Saskatchewan.

The first of these, contained in sections 4 and 5 of the Bill, create an appeal mechanism for by-law offences that have been heard, in the first instance, by a justice of the peace. At present all appeals from a justice must be to the Court of Queen's Bench. This can be an expensive and cumbersome method of appeal when over 50 per cent of all by-law offences are heard by justices.



Appeals from traffic justices in the traffic safety court are to a provincial court judge. These proposed amendments will provide a similar appeal to the provincial court for by-law offences heard by a justice of the peace, with a further appeal to the Court of Queen's Bench only on a point of law. Where by-law offences are heard by a provincial court judge, mostly in rural areas, the appeal will continue to be to the Court of Queen's Bench.

The second change proposed in the Bill, contained in new section 9, is to eliminate altogether the need for a summary offence ticket to be sworn before a justice of the peace. Amendments were made last year to require a swearing of an information before a commissioner for oaths, but these were not proclaimed in force. It was subsequently determined that instead of simplifying procedures, swearing before a commissioner would require two appearances, one before a commissioner and one before a justice of the peace. Given that swearing of summary offences tickets is largely an administrative act, it is appropriate, in our view, to eliminate it.

Peace officers will, however, be required to declare that they believe on reasonable and probable grounds that no offence has been committed . . . That "an" offence, I'm sorry. Thank you. The proposed section will also permit a certificate of service rather than an affidavit of service when a summary offence ticket is served by a peace officer.

Sections 3 and 7 of this Bill deal with the incarceration of juvenile offenders under provincial laws. Although persons under 18 are rarely incarcerated for contravention of provincial offences, these amendments will parallel provisions in the federal Young Offenders Act. Thus, if arrested for both a federal and a provincial offence, there will be no legal inconsistency.

And finally, section 8 of this Bill will go a long way toward providing equality of treatment of persons who are incarcerated for failing to pay a fine. At present, unless incarceration is specifically provided for in a statute creating an offence, a judge has a discretion to order imprisonment in default of payment of a fine for any period up to 90 days. This provision can result in inequities against persons fined the same amount for the same offence.

The new provision directs that a time served in default is three days for the first \$75 of an unpaid fine, and one day for each \$25 or portion in excess of \$75. This provision will apply only where a judge does not otherwise direct. So a judge's discretion in appropriate cases is not removed.

Mr. Speaker, I move second reading, An Act to amend The Summary Offences Procedure Act.

**MR. KOSKIE:** — Thank you, Mr. Speaker. In noting the changes as put forward by the Minister of Justice, I suspect that we will be supporting the amendments. We would like an opportunity to look over in a little more detail the Bill and the comments of the minister.

I beg leave to adjourn the debate.

Debate adjourned.

(11:15)

## ADJOURNED DEBATES

### SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Embury that Bill No. 63 — **An Act to amend The Municipal Revenue Sharing Act** be now read a second time.

**HON. MR. BLAKENEY:** — Mr. Speaker, before I adjourned this debate, I had spoken of the effect of this Bill, which I believe effectively destroys revenue sharing as it was originally conceived. I

think that the Bill itself, doing as it does, freezing all payments at the same level that they were last year, destroys completely any changes which may come about because the communities are growing and might therefore have some right or claim to expect a larger amount from the provincial purse, particularly since the whole . . . Much of the payment out is on a per capita basis.

When you take the position that a formula which is based upon a per capita payment shall no longer operate, and regardless of how rapidly a community may be growing they'll get no more money, when we all know that municipal governments are faced with perhaps their largest increases and expenditures when they're undergoing a period of growth, then it seems to me that that is a very, very retrograde proposal.

If it is for one year, and represents simply the dire straits in which the provincial government finds itself, that will be one thing. If it is, in effect, the destruction of revenue sharing, and the placing of municipal financing on a totally arbitrary basis, depending upon each annual budget, then it will be a very substantial step backward.

The whole idea of revenue sharing would be that a formula would be set up so that municipalities could calculate fairly closely what their money would be — the same way basically as the school grant formula.

The school grant formula allows school boards to calculate with some degree of precision what their school grant will be. They do not know necessarily what the increase will be, but they know that if their pupil load increases, they will likely get an increase in grant, and if their pupil load decreases, they will likely see no increase in grant, or a reduced increase. They know the elements of the formula. They don't know its exact application but they know basically how change is going to affect their money flow.

When we have a Bill like this which says that, regardless of any changes: regardless of whether provincial tax yields have gone up or down, regardless of whether your population has gone up or down, regardless of whether your tax potential has gone up or down, we're simply going to freeze what you got last year, then we are imposing what is really a totally arbitrary principle on municipalities.

As I say, if it's for once, then it represents the dire straits that the government is in, the fact that they are having to scramble and they're having to do away with any certainty, any sort of rational basis for grant formula for municipalities.

If, however, we don't have some undertaking from the government that they're going to go back to some rational formula, including some element of flexibility which the government may well need because it can't predict its revenue flow either, then we are back to the crudest of grant formulas saying what you get in a municipality is what's in the budget. It doesn't depend upon your population. It doesn't depend upon any external factor which you will be able to know about. It will simply depend upon what comes down in the blue book.

That is not a basis on which municipal people — city councillors, town councillors, or other municipal people — can do any reasonable or rational planning. I hope the government does not propose this sort of thing for the future. I oppose it now. The point, I think, has been made. Details can be raised in committee. I will be opposing the Bill, and I will raise, as I'm sure my colleagues also will raise, points in committee.

**MR. SHILLINGTON:** — Thank you very much, Mr. Speaker. I want to briefly lament the death of revenue sharing, because that is what has occurred in this province since this government took office. I want to lament that. It was an important principle that brought revenue sharing and municipal financing a long ways into the 20th century, and it is now dead unless this government is removed from office.

The principle of revenue sharing was that municipalities would not be subject to the vagaries and the whims of the day with a provincial government. They would know what their funding is; they would know what their financing is; and they would be able to plan accordingly.

And that was what underlay revenue sharing, was that the municipalities would have an assured level of funding that wouldn't change with the whims of the government. It would not vary whether or not the government felt kindly disposed to municipalities or unkindly disposed. It wouldn't vary depending upon whether the government felt itself flush or felt the restraint to be the mood of the day. They would be freed from the bounds of being kept on a short leash by a provincial government.

And the principle of revenue sharing as it was introduced in Saskatchewan was hailed across Canada. I still have a file in which the Alberta Association of Urban Municipalities sent a news clipping where the Alberta Association of Urban Municipalities sent a resolution to their government in Edmonton to look at and adopt the Saskatchewan system of revenue sharing — was hailed across Canada as a major step forward in municipal financing. And it is dead as long as this government is in office, because this government is now in the process of imposing the third freeze on revenue sharing, and the principle just simply doesn't exist.

If this government experienced the blinding light on the road to Damascus and had a change of heart and all of a sudden began to believe in revenue sharing again, the old principle wouldn't work. We'd have to start largely from scratch; we've lost so much time.

What this government has done with its three-year freeze is in fact to sign the death warrant of revenue sharing. All we have is the name. And if this government opposite had any integrity, it would amend the Act and remove the name, because the name belongs to a much, much better system of municipal financing than what we now have.

It is obvious, Mr. Speaker, I will be voting against the Bill. My only hope is that after the next election, this government is replaced by an administration which believes in fair play to municipalities, because this government doesn't.

**HON. MR. EMBURY:** — Mr. Speaker, just a number of short comments. Listening to the opposition's remarks, I find it interesting the member opposite from Regina Centre seems to feel that the revenue-sharing formula that was used in the past was such a great formula.

I would like to point out to the member that under the old revenue-sharing formula, not only were the revenues to go up when provincial revenues went up, but they were also to come down when provincial revenues fell.

As the member opposite knows . . . (inaudible interjection) . . . I guess the member opposite had some more things to say because he's speaking from his chair. But I want to point out that those revenues, when they went down, were also to go down for the municipalities.

More importantly, however, is the fact that a number of years ago, in 1982, one of the revenue sources — that is the gas tax — was removed, which of course made the formula inoperable. And since that time, Mr. Speaker, we have been negotiating with SUMA for a new formula for revenue sharing. That has not been arrived at. I can tell the members opposite that the distribution formula has been agreed upon and will be instituted next year.

Now I think for the members opposite to say that these funds to municipalities have been frozen for the last number of years is incorrect. In fact, in the last two years they've had a 7 per cent increase in funding, and last year they had a 5 per cent increase in funding. So over the last two years they've had 12 per cent increase; they have not been frozen, and they have been well ahead of inflation.

