

April 28, 1986

The Assembly met at 2 p.m.

Prayers

## ORAL QUESTIONS

### University Funding for Capital Projects

**Mr. Koskie:** — Thank you, Mr. Speaker. I want to address a question to the minister responsible for Advanced Education and Manpower. Earlier this year the University of Regina presented your government with a list of major capital projects which it feels need to be proceeded with on an urgent basis. At the top of the university's priority list was the construction of a new fine arts building and a major addition to the Education building.

Can the minister tell the Assembly the status of this request, and can he assure us that the approval for at least these two major projects will be given in the next few days?

**Hon. Mr. McLeod:** — Well, Mr. Speaker, I'm really pleased to see a concern about the universities being expressed by the members opposite. Mr. Speaker, the university renewal and development fund, which was announced in last year's budget as one of the four pillars of our government's economic development of this province, indicated that there would be \$125 million put up in that university renewal and development fund for the two universities to sit down and plan their priorities over a period of five years.

That process has gone on extremely well through this first year. There are some major announcements have been made at the University of Saskatchewan. The University of Regina, to which the member refers, had some priorities which are under discussion at the present time.

Those priorities were several. Restoration of Darke Hall, which I heard members opposite talk about for some time — that's now under way, Mr. Speaker; an addition to the Education building, which is a part of discussion right now; a fine arts building, which is under discussion; and a student union building, which is also under active discussion.

So certainly, Mr. Speaker, we have had some excellent response from both of our universities in this province to the initiatives taken by this government. Those negotiations go on. The committee, which is made up of members of this government and the representatives of the two universities, are very, very actively pursuing the priorities of both campuses, not only for now but on into the future.

**Mr. Koskie:** — Well if anybody could find an answer to the specific question that I asked, out of that jumble-bungle, I would be surprised.

I want to ask you further, Mr. Minister, a new question. We are aware of your government's pre-election announcement committee and its activities. We're aware that you have shipped out thousands of invitations out of the Premier's office for this week at taxpayers' expense to

attempt to provide this week's announcement with the appropriate hype.

But my question deals with the . . . not with your pre-election plans; it deals with the university needs. And I ask you specifically: will you announce approval this week for the new fine arts building at the University of Regina, and for a major addition to the Education building on the campus? And when will you give these projects provincial support?

**Hon. Mr. McLeod:** Well, Mr. Speaker, as it relates to any invitations which may have been sent out by this government, or by the University of Regina for that matter, as it relates to announcements coming this week or announcements coming any time into the future, the one thing that is very, very clear in all of this, Mr. Speaker — this is the government that is delivering to the universities, not only this University of Regina but the University of Saskatchewan in Saskatoon. Both universities know that. The university community knows that this is the government that delivers to the university community. And that was the government that did not deliver over 11 years of office.

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

**Mr. Koskie:** — Well a further supplement. I ask the minister again, specifically: will you announce the approval this week, or within a short time, of the approval of a new fine arts building at the University of Regina, and a major addition for the Education building on the campus? It's twice I've asked you. Can you address your mind to the specific question?

**Hon. Mr. McLeod:** — Mr. Speaker, as I have made clear, any announcements that are made at either campus of the universities in this province are made in consultation with the universities and according to the priority lists which are submitted by the universities. Anything that is done . . .

And I would invite the hon. member to ask the university administrations what their view is as it relates to any announcements that are going on, and we'll see within a couple of days, Mr. Speaker, whether or not that hon. member is on track as it relates to the priorities of the University of Regina or the University of Saskatchewan, or whether this government is on track, as I believe this government is on track, and so do the university communities in both of our universities.

### Closure of Northern Camp Grounds

**Mr. Thompson:** — Thank you, Mr. Speaker. And I direct my question to the Minister of Parks and Renewable Resources. And my question is: can the minister inform the Assembly why his department has decided to close camp ground facilities in northern Saskatchewan, specifically the camp grounds at Beaupré Creek and Shirley Lake? And can he tell the Assembly how many other camp grounds or rest stops operated by his department have been slated for closure?

**Hon. Mr. Maxwell:** — Mr. Speaker, I missed the first part

of the member's question. I think he said that there were two camp grounds being closed in Doré Lake and that area. Yes, we are planning on closing down two that are very much underutilized. We asked the local communities if they were interested in operating them. They're not. There are five camp grounds in the vicinity. Three will be left to service that area.

**Mr. Thompson:** — Supplementary, Mr. Speaker. Mr. Minister, for many years the department has maintained dozens of camp grounds, picnic sites, and rest stops along Saskatchewan roads and highways. These are important facilities for our tourist industry. And when you talk about closing down Beauré Creek, that most certainly is an old camp ground that has been used for 20 or 30 years by people all over this province; that they also protect our wilderness areas by reducing fire hazards and pollution in the North; and they are important sources of local employment in the summer months. Why would you want to cut back in these important facilities at this time? And how widespread are the proposed cut-backs? Are they just in the North, or are these plans to cut back in other areas of the province? You indicate a number of five in that northern area, but do you have any plans to cut back on every other camp site in northern Saskatchewan?

**Hon. Mr. Maxwell:** — Mr. Speaker, I think the record will show there's been some public discussion and there's been papers put out around to MLAs and others indicating the overall plan of action for the system. I'd like to point out that we are bringing in five new provincial parks, including the very first new wilderness park in Saskatchewan in this year.

**Mr. Thompson:** — Mr. Speaker, when the minister indicates that he's opening up five new provincial parks, that has nothing to do with campsites along our major highways and our roads. These are important facilities for the citizens of this province and citizens from other parts of Canada and the United States who use them on a yearly basis. I have a letter, Mr. Minister, from the council at Doré Lake indicating to you their concerns, and I will just quote for information, Mr. Speaker.

The council and residents of Doré Lake are extremely concerned with the Department of Parks and Renewable Resources' decision to close the camping facilities at Beauré Creek and Shirley Lake and respectfully request that this decision be reversed immediately . . .

as they indicate how important these campsites are.

The letter goes on to note that your department has even suggested that if the community wants the campground kept open it should take over and operate it itself. Will the minister now check his facts and report back to this Assembly on just how many of these facilities he is going to close, and why you intend to close down, especially historic campsites like Beauré Creek, which is a historic campsite in this province that's used, not only in Canada as I indicated before, but from tourists who come up on a yearly basis from Canada and the United States?

**Hon. Mr. Maxwell:** — Mr. Speaker, I appreciate the hon. member's concern, because it's in his own constituency.

There are in fact probably some other picnic sites, recreation sites, that are very much underutilized around the province. If the numbers were there to justify keeping them open, at great expense to the taxpayers, we'd have no hesitation in doing it.

We have prioritized, Mr. Speaker. I've already said there will be five new parks brought into the park system this year, including the first new wilderness park — which, according to the natural history society, the wildlife federation, and other groups interested in conservation, the members opposite paid not one word of attention to that area in all the years they were in office.

**Mr. Thompson:** — New question, Mr. Speaker, to the Minister of Parks and Renewable Resources. As you indicate, Mr. Minister, that I am concerned because the campsites are in my constituency, I say this, Mr. Speaker, that I'm not concerned only because they're in my constituency, but they are there to serve to the public of this province, all over the province.

And you talk about regionalism — Shirley Lake and Sled Lake and Beauré Creek are all in the same region. You shut them three down and then the folks who are . . . the tourists who are travelling in that area have no campsite to move into at all because you've closed down that whole region. And I just ask you once again, Mr. Minister, will you reconsider this decision to close down these campsites, especially the Sled Lake, Beauré Creek and the Doré Lake one?

**Hon. Mr. Maxwell:** — Mr. Speaker, I already indicated there are three open campsites in that vicinity. However, that wasn't the remark that tended to upset me the most; it was a catcall from the member from Quill Lakes who indicated I just haven't been in this province long enough to have visited them or understand them. And I really take that as a slam against the fact that I'm a new Canadian, sir. And I'm an immigrant and I'm very proud of it, and I chose this country and I love it very dearly, and I don't need those kinds of remarks from the member from Quill Lakes.

#### Hardships Caused by Changes to Welfare System

**Mr. Tchorzewski:** — Thank you, Mr. Speaker. I have a question to the Minister of Social Services. Mr. Minister, there now has been another group which has joined the growing list of Saskatchewan people who are calling for an independent review of your changes to the welfare system. The committee on poverty and its effect on health, which has made public a study this morning, shows that your changes have created real hardship for some of the poorest people in our province. And I'll give you one example. The study shows that one community clinic in Saskatoon last year had to get special letters from the doctors of more than 75 pregnant women and nursing mothers to force your department to provide them with additional food allowances to bring their diets up to a minimum standard. Have you, Mr. Minister, checked into this fact, and can you explain how this has happened?

**Hon. Mr. Dirks:** — Mr. Speaker, we provide additional assistance, special needs allowance, in response to medical opinions that come to us as soon as is possible —

as quickly as possible — and if the member opposite is aware of a particular case where that did not happen, then I certainly would ask him to provide me with that information in order that we could respond appropriately.

**Mr. Tchorzewski:** — Well, supplementary, Mr. Speaker, to the uninformed minister. I just indicated to you that there were 75 of these kinds of cases. The report that was released, I believe in Saskatoon, this morning, Mr. Minister, is supported by such people as the inner city support committee of the Saskatoon Presbytery, United Church; the church and society committee, Saskatoon Presbytery United Church; the Saskatchewan health care coalition; Saskatoon Community Health Unit; the National Farmers Union; and the list goes on.

In light of this kind of concern by the communities in the province and those who have endorsed this brief, Mr. Minister, do you not believe that you ought to be better informed and that the call for an investigation, or an inquiry, into your changes to the welfare program is a valid request?

**Hon. Mr. Dirks:** — Mr. Speaker, I indicated last week that I would not be pursuing a public review of the welfare program here in the province. I think that the course that we have chosen to provide education and training and job preparation and direct job experience for literally thousands of welfare clients is very appropriate. I would remind you, Mr. Speaker, and the member opposite and all members of this Assembly — indeed, the members of the public of Saskatchewan — that Saskatchewan has the highest welfare rates for families here in Canada.

**Mr. Tchorzewski:** — Mr. Speaker, any government that hides from the public is obviously a government that's got something to hide. And that's what we're witnessing here today and have witnessed for some 29 days . . .

**Mr. Speaker:** — Order. Does the member have a question? The member is making statements rather than asking questions. If you have a question, get directly to it.

#### Emergency Food Bank Assistance in Saskatoon

**Mr. Tchorzewski:** — Thank you. I will get to my question. Mr. Minister, this Saskatoon study which I have referred to and which you are ignoring shows that last year alone the Saskatoon food bank had to provide emergency food assistance to more than 11,000 children in that city. Can the minister explain why his department was unable to provide enough assistance for the basic food and shelter requirements of these young Saskatoon families when you say that your rates are high enough to do that? They have to go to the food bank; and are you proud of the fact that in Canada's bread-basket more than 11,000 Saskatoon children are in need of food bank assistance?

**Hon. Mr. Dirks:** — Mr. Speaker, I indicated in my answer to the previous question that the welfare rates here for families are the highest in the country, here in the province of Saskatchewan. And there will always be some debate . . . (inaudible interjection) . . . there will always be some debate, Mr. Speaker, as to whether or not welfare rates should be increased, and there are those

who even believe that they should be decreased. I don't believe that; I think we're at the appropriate level. Our rates are the highest here in the country.

As it relates to what people do with that particular assistance, we know that unfortunately there are those individuals who, for one reason or another, aren't able from time to time to manage their funds appropriately, and we do know that there are a good number of people who do spend their dollars in bingo halls and buy lottery tickets and so on, and I wouldn't want to suggest that all welfare clients do that, not for a minute. I believe that a good number of them are responsible citizens. I think that's the appropriate position for us to take. Nevertheless, I think the fact that we do have the highest welfare rates for families here in the province speaks for itself.