May 24, 1985

.I think, Mr. Speaker, that we will get into further points in committee of the whole, but I wanted to clear those aspects up for the members opposite.

With that, Mr. Speaker, I move second reading of Bill No. 63, An Act to amend The Municipal Revenue Sharing Act.

Motion agreed to on the following recorded division.

**YEAS — 35**

Muller	Andrew	Lane
Duncan	Katzman	Pickering
Hardy	McLaren	Garner
Smith (Swift Current)	Baker	Schoenhals
Dirks	Sandberg	Klein
Dutchak	Embury	Maxwell
Muirhead	Bacon	Parker
Smith (Moose Jaw South)	Hopfner	Myers
Rybchuk	Caswell	Hampton
Gerich	Schmidt	Tusa
Meagher	Glauser	Zazelenchuk
Swenson	Morin	

**NAYS — 7**

Blakeney	Thompson	Engel
Lingenfelter	Koskie	Lusney
Shillington		

Bill read a second time and referred to a committee of the whole at the next sitting.

(11:30)

**INTRODUCTIONS OF GUESTS**

**MR. LUSNEY:** — Mr. Speaker, I wonder if I could get leave of the House to introduce some guests.

Thank you very much, Mr. Speaker. I'd like to introduce to you, and through you to this Assembly, Mr. Speaker, a group of some 70 students from the Victoria Elementary School at Kamsack. they are accompanied by their teachers Lorie Neher, Ms. Marie Krsacok, and the principal, Harry Shukin.

I'd like to welcome the students here today and say that I hope that their visit to the legislature and to Regina will be interesting and informative, and that you have a safe journey home.

I will be meeting with you at 11:45 for some pictures at the steps of the legislature in the rotunda area. And if there are some questions at that time that you have, I will be very pleased to talk with you.

I'd just like to say that we are very pleased to have you down here today, and I would ask all the members to given them a nice welcome to the legislature.

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

**COMMITTEE OF FINANCE**

**CONSOLIDATED FUND BUDGETARY EXPENDITURE**

**SASKATCHEWAN CROP INSURANCE CORPORATION**

**Ordinary Expenditure — Vote 46**

**Item 1**

**HON. MR. MUIRHEAD:** — Mr. Chairman, it is a great pleasure to introduce the officials I have with me for the Saskatchewan Crop Insurance Corporation. On my right is the general manager, Wayne Funk, and on my left is the manager, administration, Jim Walters.

The support and co-operation exhibited by these persons personifies the spirit and attitude shown by the staff in general at crop insurance. In a year when the farm community has faced such adversity, the personnel have stood fast and performed against all odds to be of service to the insured farmers.

Perhaps an example would be appropriate. The number of yield loss claims handled in 1981 was approximately 31,000. In 1984 the number was in excess of 41,000, and the staff completed those in five weeks less time, meaning the insured received their claim payments that much earlier.

The farm economy received a vital injection of cash as a result of 1984 crop insurance claims. Over \$258 million went out to insured in Saskatchewan.

In recent months we have seen the addition of meaningful benefits to the program. Winter wheat coverage has been made available, and many insured will benefit from that this year. The individual coverage option has also been made available, where a person has the right to use his own production records to determine his coverage.

But perhaps the most important improvement is one of attitude. Since 1982 the insured utilizing the program are treated as one of our most important assets — our customers. They are now given the most human approach they have ever known from the corporation and its employees, a fact I am very proud of.

Mr. Chairman, this my eighth session since I've become a member of this legislature. I have just witnessed a budget brought down by our government that will ensure the Progressive Conservative government to be in power a long time.

Mr. Chairman, I have watched the members opposite very carefully this past three years. In 1982 they were naturally down. They really looked the part of their defeat. In 1983 and 1984, to me, they performed quite well. But, Mr. Chairman, it has been quite the opposite in the latter of 1984, and now in 1985.

Since this common sense budget this session I have never seen such a downfall of an opposition. Mr. Chairman, they are grasping at every straw they possibly can to survive. I am in contact with many people daily. My office receives over 100 calls a day. I travel throughout my constituency continuously, also throughout the province. Even their own NDP supporters are disgusted with them, especially their behaviour in the Assembly and the items they attack and how they do it.

Mr. Chairman, even I feel sorry for them. They sit in opposition to watch the government do a

much better job . . .

**MR. CHAIRMAN:** — Order, order. The question before the committee is Saskatchewan Crop Insurance, and I would ask the member to keep his comments in that area.

**HON. MR. MUIRHEAD:** — Mr. Chairman, look at the programs of our government: the five-year program for education, job creation, health, and agriculture. And agriculture is definitely connected with crop insurance. They must be disappointed that we brought in our nine and five-eighths program. Imagine, \$1.5 billion over five years of government money, real money, to protect the most precious programs belonging to the taxpayers of Saskatchewan.

Mr. Chairman, why did we do these things in the budget? Because we listen to people. People told us they wanted us to protect our health care programs, and we did. People told us to do something about job creation, and we did. People told us to improve our educational programs, and we did. People told us to help farmers, and we did. People told us they wanted our election promise of the nine and five-eighths program, and we did.

Mr. Chairman, the difference between the NDP and the Progressive Conservatives is the NDP delivered their programs from the government to the people. The Progressive Conservatives deliver their programs the other way around — the voice of the people to the government.

Mr. Chairman, since crop insurance is a part of agriculture, just a few words pertaining to agriculture, and I will sit down to answer any questions pertaining to crop insurance corporation.

Mr. Chairman, I am proud of the Department of Agriculture programs, especially comparing them to the past 11 years — 1981 to '82 under the NDP government.

I watched very carefully for 11 years, along with all the rest of Saskatchewan, their agriculture programs. Mr. Chairman, there was only one program to remember the NDP by, and that was land bank. They would wait just like vultures for some farmer to go broke, offer them big money, then own their land. Mr. Chairman, I thank the good Lord the NDP and their land bank program was defeated in 1982.

We all know that the economy in North America is at a serious low, with many farmers in financial difficulties. Mr. Chairman, we defeated the NDP just in time to save Saskatchewan from being a state-owned farm. The older people of Saskatchewan know what the *Regina Manifesto* meant under the CCF. It meant government owned. Their mandate was to own and operate everything.

In later years old and young knew the seriousness of the *Regina Manifesto*. They wanted to own the potash mines . . .

**MR. CHAIRMAN:** — Order, order. Order! Order! I would caution all members of the House . . . Order, order. When the Chair is making a statement I would ask all members to be quiet, and that's on both sides of the House. Order. The question before the committee is the Saskatchewan Crop Insurance Corporation, and I would ask the minister to keep his remarks on the Saskatchewan Crop Insurance Corporation so that the questions that are asked by the opposition will be on the Saskatchewan Crop Insurance Corporation.

**MR. LINGENFELTER:** — Mr. Chairman, in the past 10 minutes the minister has talked about the policy of the NDP as it related to land bank, medicare, and a number of other issues. And I just want to get it clear that when our members stand up that they will be allowed the latitude to ask questions on those issues that you allowed on the record. I just want that clear for the members in the opposition.

**MR. CHAIRMAN:** — To rule on your comments: I have brought the minister to order twice.

And I have to listen to his comments before I can tell whether they're in order or out of order. I will ask members to ask their questions on the crop insurance corporation, as I have asked the minister to keep his comments on the crop insurance corporation.

**MR. LINGENFELTER:** — Mr. Chairman, in listening to the debate, he went on and talked about medicare until he finished that section of his speech and then went on to land bank. You didn't make any attempt to stop him on talking about medicare. And I'm wondering if we can now talk on the issue of medicare, because you didn't stop him while he referred to his notes that related to medicare. That issue — can we now ask questions on medicare in this committee on crop insurance, because it was allowed on the record, and there was no attempt made to stop it. He just went on to crop insurance.

**MR. CHAIRMAN:** — The Chair has made a ruling, and if the member wants to challenge the ruling of the Chair . . . I would ask all members to keep their comments to the Saskatchewan Crop Insurance Corporation.

**MR. ENGEL:** — Mr. Chairman, I carefully listened to the remarks of the member, the minister in charge of crop insurance. He talked about reasons why we were defeated. And if I can't rebut those arguments he made, Mr. Minister . . . I want a ruling now whether we can rebut the arguments, and I made notes on what he was discussing. He talked about job creation; he talked about health care; he talked about election promises; he talked about nine and five-eighths; and I'm going to rebut those arguments because they're on the record. You allowed him to go through his entire typed notes and read them word for word, and I think I have a chance to talk about the *Manifesto*, I have a chance to talk about potash mines, and state-owned farms. Those are the topics he raised, and we better discuss them this morning.