**Mr. Shillington:** — How can you deny, Mr. Minister, that your welfare rates are inadequate when you have thousands of people going through the food bank, and you now have doctors writing letters to your department requesting additional assistance for pregnant women. I would have thought some things would have been sacrosanct. And when you have groups such as the Saskatoon presbytery of the United Church requesting a reconsideration of this matter, how on earth can you maintain, in the light of that sort of evidence, that your rates are adequate?

**Hon. Mr. Dirks:** — Mr. Speaker, I'm all in favour of additional assistance for those people who require it. And the member opposite knows that under his administration there were requests from doctors to provide additional assistance for special-needs individuals on assistance, and that's the same today. Those regulations haven't changed, and that kind of special-needs assistance is there today as it was then.

As it relates to food banks: we know that if free food is going to be available, people are going to utilize it, and spending priorities are going to change as a consequence of that food being available. I mean, that simply is a fact of life, and we shouldn't ignore that. Having said that, I would remind the member opposite and all members of the Assembly that our welfare rates here for families are the highest in Canada.

#### Pornographic Telephone Messages

**Mr. Martens:** — Mr. Speaker, I have a question of the Minister of Finance in his responsible for SaskTel. Toronto *Globe and Mail* raised a point that some 1-900 numbers are used for pornographic messages, and I was wondering what the action of the government was going to be in response to that.

**Hon. Mr. Lane:** — I have asked, Mr. Speaker, my officials to look into the technical possibilities of cancelling access to some of the 1-900 calls that are being used for pornographic purposes. Some of the telcos in Canada have been able to cancel access, and I have asked for a review from my officials.

#### Welfare Reform

**Mr. Shillington:** — New question. Mr. Minister, will you admit, in the light of evidence such as this brief, that welfare reform — which you used three times in your first response to the question — will you admit the word “reform” is a catchword for punishing people who are unfortunate enough to find themselves without any other means of subsistence but your department?

**Hon. Mr. Dirks:** — Mr. Speaker, it’s difficult to believe how providing families in Saskatchewan with the highest welfare rates in the country is punishing them. Here in the province of Saskatchewan we provide people with the highest welfare rates for families in the country, and that is the simple fact.

As it relates to welfare reform, in addition to providing the highest welfare rates for families in the country, we’re also trying to take people off the social assistance by providing them with education and retraining and job preparation and direct job experience in the order of thousands of opportunities — productive opportunities, that were never provided by the members opposite. Surely that is sound social policy, Mr. Speaker.

**Mr. Shillington:** — New question, Mr. Speaker. Mr. Minister, I want to refresh your memory with some statistics that this committee got together.

**An Hon. Member:** — Is this a question?

**Mr. Shillington:** — It’s a background to a question. Then I want to ask you a question based on that. In January of 1984 there were 2,617 people served by the Saskatoon Food Bank; in January, 1986 there were 3,867 served by the Saskatoon Food Bank; and in 1985, 28,000 — of which 11,000 were children.

How, Mr. Minister, do you maintain in the face of that sort of evidence that welfare reform is anything other than double-speak and an attempt to make victims, to make criminals, out of those who are, in fact, victims of a system that they can’t control?

**Hon. Mr. Dirks:** — Mr. Speaker, I have indicated, I don’t know how many times to the House today, that Saskatchewan provides the highest welfare rates for families in the country. Now if the member opposite is suggesting that Saskatchewan should increase its welfare rates substantially, then I suppose he should stand up and say so. We do have the highest welfare rates in the country, and I suspect that even if you increased them higher, that the food banks would still exist here in the province. We know that’s the case.

As long as you provide free food and make it available to individuals, some will reorder their spending priorities to take advantage of that. Some, for one reason or another, may not be able to effectively manage their money and they will use it. Others may, on occasion, because of a particular emergency at that point in time, need to utilize the food bank.

And for that reason — for that reason — to have the charitable impulse in our society which suggests to some people that I should provide some food or some benefit to someone else, I think that’s a reasonable thing. We

wouldn’t want to stifle the charitable impulse in our society. There’s nothing wrong with that whatsoever.

Now if the member opposite wants to substantially increase welfare rates for families, which already are the highest in the country, perhaps he should stand up and say so.

**Mr. Shillington:** — Supplementary, Mr. Minister. The food banks in Saskatchewan became a growth industry after your predecessor in office introduced the welfare reform in May of 1984. It was after that period of time that the food banks began to grow by leaps and bounds. Mr. Minister, do you not think there’s a connection?

**Hon. Mr. Dirks:** — Mr. Speaker, if I remember correctly, the food bank here in Regina was actually started before welfare reform ever took place. But I would simply reiterate to the member opposite, if he wants to continue to talk on this particular topic today that, once again, we have the highest welfare rates for families in the country. We are providing, at the same time, literally thousands of productive opportunities for people through education and retraining and job preparation experiences to get people off of welfare. We increased by 10 per cent the income supplement for low-income working families. We doubled; we increased, in other words, by 100 per cent the supplement for low-income seniors. So certainly we are concerned about providing an appropriate level of service and funds for low-income people and, at the same time, providing them with opportunities to get off of welfare.

#### Reconstruction on Highway No. 9

**Mr. Hampton:** — Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister of Highways, and it deals with the reconstruction of No. 9 Highway, the portion that passes through my constituency north of Preeceville.

By way of background, Mr. Speaker, in the last two years, Mr. Minister, under the previous minister, there was a piece of it reconstructed. There still is a portion of approximately 10 miles that is badly in need of reconstruction. In the project array there is nothing shown for this year. The people of my constituency and I would like to know, sir, is there tenders going to be called for that final little bit on that No. 9 Highway this year?

**Hon. Mr. Hodgins:** — Well, Mr. Speaker, on that particular stretch of road I would believe that if it was not on the project array that you could safely assume that that particular piece of road will not be under construction. Unfortunately, I am not able to have with me or carry in my mind a complete intimate knowledge of all the highways in our province. But if this particular road is of serious concern to yourself, I would encourage you, the member from Canora, to please come to my office, please do your job as a representative MLA in this legislature, come to my office, bring representation to me, and I’ll be more than happy to chat with you about that particular chunk of road.