**MR. CHAIRMAN:** — On the member's point of order, the member is allowed to ask the question, and I will rule on it at that time.

**HON. MR. MUIRHEAD:** — Mr. Chairman, I've been asked twice to get back on the topic of crop insurance, and I accept your ruling. now I'll just not carry on with my speech any more, and I'll entertain questions regarding crop insurance.

(11:45)

**MR. ENGEL:** — Mr. Chairman, there is only one item. And my first question relates to the topics the minister raised when he was standing up there. And I suppose he spent as much of his time on his introductory remarks talking about his department as he spends in time in relationship to what he does. And in his 10-minute little ordeal we sat and listened to here, he talked for 22 seconds on crop insurance, and 9 minutes and 40 seconds on other topics.

I think the minister was indicating to this House that his appointment is based, not on the needs of farmers and on the needs of crop insurance, but his appointment is a political pay-off because he is a bagman for the Tory party. He's got a job, and he's got a car, and he's got staff. He's got staff to do his little political job that he's been hired to do. And he indicated to us today, very clearly, what his political job is — 20 seconds on crop insurance, and 9 minutes and 42 seconds on politics . . . (inaudible interjection) . . . politics — 43? I think it was only 42. I timed him. I timed him very carefully, Mr. Minister, and I made some notes on what he was talking about.

He talked about the federal budget and the benefits to farmers and how this relates to crop insurance, and I want some answers, Mr. Minister, on the budget that came down by your own Minister of Finance, and by your crony in Ottawa on the budget that he introduced yesterday.

What do you feel the benefits are going to be to farmers, with the \$50 million cut and the harvest tax? And how does this apply to crop insurance? Is that \$50 million going to come out of crop insurance, or where is he going to get that \$50 million that he's cutting? What program is

going to be cut, and how are you going to streamline your operation, and how are you going to streamline the benefits farmers receive to make up that terrible deficit, the terrible deficit farmers are facing?

We're stuck on the farm, Mr. Minister, with the crop insurance, where you said that (I'm going to get the number), I believe you said that you filed claims, and I can't believe the number I wrote down here because you said in the last figure it was 31,000 claims. How many claims did you say you processed this year? Just give me that short answer, so I can finish my statement.

**HON. MR. MUIRHEAD:** — 41,000 claims last year.

**MR. ENGEL:** — Thank you, Mr. Minister. Because I had written down here, and it looked like 81, and I thought that's too many because there are only 61,000 farmers.

But of the 41,000 farmers that received claims, next year, next year they're going to be discounted because of receiving a claim. Their claim next year is going to be discounted off the back, and besides that discount, Mr. Minister, the farmers are going to be discounted because of our smart budget, and our intelligent budget. We're going to lose the \$300 that the farmer should have gotten on his home quarter, school tax rebate. We're going to lose the money the farmer should have gotten . . . (inaudible interjection) . . . We're going to lose \$375 on our property improvement grant. We're stuck with the fancy little changes you made to the reassessment, and we're going to pay some extra tax there. The R.M.s are going to be stuck collecting their tax because there's no incentive to pay the tax on time.

There's such a compounding of problems in rural Saskatchewan because of this intelligent budget that you referred to. Now we get a harvest tax, a harvest tax — 9 cents a gallon for harvest. What are you, as the Minister of Crop Insurance, going to do for the farmers to try and cover some of these losses that we're facing?

We're facing some losses. They total \$1,000 a farm by your budget. Now you're slapping on more than another \$500 a family taxes, in the tax increases, with the sales tax increases, the federal sales tax increases, the harvest tax. We estimate an additional \$500 a family plus \$500 a farm, so the farm is stuck with \$2,000 worth of increases. What have you got in your program that's going to write off that difference? What changes are you going to make in crop insurance to give us that additional \$2,000 a farm?

**HON. MR. MUIRHEAD:** — Mr. Chairman, the hon. member wanted comments from me on where we stood with the federal budget. According to crop insurance corporation we have . . . the federal government pays 50 per cent of the premiums which, last year, was \$127 million worth of premiums and 50 per cent paid by the federal. And there is no change for the upcoming year.

And it is not for you . . . now you might have misunderstood me, Mr. Chairman. There was 41,000 claims from 28,000, approximately 28,000 farmers. Now one farmer can have more than one or two claims. And he's talking about these people that have losses last year, that their coverage will be lesser this year. That is the idea of the individual coverage: to phase in as the farmers want it so this won't happen to them, using their own yields and not the risk area.

**MR. ENGEL:** — Mr. Minister, when you switch to the individual coverage, how can an individual farmer that has a claim, so his crop last year, last crop year, was less because he suffered a claim, and he takes that average into account; how can you stand up in this House and say that his coverage won't be less this year because it's taken on his average? It's got to be down because he's got that bad year in there.

And the suggestion I'd like to make: because of a severe drought and because of an act of God, not the farmer's responsibility that he had a claim . . . This is a first time since 1953 that I've ever



claimed. Insurance wasn't around, but I've had the least wheat last year than I've had since I'm farming, and I've had my farm operation going since 1953. I've been building on it.

Mr. Minister, I'm not alone. All the farmers in southern Saskatchewan are in a position where they have less wheat. Have you considered talking to your counterpart in Ottawa and saying that we shouldn't penalize the farmer for an act of nature. We shouldn't penalize the farmer because he couldn't get his crop in because it was flooded, or he couldn't receive as much of a crop. Have you considered taking away that penalty clause?

When I have a fire and the house burns down, or burns because of a fire, when he rebuilds that house and puts it back in, he doesn't have to insure it for less money and get less after that should lightning strike or a tornado come along and blow that house away. He's going to get back up to the value he's insured it for. And yet your crop insurance works to the benefit that if I don't claim, I can keep getting better and better performance records up to a good percentage level. I like that.

But the minute he suffers a claim because of bad luck, the next year he's forced to take less coverage, he can't cover for as much. And I wonder if you've considered, because of the broad spread aspect of the drought, if you've considered to waive that this year and say to the farmers, we'll cover you for what you were covered before you had this drought; this drought was an act of God, and we're going to take care of you, and we're going to put up that little extra. Will you consider that kind of change to the crop insurance, because you're the minister in charge?

**HON. MR. MUIRHEAD:** — Mr. Chairman, the member states that if a person had a bad crop last year, the individual coverage may not be the answer for him because it would lower his yield so badly. Well, I don't agree. We have many, many farmers that might have had seven or eight real good crops in those last 10 years. And if one year put him below individual coverage being a help to him, well then it wasn't . . . individual coverage isn't the right move for him to make. He's better to stay in the risk area average the way he is now.

If you on your farm . . . If the member from Assiniboia-Gravelbourg, Mr. Chairman, on his farm, is saying that he had maybe good crops from 1953 on, or whatever, but if he had nine good crops and just had last year as a bad crop, individual coverage would have to be higher coverage for him in this coming year, and if it's not, well then he didn't have crops above the risk area.

And we have talked to . . . This has been something, Mr. Chairman, that we have discussed with many farmers and the board and discussed with our counterparts in Ottawa, and they tell us that this here program is absolutely got to be actuary sound, or we will not receive our funding.

So yes, we have. We have taken your concerns, and the farmers' concerns, and we have taken them to Ottawa, and this is the best we can do on . . . (inaudible interjection) . . . Well, we've done very well, Mr. Chairman. We've brought in individual coverage, and that will answer the farmers' needs in time. It will definitely answer the farmers' needs in time.

**MR. ENGEL:** — Are you promoting individual coverage for the purpose of helping crop insurance become actuarially sound? Does that help crop insurance become actuarially sound?

**HON. MR. MUIRHEAD:** — The reason we brought in individual coverage, Mr. Chairman, is because it was a request from the farmers in the province of Saskatchewan.

When I became minister in 1983, I covered this province to all area offices — visited with hundreds of farmers. This was number one on their mind, was individual crop, individual coverage, where they could use their own yields, their own production, and not their neighbours' yields. And so if they wanted to spend more money on fuel and chemicals and fertilizers and good farming practices, they would be able to bring their yields up where they belonged, at a higher level, and be insured at a higher level, not down at a low level.

And we do feel, yes, Mr. Chairman, very strongly, that individual coverage will help the farmer in the province of Saskatchewan.

**MR. ENGEL:** — That wasn't the question. I'll repeat the question. Will individual coverage help the insurance plan become actuarially sound?

**HON. MR. MUIRHEAD:** — Mr. Chairman, there'll be no change. The risk area program was actuarially sound, and this has been designed so it's actuarially sound, so there'll be no change there.