**Mr. Hampton:** — Supplementary, Mr. Speaker. Mr. Minister, under a previous minister that was to be a three-year project. After many visits to his office, etc.,

etc., it was to be done. There was a change in ministers and all of a sudden it's fallen flat. Now I can gladly come up to your office, sir, but the question I ask you is: is it going to be tendered this year or, if it is not, will you please tell the people of the constituency why it would not be tendered this year?

**Hon. Mr. Hodgins:** — I believe, in all fairness, that I've already answered the question, Mr. Speaker. And I did thoroughly state that if that project was not on our announced project array that I'm sorry to advise you that no, in this particular year, that particular piece of road will not be under construction. But I can assure the member opposite that I will give it full consideration and more consideration if you do indeed take the time out of your very busy schedule and come to my office and chat about that piece of road. Thank you.

## ORDERS OF THE DAY

### GOVERNMENT ORDERS

#### SECOND READINGS

#### **Bill No. 2 — An Act to amend The Saskatchewan Telecommunications Act**

**Hon. Mr. Lane:** — Mr. Speaker, as the Premier announced on March 12th, SaskTel has embarked on an essential and ambitious program to replace multi-party line service in rural Saskatchewan with urban-quality, individual line service. This improvement to the system will benefit some 70,000 multi-party line subscribers in our province, and they have waited a long time for this enhanced service.

All across Canada telecommunications carriers have been studying the feasibility of a program such as ours and have been pressured increasingly by their subscribers for better services. Our new program will once again place Saskatchewan in a leading position and re-emphasize SaskTel's status as a world-class communications company. This is the right time to introduce this program. It is economically feasible. The technology is at our command, and our rural citizens need and deserve a better quality of service. There are many benefits to be derived from this initiative.

Now I know that the members opposite do not want to hear about rural individual line service, Mr. Speaker, but I would like to continue my remarks and discuss what we believe to be a very important program for the people of rural Saskatchewan. Let me quote to you from a letter recently received by SaskTel:

I'm definitely in favour of private lines being put into the rural communities because there are times when my husband needs the phone for business purposes, especially during the spring, summer, and fall months when he is phoning for parts. Do you know what it's like when a parts man at a business says, I'll phone you back right away, and then the line gets tied up? Yes, I'm definitely in favour of private lines in the province.

And this is only one of the many problems encountered

for many years by our patient and hard-working rural citizens. Let us not forget, Mr. Speaker, that SaskTel went ahead with the work involved, and Saskatchewan emerged as the first province in Canada to have all its toll lines buried. This of course has meant steady, dependable delivery of services even during the worst winter months and sleet storms.

The present program to eliminate multi-party line service and all its annoying shortcomings, is being greeted by a far more positive anticipation than was the rural service improvement program, and there are good reasons for this. Individual line service is the very least that we owe the people who for generations have been the backbone of the provincial economy.

This program will eliminate the existing disparity between our rural and urban services. It will ensure equal access by our rural residents to the latest in telecommunications technology. It will give them the opportunity for unlimited access to their own telephone lines and assure them that anyone wanting to reach them, for any reason, will be able to do so without hindrance. It will give them access to computer communication for enhanced education for their children, or instant access to commodities and crop information for weather reports, for banking purposes, and for all the reasons people in our cities and towns want and use such facilities. It will ultimately allow them to program the modern telephone sets that they will be able to have in their homes so calls can be forwarded to whatever neighbour they have gone to visit or assist. They will be able to select from all the models of phones, now available to their urban friends, when they want an extra set for decorator or convenience purposes. This is little enough to offer them in return for their perseverance and determination to make the land work for our benefit.

The easements which were used to implement the rural service improvement program of the last decade were essential to that program. As I have stated, Mr. Speaker, it placed our province in the leading edge of today's technology. It was through the understanding and co-operation of the thousands of rural residents and landowners that the program met with its historic success. The same understanding and co-operation is once again anticipated as we embark on a five-year program of ploughing in the cable necessary to provide the individual line services.

It is true, Mr. Speaker, that we already have some cable in place, and it is also true that some of the ditching and ploughing was done within the last decade. It is also true that we prevailed upon people's good nature and tolerance when SaskTel asked for the right to enter their property to do our work. When we did it was to enhance their telephone system and to provide for their future. And what a future we now encounter.

Few experts in the field of telecommunications could have predicted in the early 1970s that electronic switching facilities would have become so commonplace. SaskTel is well on its way to total conversion of the province's switching facilities just one decade later. We can't stop this progress. The modern world is converting to electronic telecommunication

switching so that instant access to information is possible, and without this access, success in any field of endeavour is virtually impossible.

In order that our rural residents can benefit fully from this access to information, we must connect them to the new switching technology. But it cannot be done using the lines currently ploughed into their properties and along the rural roads. It is necessary that we again use the easements we have used in the past to bury their service cables.

Many questions have been asked by our rural customers since the announcement that we were extending first-class service to them, and I would like to address a few of them at this time.

A question commonly asked: why can't you co-ordinate your work with the power corporation and use the same ditches they will be digging? The answer is simply this. Even if it were possible to co-ordinate our work-force so that they were in the same areas at the same time, it is not possible to lay telephone cables in the same trenches. The power cables produce an induction current which is picked up by nearby telephone cables and renders conversation difficult, if not impossible. It would have a far worse impact on the transmission of computer information.

And, Mr. Speaker, the Canadian Standards Association prohibits burying any other services in the same trenches as natural gas pipelines. So we have to go in separately and lay our cable, using the highly efficient method of slitting a narrow trench, into which the new cable is laid automatically at the speed of a tractor pulling the plough.

We have further been asked if landowners will be paid for the easements we need. Since the implementation of the rural service improvement programs, subscribers have not been entitled to compensation for installing facilities necessary to provide them with the service. Hence, Mr. Speaker, it has been a requirement that a rural landowner provide free easements to the corporation. Registration is used only where toll lines or critical facilities are involved or where expropriation is necessary. In these cases, compensation is offered, usually at a modest rate, subject to adjustment.

Certainly SaskTel intends to pay all crop and property damage incurred on an easement. And in addition, SaskTel or the contractor is responsible for the restoration of land conditions after maintenance and ploughing crews complete their work.