**MR. ENGEL:** — What was the problem as far as the insurance company and the concerns that were raised from Canada's point of view, as far as being actuarially sound? What concern have you, or what issue are you raising there?

**HON. MR. MUIRHEAD:** — Mr. Chairman, the member opposite, the hon. member from Assiniboia-Gravelbourg, what he's bringing up here is they'd like to have it this way, that when a farmer has a loss that that isn't considered into his coverage program, he's saying this: that when we have a bad crop, if it's hailed or drought, not of his own helping — he couldn't do anything about it — now he's saying that we want it to stay at the higher level. Then it would not be an actuarially sound program. That's the point I was trying to make. It would not be an actuarially sound program if we brought it in that way, even though many farmers would like it — all people would like it.

You compared it to fire insurance on your house. If you have enough fires, or whatever, the insurance company will not insure it any longer. So it's really the same principle.

**MR. ENGEL:** — Not after one fire, Mr. Minister. The point I'm making is that farmers are paying their premium, far from being actuarially sound, they put in and put in and put in and put in and put in and put in. And then they have one loss — and zappo! — down goes their good performance discount. They get discounted on their coverage.

And you're saying, tough luck, boy. You might have had 10 years of good performance bonuses and then, all of a sudden, you claim once and they're gone. I think you should reconsider that action.

**HON. MR. MUIRHEAD:** — Mr. Chairman, before you go out of sight, bottom out, like the member is stating, you'd have to have three bad years in a row. You go down 4 per cent on that first year. You don't zappo right out like he's stating.

He's saying that . . . and which many farmers are requesting, that they'd like to have higher coverage. But the premiums would be so out of reach, and you have to put the premiums up so the program would be actuarially sound.

I know what you're saying, and I know what many people are saying, but to have the program actuarially sound, this is what we have, and we don't see any immediate change in it at this time.

**MR. ENGEL:** — Do you want to give the House a little bit of a breakdown on that, and give us the details, just what the percentage discounts are — year one, year two, and year three? Because you can go down to Rockglen-Bengough area, and I met with two R.M.s and some farmers there. And there were 20 farmers there that said that it didn't pay to buy crop insurance any more because of the coverage they're getting.

And I hope the member from Bengough gets into this because half of his constituency's affected really seriously. The drought was worse on the east side of my riding and into the west side of the Tory riding in Bengough. And those farmers are hurting because they've had three bad crops

before this one, and so they're on their fourth year.

And they're telling me that they can't afford, number one, the premium; and number two, the percentage of what they're getting, by what they're paying, is a fine line that it's no more benefit to them.

(12:00)

**HON. MR. MUIRHEAD:** — Mr. Chairman, the member is stating a position that is not accurate. If anyone is in that position that he's had a crop loss and it's less than what his premium is, there is no reduction in his coverage. So if anyone has had a reduction in their crop coverage, crop loss coverage, they have received a lot of money from crop insurance because there's no way any individual will be left out, not being better off — would naturally be better off if they received a crop.

But if they received a crop loss more than their premium, then they have a . . . There's a sliding scale, and how much you drop here, and if you want to get that information . . . I haven't got it, but every area office in this province and every farmer has a chance to go and pick up one. And there's a pamphlet showing that whole sliding scale and exactly where they're at, and you can do the same thing in the office at Assiniboia or Gravelbourg. They both have an area office.

**MR. ENGEL:** — Are you standing up in this House saying that you have your two people, both Wayne and Jim, here with you, and you don't have that scale with you, that I got to go to the office in Assiniboia or Gravelbourg to pick up this information from the secretary; that as minister in charge, with only one line to look after, that you can't give us the discounts the farmers are going to face because the premium stays up there?

The point I'm making: if the farmer paid \$4,000 worth of premium on a good year — he had good crops up to this point — and he paid \$4,000 worth of premium and he suffered a crop loss of \$6,000, you can't tell me what his premium is going to be the next year, and what his coverage is going to be the next year and the year after that — the three years that it depletes? You don't know those numbers, the percentages that being penalized? Mr. Minister, I don't believe it.

**HON. MR. MUIRHEAD:** — Mr. Chairman, it wouldn't be necessary for my officials to bring in all the pamphlets that crop insurance sent out throughout the province. We had 40 meetings throughout this province explaining all these issues, in the winter of 1985, explaining these things.

But there were very, very few farmers that didn't know because they have access to walk into any area office the same as you have. I know. I've been a farmer that's had crop insurance for many years, and I've known these things. And if the member opposite doesn't know these things, he isn't really interested. That's the only thing I can say. I can't expect my officials to bring the whole . . . (inaudible) . . . brochure that crop insurance put out.

I have the sliding scale here. It's right in your annual report if you want to look at it. You didn't read the annual report. Mr. Chairman, the member opposite didn't read the annual report. It's right here: the coverage adjustment per cent of basic; accumulated loss to premium ratio. It's right here. Do you want to look at it, or do you want me to read it out to you? Or do you want to read the annual report like you're supposed to?

**MR. ENGEL:** — Mr. Minister, I didn't come here to these estimates to get a lecture from you. I came here to ask you some civil questions about crop insurance. If you want me to get into the annual report, let's look at page 6, and let's just see the fallacy of having a minister in charge of Saskatchewan Crop Insurance. And the point I was trying to make is that this is a joke.

We should have taken five minutes when we did the Agriculture minister's estimates and taken five more minutes and talked about crop insurance as one of the lines in the estimates of the

Department of Agriculture. That's the way it's been done for 17 years in this province, as long as we've had crop insurance, when it was handled like it would be a horned-cattle check-off or any other topic where it's a one-line, one amount, administered jointly by some decent staff that are responsible to the federal government and to the Saskatchewan government to administer the amount of money that's being voted.

But in this government's wisdom they decided to have a minister in charge of crop insurance. We call him the minister in charge of hail-stones because maybe he goes out and counts hail-stones. Now he couldn't stand up in this House, Mr. Chairman, and tell us the three discounts that come down the line that a farmer faces, and if it's still a good deal to buy crop insurance after you've had three crop failures. He can't stand up and tell us that and argue for the benefits of crop insurance. They'd have to bring in boxes full of information. And then he scolds me for not knowing those numbers. I didn't attempt to judge whether I know those numbers or not. I want him to make public the advantages of having crop insurance.

Now if you look at the chart on page 6, you see at the top of this chart it says, minister. Then there's another little box that says, Saskatchewan Crop Insurance Corporation board of directors. Then there's another line says, general manager. Okay. Now if you take your pen, Mr. Chairman, you draw a little circle around minister and an arrow; you can put an arrow around those first boxes that are on this side. It says, field services and public relations are responsible, through the line. Field service training, regional offices 3, communications and information, and 13 area offices. That's on one side.

Then you have another set of boxes under general management: field services and control. So they control instead of public relations. And under the control, they have field services training — same as field services training under the minister; they have regional offices 3, same as under the minister's regional offices 3; then underneath that they have 13 area offices, and 13 area offices under the general management's field.

And the question I'd ask you, Mr. Minister: are you using a duplication of the crop insurance's administrative chart? These boxes here that are exact duplicates of the others, are you setting up a duplicate order that you can do in your little political machine out of, or have these people got double duty? What's the difference between the little box that says field services and control versus field services and public relations, for example?

**HON. MR. MUIRHEAD:** — Mr. Chairman, the member opposite, he asked me two questions there. And what he asked me was to stand up and tell the people from here — tell the farmer of Saskatchewan why he should have crop insurance.

I think it's very easy to answer that request, Mr. Chairman. We paid out \$250 million to farmers that were in distress last year and there were 41,000 insured farmers. This year we have 48,000 farmers that are insuring for crop insurance.

I think that the people themselves, when they have 48 out of 68,000 farmers that are insuring, they understand the program. And I don't need to stand here in this House and explain to every farmer that's not here exactly what the program's all about.

But any individual questions you want me to answer, I'll read that whole thing out that you have in your annual report, if you so wish.

The question you asked, though, is the split in the province — the 13 area offices here and 13 on the other side of the province. There's no difference other than they're split in half and one's run by one man and one's run by another man. That's the only difference. There is no difference in the area offices and how they run their affairs or what we do for crop insurance or what their coverage should be. There's no difference unless it's broke down into regions or their risk area.

**MR. ENGEL:** — He mustn't have been listening to the question. Mr. Chairman, under his administration chart on the far left it says field services and public relations. The next box over says field services and control. What's the difference between those two boxes, is what I asked you.

If you want to name some officials that are in there, or what is the difference in the chain of control? Why do you have a duplication? Because under field services and control you have a branch leading out that says field services training and under field services and public relations you have field services training. I was wondering: what is the difference? Why have you got a duplicate control? Is one controlled by the minister and the other controlled by the general manager or do you have a duplication of services there?

**HON. MR. MUIRHEAD:** — Mr. Chairman, it's just exactly what I said. There's a split just to give better service to the farmers in the province of Saskatchewan — to the insured. And it's exactly what I said in my answer the first time; it hasn't changed.

It's just split. There's Mr. Ron Osika looks after the field services for one part of the province and Al Black for the other side. It's as simple as that, to give better service for the insureds in the province of Saskatchewan. It's as simple as my first answer and I can't enlarge on it any more than that.

**MR. ENGEL:** — Well I suppose the second question I then ask: if I follow that chart through, is Osika the farthest left box? Is that field services and public relations, is Ron Osika?

**HON. MR. MUIRHEAD:** — Mr. Chairman, that is correct. Ron Osika is in charge of the one split and Al Black the other one.

**MR. ENGEL:** — I suppose, to get this straight, does Ron use the same 13 area offices as Al? They both have 13 area field offices?

**HON. MR. MUIRHEAD:** — Mr. Chairman, no, there's 26 area offices, and Ron Osika looks after 13, and Al Black the other 13.

**MR. ENGEL:** — So your chart isn't quite accurate in the way it's lined up here. But you actually have 26 area offices then. You have six regional offices?

**HON. MR. MUIRHEAD:** — Yes, that's right, Mr. Chairman. Six regional offices and 26 area offices.

**MR. ENGEL:** — So basically what this chart should have said, there should have been two boxes at the top. One box would have been field services and a second box public relations. The public relations box deals with all 26 area offices, right?

If someone is in Al Black's area office — division in the province — he has no public relations? Or does he go to Ron Osika?

**HON. MR. MUIRHEAD:** — Mr. Chairman, to clarify that, it's like I said before. They are still responsible for 13 area offices each. But over and above that, Ron Osika is responsible for public relations, and Al Black is responsible for services and control. So it's over and above their duties as they are being responsible for their area offices.

**MR. ENGEL:** — The way your chart's drawn, and what made it so confusing, and it looked like a duplication of services, the way your chart's drawn doesn't show that the people in the three regional offices on the right part of the chart have no access to public relations. And it's just that your chart's confusing there. But the way you originally charted it, the average person looked at it and said, oh, oh, the minister's got his little PC organization over here and the second

organization is the organization that deals with crop insurance, is what it looks like when you look at it here because it's not charted out to be accurate.

But on a basis of time-wise, from now till the next claims start coming in, what basically do you occupy yourself with as far as your own personal duties are concerned? What are your main areas of responsibility between now and next fall?

**HON. MR. MUIRHEAD:** — Mr. Chairman, in my office I get over 100 calls a day. We are still working on problems in crop insurance way back into the '70s and '81, created when they were in government. Those are still coming to my office. This goes on continually year-round. I will not have all the problems solved up till 1982, plus there's still farmers that haven't been settled for the 1984, if it's a problem created by themselves or the corporation, and it has to be solved in a different manner than through our own corporation.

Some of them are in court, and some of them are not. And there's just ongoing calls to my office continually. And I'm saying when I get over 100 calls a day to my office — this is two years that I've been minister, average — there is no end. If he wants to know what I do, he should try and follow me around some time, and he wouldn't have time to go home and do his farming.

**MR. ENGEL:** — Mr. Chairman, the minister told me there were 28,000 farmers that had claims. He's standing up in this House and telling me that 36,500 people phone him in a year. A hundred a day for 365 days is 36,500 people calling him.

This looks to me, Mr. Minister . . . I can break this down in two ways. Number one, after two years in office things are getting worse, because Gordon MacMurchy didn't get 100 calls a day about crop insurance. He was looking after crop insurance as minister of agriculture. He wasn't getting 100 calls a day.

If you have stirred things up to the place where 36,500 people are lined up at their little telephone trying to get in to get your number, how many problems have you created? How many problems have you stirred up?

Mr. Minister, I believe that you had the highest phone bill when you were sitting over there of anybody in this House, when they look at *Public Accounts* and the amount of money that was being spent on phone bills. And I think you could best be compared to someone that is given to much gossip, because somewhere along the line they get to 36,500 people bugging the tar out of you.

(12:15)

Man, that doesn't sound like the chairman shouldn't be sitting where he is. I would recommend to the Premier that he put somebody like the chairman into crop insurance because he would demonstrate to the farmers how to handle this show, and run a little operation like the does up at Shellbrook, and run his little farm there. That is a smooth operation.

I bet you the chairman and his sons and his operators on his farm haven't bothered phoning you about crop insurance. I haven't. My son hasn't. My hired man hasn't. And I'm not sure that you have a way of generating trouble, you have a way of stirring things up in a way that isn't matched by anybody in the world.

Now I was impressed when we were talking about the Minister of Co-ops' estimates last night, and he has two people working for him looking after the co-ops and the co-op movement. Now a farmer has crop insurance — right? — that's one aspect of my farm. But that is one aspect that I put my mind to in spring when I finish seeding. We sat down, the three of us in our little operation, and we blocked off the chart and we said we seeded this many acres of durham, and this many acres of spring wheat. We haven't finished that because we haven't seeded our

sloughs and our low spots to oats and barley.

**AN HON. MEMBER:** — Did you seed that mustard?

**MR. ENGEL:** — We decided not to. Mr. Minister, when we were done before the date in June on the calendar or when it says to get your crop insurance in, we'll get our little report in there, but that's it until after harvest for the farmer to bother himself about. He's worried about grasshoppers. You go out there . . . Did you ever count how many of those little guys are starting to hatch? They're about a quarter inch long, a quarter to three-eighths of an inch long today, already, down in our country. And they're growing faster than the wheat is, I'm sad to say.

I wish the minister in charge of the crop insurance could make it rain and do a little rain dance down in our corner or spread the rain from up, by my colleague from Pelly that can't finish seeding because it's so wet yet, or in your riding I imagine you've got a little excess moisture. We could use it if we'd share a little bit. I wish we'd have a socialist government back in power that could share this rain a little bit so we wouldn't get too much in one place and not enough in the other. You know, we'd spread it around. We'd spread it around a little bit.

But, Mr. Minister, if you can generate 100 calls a day, 36,500 calls a year, mister, you're the greatest gossip-monger I've ever seen. You're the greatest. I don't think there's a better one to stir up trouble.

But I believe some of those phone calls and some of those people that are returning their messages are calling back and suggesting when they will meet with you and your hatchet and bagmen, because I think 98 per cent of the time that you've spent in your office and your little operation, and with your staff, is spent doing the bagman job for your party. You got the job of being minister in charge of the crop insurance because you were able to raise the most money on behalf of your party before the last election.

You got out there and you dug up these guys that were good for a thousand bucks each. You're maybe paying them off with a little extra coverage in crop insurance. I don't know. I'm not accusing you of that. Maybe you're doing that, maybe you're doing that.

**HON. MR. GARNER:** — . . . made against minister, and I suggest that the member opposite withdraw that remark.

**MR. CHAIRMAN:** — The point of order is well taken. The member will not be permitted to impute to any member or members unworthy motives for their actions in a particular case, and I would ask the member from Assiniboia-Gravelbourg to apologize.

**MR. ENGEL:** — Mr. Minister, I was referring to the role of the minister in charge of crop insurance as being a bagman for the Tory party. Is that imputing an ill motive? Is that what you're talking about?

**MR. CHAIRMAN:** — Yes.

**MR. ENGEL:** — For that, if that is an ill motive, I have a hard time apologizing. If it's against the rules to say that one of the members . . .

**MR. CHAIRMAN:** — Order. There's no debate. You can't debate it. I would ask the member to retract the statement.

**MR. ENGEL:** — Thank you, Mr. Chairman. I will retract that statement. And let me continue my questioning.

Mr. Chairman, you bragged to . . . The minister in charge of crop insurance has bragged to me

that he was able to go out and from 250 people collect \$1,000 each. He brought into the Tory party \$250,000 on his own hook. He bragged about that before the last election. I'm aware of that, and I am saying that he is spending his time as minister looking after crop insurance about 2 per cent of the time, and 98 per cent of the time he is spending being the political bagman for the party.

Now if that somehow is imputing an ill motive . . . That's what he's hired for; that's what he's doing; that's his job. He gets 100 calls a day from connections he's making with farmers, and I don't see that that is ill reference. If somehow I've accused him of being dishonest, I apologize for that — because he is honestly and sincerely doing his utmost to raise as much money for the party as he can. He is doing his best, his role in what he's hired to do, and I don't fault him for that. I don't fault him for that one little bit.