Generally the easements provided to SaskTel under the rural service improvement program will be relied upon for this individual line service program. The present provisions of the SaskTel Act allow for the use of easements only to maintain, inspect, and replace the line installed in them. They do not make reference to the installation of additional cables.

The easements in place, on the other hand, are broad enough to permit the installation of additional cables. The proposed Bill, Mr. Speaker, will see the legislation

coincide with the permission granted by the easements already in existence, ensuring that additional improved and expanded cable facilities may be installed in the existing easement.

We have established two conditions in subsection (7)(a) and (b) for the installation of additional cables, namely, that additional cable is installed to serve subscribers in the area, and that the additional cable is installed within the boundaries of the easement originally granted to SaskTel.

These provisions will ensure that the landowner's property rights are respected and protected by ensuring firstly, that the easements in place are used only for local service improvements; and, two, that new easements will be obtained in the event that buried cable cannot be installed in the existing easements.

Swift passage of this Act, Mr. Speaker, is essential for the completion of the program begun last month to install individual line service in place of the multi-party line services now encumbering our rural residents.

The wording will be altered only slightly from what the SaskTel Act now contains. We simply want to clarify the use of easements already granted to SaskTel and ensure that we can get on with this long overdue enhancement to what is one of the best telecommunications systems in the world.

I so move, Mr. Speaker.

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

**Mr. Lusney:** — Thank you, Mr. Speaker. Mr. Speaker, I don't think there's anyone in the province that doesn't agree that we need private line service. We've said that last year yet, that we should be putting private line service into rural areas. And I'm glad that the minister agreed with us and decided to do that. He is, at this point, apparently proposing that he wants to be using easements that were formerly acquired for burying cable in the different areas.

I would think, Mr. Minister, that if you want to keep the relations between the farmer and the corporation going smoothly, that what you would be doing is contacting these farmers again. I think we can do that much for them and make sure that everyone knows what is happening, when that cable is going to be buried, so they can plan their operation accordingly.

You're going to be going across crops, without question, and you're saying that you would like to just use the old easements and move in there and bury your cable. Now this is fine; I don't think anybody's going to disagree with it. But you should be going in there and telling the farmers that you're going to be coming through at a given point, and that if they want to cut that crop down for feed or do whatever with it, move it out of the way so it would be a lot easier for the corporation to do the work they have to do, and it wouldn't be that great a loss to the farmer. In the past, and it's only even last year I've heard complaints, and I'm aware of some of them, where they said they were going to be going through at a given time and that they were going to notify the farmer when they do it, and they

refused to do that. They went right through before the farmer even knew what was happening.

I think, Mr. Minister, it's incumbent upon you and your department to notify the landowners and tell them what you're planning to do, when you plan to do it, and make sure that they are all aware of it, because the farmers are not going to be run roughshod like you have done in many other areas. I think it would be more beneficial to everyone concerned, and to the program itself of burying of private lines, or providing private line service, by making sure that everyone is aware of what's happening and that everyone is contacted by the department.

Motion agreed to on division, Bill read a second time and referred to a committee of the whole at the next sitting.

#### **Bill No. 22 — An Act to amend The Education Act**

**Hon. Mrs. Smith:** — Mr. Speaker, today we have before us The Education Amendment Act. It is a housekeeping Bill; therefore I will keep my comments relatively brief.

Subsection 7(2) is simply being transferred to The Department of Education Act, and there is an amendment to The Department of Education Act to come, which is before this Assembly.

The amendment to section 125 within this Bill, Mr. Speaker, clarifies in simple terms that the board of education of each school division is ultimately responsible for the appointment of the school district returning officer, and consequently responsible for the conduct of all school board elections within the school division. During the recent elections for local boards of trustees, there was some doubt in the minds of several boards of education regarding, in fact, whose responsibility the appointment of the school district returning officer was.

(1445)

Also, Mr. Speaker, within section 5 of the Bill, we have section 146 of the Act. This is an amendment, and last year there was some question with the addition of clause (f) during the Assembly's consideration of the proposed amendment. Members of the Non-Controversial Bills Committee asked the department to monitor and reconsider the phrase, "the pupil who is 18 years of age or less." While this phrase, Mr. Speaker, has not been of great problems, it neither adds nor detracts from the intent of the section. The key element is whether or not the pupil is dependent on the parent or the guardian, not whether the pupil is 18 years of age or less. Therefore, Mr. Speaker, the phrase is being deleted.

Also, Mr. Speaker, the amendment to section 279 allows for the gradual introduction of reassessment in Saskatchewan municipalities. The concept is similar to that that is being employed by the city of Saskatoon.

One last one, Mr. Speaker, is the amendment of subsection 319(6). It clarifies that a resolution cannot amend a by-law. Mr. Speaker, this wording is simply one that we consider to be strictly housekeeping. I so move.

**Mr. Tchorzewski:** — Thank you, Mr. Speaker. I will be adjourning debate on this because I will want to, as I usually do, contact the school trustees association and the Saskatchewan Teachers' Federation and others about their view on the provisions here now that we have had a brief explanation from the minister.

I note that the minister has indicated all of these are housekeeping. That may be so, but it seems to me that every time we talk about assessment or reassessment — as you will know, Mr. Speaker, having been involved with school boards and municipalities — I wouldn't rush and jump to the conclusion that that's simply housekeeping. Assessment and reassessment has some rather major implications. Many people who have had an experience with it in recent years and months will tell you that. Municipalities have had no end of difficulties. The assessment work by the government has not been particularly laudable, leading to the confusion and the kind of difficulties that some municipalities have had to face.

So I just make some of those comments. I will have more to say on this later, after I have had some consultations with the appropriate people, and then I will have more to say on this Bill. For now I simply would like to adjourn debate.

Debate adjourned.

#### **Bill No. 23 — An Act to amend The Department of Education Act, 1983**

**Hon. Mrs. Smith:** — Thank you, Mr. Speaker. Once again my comments will be brief. Mr. Speaker, what we have before the House today are amendments to section 8 and 9 of The Department of Education Act.