And when I looked at his chart and said that half the operation was under public relations and the other half was under field service and control, I could see that he might even be using field staff, but I will not get into that. I won't say they're using it.

**MR. CHAIRMAN:** — Order. No member of the House is allowed to make reflections on another member's motives, and I would ask the member from Assiniboia-Gravelbourg again to retract those statements.

**MR. ENGEL:** — I'll withdraw those statements, Mr. Chairman.

**HON. MR. MUIRHEAD:** — Mr. Chairman, the member opposite, when he asked me this question: what do I do with my time — and I said I get approximately 100 phone calls a day, I didn't say they were all crop insurance. I didn't say they were all farmers. I didn't say who they were. I said I am busy, and I'm busy looking after the voters in this province of Saskatchewan, regardless of political affiliation. And he insinuated that perhaps I'd been out raising money for the party since the election.

I can stand here and say honestly that I have raised zero money for the Progressive Conservative Party since the election of 1982. So that can put that to rest about what I do. And that is said in fact. So I don't want any more talk about me out raising money for the party since the 1982 . . .

**MR. CHAIRMAN:** — Order. The member from Assiniboia-Gravelbourg retracted those statements and it's not debatable. I would ask the minister to keep his comments on the Saskatchewan Crop Insurance Corporation.

**HON. MR. MUIRHEAD:** — Thank you, Mr. Chairman. The member opposite insinuated that I get so many calls, and the past minister responsible for the crop insurance corporation, Mr. Gordon MacMurchy, didn't get hardly any. That's because he didn't solve any. That's the reason they didn't bother coming to him. And that's why we're here and they're over there. That is the reason.

Mr. Chairman, I have people like this come to me, like the member of Assiniboia-Gravelbourg came to me with this kind of a request. If he wants me to stop these kinds of requests, I can. And I'll give them the exact information.

On December 18, 1984, the corporation, informed by the member from Assiniboia-Gravelbourg that a Mr. X — I won't mention his name — contract no. 39833-9, urgently required an advance in his indemnities. In response to this, an estimate was made, and as to the amount of the indemnities, a cheque was given to this man — I won't mention the dollars and cents — was prepared and personally delivered to the Regina post office by a crop insurance employee that afternoon.

Now if these kinds of requests that come from you and 64 MLAs, if you want me to stop these



kinds of things, I guess I'll have to do that. But my feeling is, no matter who comes to me, regardless of political affiliation — whether it be the member from Shaunavon, whether it be the member of Assiniboia-Gravelbourg — I will do my best to help the farmer in the province of Saskatchewan, regardless of political affiliation.

**MR. ENGEL:** — I'm wondering what the minister is really trying to say. Are you bragging that by December you still didn't have that claim issued that the farmer had made real early in harvest, or what are you basically saying?

**HON. MR. MUIRHEAD:** — Mr. Chairman, I'm saying exactly this: that the member from Assiniboia-Gravelbourg came to me saying that this gentleman had a problem, and he needed some money, and he wouldn't get it for a while yet. So we pulled it out of the computer and had a cheque made out manually and handed it to him, because the regular time for getting cheques out to insured when they put in a claim, has approximately been eight weeks. That's the average.

But this year, seeing that we had 41,000 claims from 28,000 farmers, it took approximately 12 to 13 weeks, which is better than the past administration had ever did. I said that in my opening remarks, when he said I didn't talk about crop insurance. I gave that statement out, that in 1981, there was 31,000 claims, and in 1984, there was 41,000 claims, and we had the cheques out five weeks earlier.

**MR. ENGEL:** — This cheque that we got that snappy response from, can you inform this House: did you get that call? Did that call come to you?

**HON. MR. MUIRHEAD:** — Mr. Chairman, that call didn't come to me. It came to me in this legislature, right here, by the member from Assiniboia-Gravelbourg, when he asked me right here. The member himself asked me right in this Chamber, in November or December, whenever the exact date is, he asked me himself, personally, if I could help this guy out, that he needed some cash.

And we made sure that he had the cash, and I even came in here, Mr. Chairman, and had the cheque to give to the member from Assiniboia-Gravelbourg to deliver, but I talked to the member from Quill Lakes, and said that you had gone to a meeting in Moose Jaw, so we had missed you, or you could have delivered it personally.

So we had phoned this here gentleman in question. We phoned him and he said, put it in the mail, and which we did that afternoon, Mr. Chairman.

**MR. ENGEL:** — That's a different claim. I thought I was talking about one where I called Ron Osika about. A person made a claim, and I had about three or four that were delays on. Basically the staff, as far as I was concerned, when there wasn't any political interference, Mr. Chairman — basically the staff in crop insurance were doing a reasonably good job.

The point I'm making is that your public relations officer . . . if Ron Osika would have gotten that same call, could've delivered the same way, because he did another one for me from Mossbank. When I phoned Ron up, he had a cheque out to the people in Mossbank that had their claim in, the first one into the Gravelbourg office, and they were the last one to get paid because somehow his cheque, or his claim stayed on the bottom of a pile, and as they were coming in, just never happened to get around to this other one. And I thought that's the one you were talking about.

But where you've made some contacts . . . in that I wanted to take time during these estimates today to compliment your people in the public relations office that are able to handle that job, and there'd be no need to have some political interference in it, because the system is designed and ran good from '74 till '82 without political interference, where the calls went to Campbell, and Campbell was able to feed them, to field these calls. But he was fired.

Mr. Minister, I noted as I started earlier — and this is taking a little longer because of your political . . . and spewing off in your opening statement, you got us off on a bad track. If you'd have just stayed with information available to crop insurance, we would have been done.

I see here on list of responsibilities that the member for the Arm River constituency is in charge of crop insurance, and he has two secretaries and two MAs, two ministerial assistants. Can you send me over a little paper as to their salaries and perks and extra bonuses and benefits that they get?

(12:30)

Mr. Minister, I would appreciate a breakdown of your staff's salaries so we can compare them with last year. Have you that information with you today? A total isn't much good.

**HON. MR. MUIRHEAD:** — Mr. Chairman, that's all my officials gave me, and they tell me that they'll get them to you as soon as possible.

**MR. ENGEL:** — I think if your officials would get down to divide this \$11,206 by four in categories as they are . . . your secretary's 1,500 or 1,200 or 1,300 or whatever. Give us that little breakdown. And shall I send you this paper back, or have you another sheet? I'll ask for those breakdowns.

Could you also indicate to me which one of the vehicles you drive personally, and the licence number of the vehicle that's assigned to you?

**HON. MR. MUIRHEAD:** — Mr. Chairman, I have a real good memory, but not quite such a good memory that I remember the licence plates of my vehicles. I have this government car that I drive, naturally, and then I have vehicles at home. And I do not make a practice of remembering my licence numbers, but if you want it, we'll get it for you.

**MR. ENGEL:** — Can you tell me, do you know what model it is, because I have a reason for asking that?

**HON. MR. MUIRHEAD:** — The car is a 1984 Grand Marquis.

**MR. ENGEL:** — Are there other cars assigned to your office, or to the use of your staff?

**HON. MR. MUIRHEAD:** — No, there isn't.

**MR. ENGEL:** — Is a Chevelle, licence number KWC 363, owned by an individual in your staff, or is that owned by central vehicle agency?

**HON. MR. MUIRHEAD:** — Mr. Chairman, that vehicle he's talking about is assigned to crop insurance corporation. Anyone in the corporation is able to use that car.

**MR. ENGEL:** — What percentage of the time would you say that car is used by your office staff versus by crop insurance people?

**HON. MR. MUIRHEAD:** — Naturally, when my assistants have to go out in the country. And in crop insurance if you have 48,000 farmers with insurance and you're called out to an area office — which I have one of my assistants that spends the greater part of his time throughout the province of Saskatchewan — he's not going to drive his own vehicle. He's going to go down to the crop insurance to pick up a vehicle. And that's simply it.

**MR. ENGEL:** — Does your staff come from the farm, or drive it out on the farm before he gets

here? Because that vehicle is parked here at the legislature more than it is over at the crop insurance office, I would suggest. Would you tell me, has this assignment been on a permanent basis? And which one of your staff — is it a Gary, Gabby, Louise or Ms. Heinrich that uses it? What's her first name — Nonie?

**HON. MR. MUIRHEAD:** — You're talking about two of my secretaries called the first names of Nonie and Louise. And to my knowledge, they've never been in those vehicles.

**MR. ENGEL:** — Okay, now what about Gerry Williams or Debbie McNabb? Are either one of those using the Chevelle?

**HON. MR. MUIRHEAD:** — Mr. Chairman, they might be using them. It's assigned to our office the same as any official or anyone from crop insurance corporation could be assigned that car, because it's much more economical for us. We have a car there. We have a half-ton truck. And Ron Osika uses it; Al Black uses it; Mr. Wolner uses that vehicle. And it's more economical that they pick up a crop insurance car that's assigned to the corporation than it is to pay them mileage on their own vehicle.

**MR. ENGEL:** — Is that Delta 88 Olds — the maroon Olds, license number KLZ 274 — a central vehicle agency car or a privately owned vehicle?

**HON. MR. MUIRHEAD:** — Mr. Chairman, at this time the car that he's talking about is a loaner while my personal car has been turned in for replacing all the locks from a theft where they stole some things out of the car in the parking lot here. And my car had to go in and get the locks changed, get some individual work done, warranty work done, and this is a loaner that I've been using myself. And some of my staff might have used it, I don't know.

**MR. ENGEL:** — About what percentage of the time would you say you've had that car along with . . . when you had that and your own Marquis?

**HON. MR. MUIRHEAD:** — Mr. Chairman, we wouldn't have them both at the same time. It would be one or the other. My car, if they want to check the records, has had some problems and has been turned into central vehicle agency where it could be checked out. It's at least five times in the last six weeks that car's been taken back with a problem, and so I would only have one out at a time — not both.

**MR. ENGEL:** — I accept that, Mr. Minister. There's only one other Cutlass wagon that's bothering me that we see around quite often. Is that a government car or a central vehicle agency car, MYC-920?

**HON. MR. MUIRHEAD:** — Mr. Chairman, we don't have a Cutlass wagon at all.

**MR. ENGEL:** — It must be one of your staff's private vehicles, and this is basically . . . (inaudible interjection) . . . The all right part is: does the minister — and I'm waiting for the breakdown of the salaries — but does the minister that has a sixteenth of a portfolio . . . You know, that's giving him a big margin; that's giving him a big margin. Does the minister with a sixteenth of a portfolio need two secretaries and two ministerial assistants and three vehicles? . . . (inaudible interjection) . . . Well, four, whatever the amount may be; with the half-ton truck there could be four there. And we're wondering . . . (inaudible interjection) . . .

Now the Minister of Justice likes to compare him to a former minister, and that carried about five times as much work as the Minister of Justice does, but here we have a minister that has a one-liner in the *Estimates*, one line to deal with. That line is administered and the responsibility of the federal government, as well. And our Premier saw fit to appoint him to the cabinet and give him all the perks and all the necessary advantages of being a minister.

I would submit, Mr. Minister, that you're just a little loose with the public funds. You're just a little bit easy on your staff. If you'd be paying the bill and running your farm like that, you wouldn't be in farming very long, Mr. Minister. You're not running a very clean ship. Your colleagues are trying to paint a picture that, here we are, we're going to be a small government; we're going to be running a nice tight ship. And we see a minister with four people working with him in crop insurance, that was handled as one line of the Department of Agriculture before — just one line of the Department of Agriculture.

There are four people involved and four vehicles, and I think the minister should stand up and give us a little justification of all these vehicles and all this running around you do. Because as I said before, you're an expert at creating a little dissension among farmers if you can get 110 of them to phone you a day. That's a little steep on the complaint side. You've got about 10 times as many — 36,500 — you've got about 10 times as many people as the Ombudsman has calling you.

And I'm wondering what you do and how you can be so obnoxious to get so many people to phone you and so many people to bug you that you need a staff of four, and all these vehicles running around the country trying to solve them, and they're still bugging the tar out of you.

I just think you should mend your ways, Mr. Minister. Try and come up with a little strategy that would resemble more of one of being a mediator or a peacemaker, or solving problems rather than creating them — rather than creating them. Because I think we have a record here of someone that isn't doing justice to crop insurance when you're creating that much trouble — 36,500 a year.

**HON. MR. MUIRHEAD:** — Mr. Chairman, if we checked the record, the member for Assiniboia-Gravelbourg said some time ago that the minister responsible for crop insurance was an honest man. And so I take it that way. And I think that he knows me personally. He knows me as an MLA; he also knows me very well personally. And I think he knows that if I didn't need the staff, I wouldn't have them.

I'll just say a few words about one of my staff. He's worked for me for two years. He has been so busy that he has not taken a holiday. He was in the hospital for a week with a broken leg and didn't even take one hour off when he got out of the hospital. He came directly to the office to work because he was so dedicated. And he comes back to work to 10 o'clock at night. And if there was no work to do, he would not come back.

We are busy, and the member from Assiniboia-Gravelbourg knows quite well that we are busy, serving the constituents of the province of Saskatchewan.

**MR. ENGEL:** — Mr. Minister, maybe you can . . . If you've had Gerry Williams working for you that long, maybe you can give us a breakdown and say how much a month he gets. How much of this \$11,000 does Gerry Williams get?

**HON. MR. MUIRHEAD:** — Like I said before, Mr. Chairman, I didn't have the figures here, but it's approximately 3,500 a month, but I don't want to be quoted on that. Just saying . . . We have not got the figures here. We apologize about that.

**MR. ENGEL:** — If Gerry's getting approximately 3,500, how much does Debbie McNabb get?

**HON. MR. MUIRHEAD:** — Mr. Chairman, she gets somewhat less. That's for sure.

**MR. ENGEL:** — We'd like a breakdown before we finish your estimates. And if you can send one of your staff to make a phone call or something, you would get a breakdown of these office salaries and compare them and see if they got the same kind of an increase as the Minister of Co-ops was able to give them.

Was Debbie McNabb transferred from a secretary's position to an MA or was she hired as an MA?

**HON. MR. MUIRHEAD:** — Mr. Chairman, she came in as hired as an MA.

**MR. ENGEL:** — And is her salary the same as it was last year?

**HON. MR. MUIRHEAD:** — Mr. Chairman, there's no sense me guessing at my dollars and cents salary of my staff, so I'm going to have to send them the first of the week — they'll have to get a statement — or later this afternoon. But it's impossible to send one of these two officials over in the noon hour and ask crop insurance to come up with a statement from Chris Wass which would have to come up with that statement. It would be impossible. If he wants to some time later this afternoon, we'll get it.

**MR. ENGEL:** — Mr. Minister, whose estimates have we conducted in this House when we weren't getting specific items on salaries? We've gotten it from every minister so far. Why would you come into this House and expect us, when you've only got one line in the book, why would you come in and try and slough off a one-line on us on the staff's salary? And you don't even go to the crop insurance to get your personal staff's salary. They're right here in this building.

**HON. MR. MUIRHEAD:** — Mr. Chairman, that is not correct. The salary to my staff is paid directly from crop insurance corporation, not from this building. I have nothing to do with it, and as I said we'll have that obtained for you and delivered to you some time later this afternoon.

**MR. KOSKIE:** — Mr. Minister, obviously when it comes to the payment of your staff, what you are doing is trying to prevent the House from having that specific information. And there's no doubt about it that that's precisely what you're doing, because you're running just a one-line part of a department which was in the Department of Agriculture previously, and run under the jurisdiction of the Minister of Agriculture, and run well.

(12:45)

And what you have done here has been handed out a political job which doesn't even warrant the category of a cabinet minister. You are pulling off something like \$70,000 a year annually, yourself. You have, according to the critic, four personal people on your staff, and \$11,000 per month that you are paying. And the problem why you won't come in here to this House and give the specific details of who your staff is and what salary they're getting, is because of the fact that was disclosed last night in the Department of Co-ops, where in fact the minister indicated that you have reclassified secretaries in the minister's personal staff, and what you have done is given them an increase and you have denied increases to secretaries throughout the public service. This is the reason why you are ashamed to come forward here and provide that information. And I'm telling you, we're not letting this go because we're going to talk the clock out till 1 o'clock and let you have an opportunity to get the information.

I want the names of each of the individuals that you have as a personal staff. I want their classification, whether they're ministerial assistant or adviser to the minister. I want to know the amount that each of them are paid, and I want to know if whether they have any other particular expenses associated with their duties in respect to travel. That is information which I think the taxpayers of this province are entitled to, and I think it's incumbent upon you. Sure, you should be ashamed of yourself, spending huge amounts of taxpayers' money — \$70,000 for running just the crop insurance. You should be ashamed of yourself to come into this House and to have four personal staff, and driving around in three or four vehicles, running a one-line department that was in the Department of Agriculture.

And besides that I understand you have a Legislative Secretary. I want to ask you specifically, do

you have a Legislative Secretary attached to this one single-line department?