It is simply a transfer, Mr. Speaker, to The Education Act, which we dealt with just before this Bill with subsection 7(2). In combination, Mr. Speaker, these amendments represent the transfer of the authority which is necessary to operate the educational media services branch of the Department of Education from one Act to another. Mr. Speaker, members of this Assembly will be aware that the educational media services branch provides films, video and audio programs in multi-media lists to the province's schools. These amendments, once again, are strictly housekeeping. Subsection 7(2) of The Education Act is the only component of the department's authority which is not in the Department of Education. I therefore move, Mr. Speaker.

**Mr. Tchorzewski:** — Mr. Speaker, because as the minister has indicated these provisions are consequential and are therefore tied in with other legislation, I think it would only be appropriate that if I adjourn debate, consider what the minister has said, and then consider these consequential amendments along with the previous ones, and then we can deal with them in, I think, a more adequate fashion. So I adjourn debate.

Debate adjourned.

#### **COMMITTEE OF FINANCE**

**Consolidated Fund Budgetary Expenditure  
Urban Affairs  
Ordinary Expenditure — Vote 24**

**Item 1 (continued)**

**Mr. Tchorzewski:** — Thank you, Mr. Chairman. Mr. Minister, on Friday we were discussing the issue of funding for the city of Saskatoon for 1986 under the various categories of funding that urban municipalities receive funding from, and I indicated at that time that I was going to ask you today for some further information. And I assume your staff has had an opportunity to gather it together.

Can I ask, therefore, Mr. Minister, can you tell me what amount of revenue sharing was provided to the city of Saskatoon — and this is revenue sharing, operating — in 1981 and 1982, each of those years?

**Hon. Mr. Dirks:** — 1981-82 — 11,775,787; '82-83 — 13,215,484.

**Mr. Tchorzewski:** — Can you give me the information for the transit assistance operating for '81-82, and transit assistance capital grants for '81-82?

**Hon. Mr. Dirks:** — Saskatoon, '81-82 operating, 870,775; capital, 702,160. That's '81-82. '82-83, Saskatoon operating, 843,164; capital, 655,757.

**Mr. Tchorzewski:** — The 1981 figure for capital, what was that again, Mr. Minister? I didn't write it down quickly enough.

**Hon. Mr. Dirks:** — Seven-zero-two-one-six-zero.

**Mr. Tchorzewski:** — Thank you. One other question, and I indicated I would want this as well. Urban assistance. In 1981 and 1982, what funding was provided to the city of Saskatoon under urban assistance traffic safety, or would that be under the Department of Highways, or would you have that? You don't have that with you? Okay.

Can you tell me, Mr. Minister, what amount of money did the city of Saskatoon receive under the community capital fund which I think then later became the provincial capital fund? In '81 and again in 1982. And what do you anticipate they might receive in 1986?

**Hon. Mr. Dirks:** — Rural community capital fund, '81-82, 2.675 million; '82-83 — did you want that figure?

**An Hon. Member:** — '81 and then '82, yes.

**Hon. Mr. Dirks:** — Yes, so '81-82 was 2.675 million; '82-83, 4,673,851; and I'll just check this figure for you on the other question . . . '86-87 — we're projecting possibly the balance of the commitment, which would be 6,332,567.

**Mr. Tchorzewski:** — Would that be part of the funding for the arena in Saskatoon, or is that a special, separate funding arrangement that will be done through the Department of Culture and Recreation?

**Hon. Mr. Dirks:** — That does not include the new arena funding.

**Mr. Tchorzewski:** — Can you tell me where I might ask questions about that funding? Which department will that come under?

**Hon. Mr. Dirks:** — Supply and Services.

**Mr. Tchorzewski:** — Thank you. Well, Mr. Minister, I appreciate the fact that you are able to provide me this information. I think it's important to have it because I think it provides us in the House to make a very interesting comparison between that period of time and 1986-87 which we are in now.

And I just want to, before I do that, ask you another question which deals with something that the council in the city of Saskatoon has had to consider recently. And I'm wondering if you were aware of it, but the council in the city of Saskatoon in the month of April has had to consider imposing a special \$1 million levy to repair and upgrade Saskatoon streets, sidewalks, and sewer catch basins. And the reason that they're doing that — it indicates in an article here in the Saskatoon Star-Phoenix that the taxpayers will be contributing this money because the money formerly was provided by the provincial government under the urban assistance program.

This is not going to be an insignificant move on the part of the city. I think it's almost going to be . . . well, if you add it on to other tax increases that are taking place, it does not tell a very positive story about the kind of funding that your government has been providing to urban communities. Are you aware of this \$1 million levy that the city of Saskatoon has been considering, Mr. Minister?

(1500)

**Hon. Mr. Dirks:** — I have heard of discussions in that regard. Whether or not they have actually chosen to levy or not to levy, I'm not aware of that yet.

**Mr. Tchorzewski:** — Well I'm informed, Mr. Minister, that this — and I quote — this proposal was at that time only a final approval away. So I don't think it was something that was being considered lightly.

Now let me explain, Mr. Minister — since your Minister of Finance obviously did not think this serious enough to provide your department with sufficient money to fund our urban municipalities — so let me explain what has happened here.

If you consider the funding provided to the city of Saskatoon in 1981 for the community capital fund, the recreational/cultural facilities grant program, the urban assistance program, the transit assistance (and transit assistance both capital and operating) and revenue sharing, the city of Saskatoon and the taxpayers of that city received from the province under revenue sharing and these other programs \$26,153,232 in 1981.

In 1982, under all of those same programs, which are the main funding that municipalities receive from the province, it was \$25,857,854. In 1985, Mr. Minister, that



amount had dropped to \$21,423,301 — a very significant reduction in funding to the city of Saskatoon.

Now if you narrow that down to just a few category of programs, Mr. Minister, and include the figures you gave me on Friday — and I will only talk about revenue sharing, urban assistance, and transit assistance — here is what happens in the city of Saskatoon. And I could do the same kind of analysis for the city of Regina, and to some extent I will do that later, as well as some other communities.

But under revenue sharing — and I will only use the first year of your government so that it's easier to follow here — under revenue sharing in 1982 the city of Saskatoon received \$13.2 million. We've already talked about that. In 1986 you told me on Friday that the city of Saskatoon will receive \$15.2 million. Under urban assistance in 1982 the city of Saskatoon received \$7.9 million. It is going to receive in 1986, estimated, \$1.5 million. And if you take those two only, together, Mr. Minister, there is a net reduction of funding to the city of Saskatoon in your budget for this year from 1982 of something like between 4.3 and \$4.8 million.

Now how can you justify that kind of lack of priority for our people who live in our urban communities, Mr. Minister?

**Hon. Mr. Dirks:** — Well I would simply respond to the member opposite by saying that for comparative purposes here in Urban Affairs — if you want to talk about other departments' funding, of course, you can do so — but in Urban Affairs we had about 16 million-plus in '81-82 under your administration. Today, \$24 million-plus, '86-87 under this administration.

So clearly there's a substantial increase in terms of Urban Affairs funding, and this does not include things like the substantial multi-million dollar commitment for the new Saskatoon arena, which is clearly something that they have decided is a priority in that city, and they want to put dollars towards that. And obviously when you talk about \$26 million figures or whatever, clearly you don't build bridges every year in the city of Saskatoon. You might do that once a decade or maybe once every two decades, and obviously the 42nd Street bridge would have had a substantial amount of money included in there during the past years for their particular budget purposes as well.

So there are a large number of items that you can take into consideration when you start comparing urban assistance under the Department of Urban Affairs or under any other particular department's appropriations. But I think the figures that I have quoted in terms of this particular department, a \$25 million-plus in this year, compared to 16 million-plus about five years ago, clearly there's a substantial commitment on the part of this government to maintain and increase funding for the city of Saskatoon in order to enhance Urban Affairs services in that community.

**Mr. Tchorzewski:** — Mr. Minister, I think there are an awful lot of people who wouldn't agree with what you are saying. And I think that the council in the city of Saskatoon, as well as the citizens of that city who are

going to have to make up the difference because of your government's tax shift from the province to municipalities and, therefore, to the people who own property and pay property taxes — that tax shift has been very dramatic. And this \$1 million levy that the council of the city of Saskatoon has had to consider in order that it is able to repair and upgrade Saskatoon streets and sidewalks and sewer catch basins, and so on, is clear proof, Mr. Minister, that the priorities that your government has given on the needs of our municipalities have been very, very low on the scale of the priorities of your government.

No one needs more proof than to consider the fact that in 1985, which was last year, you froze revenue sharing, your government did, your previous minister of Urban Affairs did, and you're not changing a great deal in your capacity as the new minister.

Wouldn't you agree, Mr. Minister, that a \$1 million levy by a city such as Saskatoon to do some work on some very important facilities that the city must upkeep, is an indication that the province is not providing adequate funding?

**Hon. Mr. Dirks:** — Well, Mr. Speaker, I would simply reiterate the statistics that I presented just a few minutes ago to the member opposite — \$24 million to the city of Saskatoon, 24 million-plus in this year, compared to \$16 million out of Urban Affairs approximately five years ago — a very substantial increase.

Property taxes here in the province of Saskatchewan are estimated to rise in the order of around 2.8 per cent increase this year — a rather modest increase. Last year revenue sharing did not increase. Property taxes, in fact, at that time increased only 0.4 per cent, so hardly any increase in property taxes across the province last year. And I think people appreciate that when Saskatchewan is hit with a very substantial drought — and agriculture being the backbone of our economy — that clearly the dollars should be provided as much as possible to assist agriculture in order that all of our communities, large and small, can be sustained over the long haul.

When you consider the property tax increases under the former administration, just for comparative purposes, from '79 to '82, about a 28 per cent increase; and then from '82 on to '86 estimate about a 14 per cent increase, a substantial reduction in the rate of increase of property tax. And I think that indicates our commitment to provide adequate funding for municipalities. I'm sure they would want more. I have yet to hear of any particular organization or individual who never wanted more.

Nevertheless, I think it's incumbent upon senior governments to provide what is considered to be a reasonable level of increase, given fiscal realities which face the province in terms of drought, and I think the course that we have chosen is indeed a significant course, a prudent course if property tax increases will be kept to a minimum. And as I indicated, the \$24 million-plus figure of assistance provided by Urban Affairs this year, in comparison to 16 million back in '81-82, certainly indicates a very substantial commitment on the part of this government to assist urban municipalities.

**Mr. Tchorzewski:** — Mr. Minister, if it wasn't a point of debate, I would almost be compelled to say that your comments are an attempt, a deliberate attempt, to mislead. Because you know very well, sir, that the property tax increases in 1982 to 1986 have not been what you have said that they have been. You know it.

For you to stand here and argue that only it's important to consider the funding for municipalities that come from the Department of Urban Affairs is somehow considering the whole picture of funding that comes to urban municipalities, I think, Mr. Minister, is highly irresponsible.

I know, and you know, that urban municipalities, like other municipalities, get funding from places other than the department which happens to have the name urban or rural. There is assistance that's provided from the Department of Highways; there's assistance that's provided from the Department of Culture and Youth; there's assistance or funding that's provided from the Department of Urban Affairs, and what we established here, Mr. Minister, using your figures which you have given me and which you have confirmed, is that in 1980-82 — and I'll stick with the '82 year for consistency — \$25,857,000 was provided to the city of Saskatoon under various funding; whereas, in 1985 it was \$21,423,000, and that that figure has not changed in 1986. That's what you have established with your statistics, and your figures, and not mine.

Now how you can justify that to be an adequate performance by your government I'm not sure that I am capable of being able to figure out here. And I'm not sure that the taxpayer in the city of Saskatoon is capable of doing so, likewise.

Mr. Minister, can you answer me this question, because you referred to the tax increases and the mill rates from '79 to '82, and '82 to '86. Would you not consider, Mr. Minister, that the removal of the property improvement grant was a tax increase on property?