**HON. MR. MUIRHEAD:** — Mr. Chairman, the member opposite makes very light of the crop insurance corporation, but I am sure that the farmers in Saskatchewan, 48,000 who are covered for \$1.5 billion, don't look at lightly, like the minister opposite does. Mr. Chairman, I apologize . . .

**MR. CHAIRMAN:** — Order, order! I can't hear the minister, so could we have a little more order, please.

**HON. MR. MUIRHEAD:** — Mr. Chairman, all I can give is the names of my staff. There's Gerry Williams, an MA, Debbie McNabb, an MA, Louise Yates, the secretary, and Nonie Heinrich, the secretary. And we'll get those salaries breakdown some time later today, and that's the best I can do and am going to do.

**MR. KOSKIE:** — Mr. Minister, can you indicate whether or not there has been an increase paid to your staff during the past year? Has there been an increase, as was evident and disclosed by the Minister of Co-ops, that the personal staff of the minister's salaries were, in fact, increased? Can you advise us whether that happened.

**HON. MR. MUIRHEAD:** — Yes, there was.

**MR. KOSKIE:** — Mr. Minister, will you indicate the amount of increase, either percentage-wise or in dollar terms?

**HON. MR. MUIRHEAD:** — I'll give that information later this day.

**MR. KOSKIE:** — I'm telling you, Mr. Minister, this is the reason for estimates, is to get down to the brass tacks of knowing what it's costing to have you sit and run a portion of what should be a department of agriculture. The evident fact is here that you are not providing this information because you don't want it disclosed in the House, and that's a deliberate attempt to keep information from this here Assembly, and for the people of this province to have that information which should be provided.

Consistently in each of the ministers' estimates, Mr. Chairman, we have specifically requested that information. Can you possibly believe that that minister wouldn't know what he is paying his personal staff, and the amount of the increase that has taken place during the past year? I say, Mr. Chairman, that it's a deliberate attempt to conceal from this House the publication of the cost of one minister who is, in fact, running a portion of a portfolio. And, Mr. Minister, I asked you, do you also have a Legislative Secretary attached to this here heavy role of answering your telephone calls, 100 a day?

**HON. MR. MUIRHEAD:** — Mr. Chairman, no, I do not.

**MR. KOSKIE:** — Have you got a breakdown of the expenses that is associated with the travels that you indicate that a number of your staff do? Can you provide us whether there are any other associated costs in relation to the staff travelling throughout the province of Saskatchewan?

**HON. MR. MUIRHEAD:** — Mr. Chairman, that information will be available in the Crown select committee. That's the place for that, and that's where it will be made available to the public.

He said that . . . The member opposite, Mr. Chairman, stated that there's been no increase in the administration costs and so why should there be an increase in staff or whatever. Last year it was 7 million, administration cost was 7.538 million. This year, by including individual coverage and a forage coverage expansion and winter wheat, will be 8.505 million administration cost for this year.

**MR. SHILLINGTON:** — I won't put one of my boots up on my desk just to convince you that I am a farmer.

I just have one question, Mr. Minister, with respect to the salary increases. I am interested in this because the matter came to light, I think somewhat inadvertently, last night during the Minister of Co-ops' estimates.

I wonder if you will give me the same undertaking that I got from the Minister of Co-ops last night at 11 o'clock. Will you give me . . . You have given us the names of your personal staff. Will you give us: (a) the dates upon which the staff were hired; (b) their qualifications; (c) any increases awarded to your personal staff in the last year since they were hired. With respect to the (c) I would specifically like to know about increases — whether or not they've actually received them.

The information I got from the Minister of Co-ops suggested that the increases had been awarded retroactively to January 1st, but they hadn't actually got the retroactive pay. So I'd ask you to give me that detail, Mr. Minister, with respect to the increased pay, Mr. Minister. I say to you, Mr. Minister, that to give public servants a zero per cent increase, to give people on . . . (inaudible interjection) . . . yes, teachers. I've got a letter on my desk which I'm going to answer at 1 o'clock from the teachers expressing anger at having their wages frozen.

**MR. CHAIRMAN:** — Order, order. We're on crop insurance which is a far, far range from salaries of teachers and other groups. I ask the minister . . . (inaudible interjection) . . . I will allow some comparison, but we can't have a long speech on any of those things.

**MR. SHILLINGTON:** — You know me, Mr. Chairman, as the soul of brevity when I got on to something such as this. And I won't be long.

Mr. Minister, I say to you that when you have frozen the allowance of those on welfare, when you have frozen minimum wage, when you have frozen public servants, to award your personal staff increases — and I gather all ministers got them now; that's the obvious conclusion — that, Mr. Minister, is the height of hypocrisy.

I know now how I'm going to answer that letter of the teachers. I am going to send them a copy of this *Hansard*. With that I'll get off the subject, Mr. Minister, and ask for the undertaking along the lines I suggested. It seems reasonable, because the Minister of Co-ops gave me that undertaking last night.

**HON. MR. MUIRHEAD:** — Mr. Chairman, there'll be no problem in getting that information to the member. I just want to make this one statement very clear. If there was any increases in my staff . . . (inaudible interjection) . . . if there was. I said I wasn't sure. I said I thought there was. If there is, it is definitely not retroactive — definitely not.

**MR. SHILLINGTON:** — Mr. Minister, I want it crystal clear that I have your undertaking to tell me whether or not it was retroactive. I don't believe for a moment that the staff of the minister . . . And I got it in writing from the Minister of Co-ops that it's retroactive. I don't believe for a moment that the pay increase to the staff of the Minister of Co-ops is any different than yours. I don't think even you people run a government in a fashion like that. So I specifically want your undertaking that you will tell me whether or not it is retroactive to January 1st, '85.

**HON. MR. MUIRHEAD:** — Mr. Chairman, as I stated before, if there was any raises, it was definite it would be from that point on. It would not be retroactive. And I definitely say it was not retroactive.

**MR. LINGENFELTER:** — Mr. Minister, my question has to do with the federal budget in relation

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to crop insurance, and I wonder whether or not, in the discussions that led up to the budget, whether you were involved in or your officials were involved in any discussion of changing the participation of the federal government in their share of crop insurance. Are you aware of any discussions that took place, and were you involved in those discussions?

**HON. MR. MUIRHEAD:** — Mr. Chairman, I was involved. I had the Hon. Mr. Wise in my office here in Regina when he was here, and I've met with him at two different occasions. And we agreed that there would be no cut-backs at all in the share that the federal government pays of claims to the farmers of Saskatchewan. They pay 50 per cent, and there's absolutely zero.

But relating to other things, you asked me if I had anything to do with the budget, or whatever. Mr. Chairman, I can say that I did have a chance to say to the Minister of Agriculture on behalf of Saskatchewan farmers that the most important issue that we'd like to have happen to Saskatchewan is the capital gains removal. And we discussed it for two hours, and we had tremendous input, because this came to us from all over this province.

Mr. Chairman, I'm very proud of the meetings that I've had with the Minister of Agriculture, the Hon. Mr. Wise. I've met him at several occasions. We had tremendous input on behalf of the farmers of Saskatchewan, which is indicated in the budget that came down yesterday, that they listened to the people of the province of Saskatchewan. They wanted capital gains removed, and they were removed. And it will be a cash inflow into the province of Saskatchewan. Anyone having to pay any amount of capital gains will have in his own pocket . . .

**MR. CHAIRMAN:** — Order. The minister is getting off the topic of crop insurance.

**MR. LINGENFELTER:** — Mr. Minister, I would wonder if you could outline the discussions (and this has to do with crop insurance) of any changes that are proposed by the Nielsen paper. Are you aware of any proposals in that paper as it would relate to cost-share between the federal government, the farmers, and the provincial government? Are you aware of any discussion that has gone on in that area, and if so, what input have you had to make sure that the federal government doesn't back out of its commitment to crop insurance?

**HON. MR. MUIRHEAD:** — Mr. Chairman, in discussions that I've had with the past minister of agriculture, the Hon. Mr. Whelan, we were pushing very hard to have individual coverage signed on a document by September 15th, and have the beekeepers, so they also could be covered by crop insurance in 1985, to note its success.

And I was very pleased that at the latter moments, when an election was called, that Mr. Whelan got frightened and he did sign it on the second day before the election, I believe, the day before the election. And through the Hon. Mr. Wise I have sat and discussed in my office about the urgency of having the beekeepers be insured for 1985. And through those conversations we have done what I was told would be impossible. But we have it now. They're insured for 1985.

The committee reported progress.

The Assembly adjourned at 1:01 p.m.