**Hon. Mr. Dirks:** — Well of course, one of the problems with educational funding in years gone by was that under your administration, if I remember correctly, the provincial level of overall funding to education went down year after year after year in terms of an overall figure . . . (inaudible interjection) . . . It certainly did. The percentage was going down year after year, and what was happening, of course, was that the tax burden was being substantially transferred to the property owner as a consequence, and the figures will bear that out, as much as you may stand to your feet and want to deny that.

There was a time when the provincial government's share of educational funding under your administration was significantly higher, and during the latter years of your administration that went down, down, down. And of course the property taxpayer, through increase in educational mill rates, had to pick that up.

Now we believe that it was appropriate for us to provide the best possible education system to our children and to our grandchildren here in the province of Saskatchewan, rather than taxing on one hand and rebating back on the

other hand and paying the bureaucracy in the middle to do that. It would be more appropriate to take that money and put it directly into education funding, and that is exactly what this particular government did.

There were some people of course who didn't want that to happen. We felt that education had been substantially underfunded under your administration; that it needed a long-term focus, and of course we took that money, and we put it there. That, of course, significantly alleviated pressure on educational mill rates, and you will recall that last year there were actually some jurisdictions that reduced educational mill rates here in the province.

So I think that governments have to consider not simply short-term — giving cheques to people — but rather long-term policies in terms of providing a sound educational system. And today under this administration the amount of overall government funding in terms of a percentage of educational funding is, in fact, beginning to go back up.

So that trend under your administration of being reduced year after year after year, that trend has halted. And under this administration it's going back up. And certainly I think people in the education field, while they would naturally like to see more, are pleased to see that that trend has halted and that we are moving back in the other direction.

(1515)

**Mr. Tchorzewski:** — Mr. Minister, would you consider the removal of a property tax rebate — which is what the property improvement grant was, a property tax rebate — a form of tax reduction on property. When you remove that property tax rebate, would you not agree that that was a tax increase on property?

**Hon. Mr. Dirks:** — No.

**Mr. Tchorzewski:** — Well I guess, Mr. Minister, that answer tells everyone how little you know. Maybe the problem with having a part-time Minister of Urban Affairs is the problem we're faced with here. How can you stand here in your . . . I don't know whether it's the large majority or what it is, but this is the height of arrogance for you to stand in this House and say that in 1984-85 the citizens of this province had a property tax rebate of \$230 a home — and I can go into all the different categories, but we'll stay with this one — they paid their taxes, property taxes; they received from the provincial government a rebate of \$230, which reduced their taxes; so therefore you take away that from the amount of taxes they pay. How can you possibly stand up here and say that, when you have done away with the property improvement grant, that's not a property tax increase . . . (inaudible interjection) . . . I heard him do it too, Mr. Member from Moosomin. But that really puts . . . (inaudible interjection) . . . Well maybe it was the member behind you. I'm sorry. The member from Wascana, probably, then. The former member of Urban Affairs who was responsible, along with the former minister of Finance, for doing away with the property improvement grant.

But the point I'm making, Mr. Minister, and I don't want to make a long speech of it — that I am surprised and shocked that any responsible minister of the Crown could stand, in his own estimates, and say that a taking away of a property tax rebate of \$230 a home is not a property tax increase. This is what you just said. And I know why you're doing it, Mr. Minister, because you're not prepared to admit to the failure of your government to provide adequate funding so that you can provide relief for some other people and make a shift of taxation from places like oil companies, where you should have been collecting it when the oil industry was doing well, and you shifted it to the property tax payer.

A little while ago you said that last year property tax increased by 0.4 per cent. Well, once again you use selective numbers only; you mislead, because that was not the increase when you add the \$230 that the people lost in property tax rebates under the property improvement grant. That cost Saskatchewan people \$80 million. That was \$80 million of increase in property tax, in one piece of legislation, one announcement by your government in that infamous budget which supposedly was called the most intelligent budget.

Nobody believes you, so why do you continue to persist in that argument about the kind of modest tax increases that there have been? We have seen in the last four years the biggest tax increases in property and other taxes that this province has ever, ever seen. And that's why your polls have gone the way they have gone, Mr. Minister, and that's why you are not prepared to call an election, even though you are now in the fifth year of your term — highly unusual — and it will be the first time since the Second World War.

Let's just take a look at this year, and I'll tell you what your policies have brought about. If it comes to pass, and I think it probably has by now, that in the city of Saskatoon the library, the school, the special levy, and municipal taxes go up by about \$62 a home — which is what the projection was, and I'm not sure what the final setting of the mill rate has turned out to be — that would be a 5.5 per cent increase. If you add to that \$230 on the property improvement grant which they can't claim this year, you have increased, though your policies, the tax on an average home in the city of Saskatoon by \$292. Now how can you stand here and say that that's a modest tax increase, Mr. Minister?

**Hon. Mr. Dirks:** — Mr. Speaker, the member opposite can throw various kinds of statistics around all he wants to in an attempt to bolster his particular argument. The reality is that here in the province of Saskatchewan we have taken a number of steps to reduce taxation on the Saskatchewan populace, whether it be removal of the gas tax a number of years ago. And every year that provides anywhere from an additional \$250, if you have one car in your family, and upwards if you have a two-car family, back into the pockets of the particular family.

The sales tax off of power bills significantly puts dollars back into people's pockets. Certainly the sales tax removal off of clothing substantially benefits people here in the province. And I think those are the kinds of things that people are speaking about very positively. And when

they compare that to the record of the former administration . . . and I remind myself as I stand here, and I also remind all members of the Assembly, that I could never remember a time under the former administration when taxes for the average person were reduced. I cannot remember income tax ever being reduced, but I do remember it for ever going upwards and upwards and upwards, from 34 per cent to 51 per cent if I remember correctly.

And I never remember the gas tax being reduced or being abolished. Certainly not. But I do remember it escalating year after year after year, an automatic escalator built in under the NDP administration. I do remember paying a sales tax on clothing purchases year after year after year.

So certainly this administration has taken numerous steps to keep the tax burden on individuals and families here in the province. I think everybody recognizes that governments do require funds to provide for over a billion dollar health budget; to provide literally hundreds of millions of dollars for education and for agriculture and for advanced education. All of that substantially costs money. And we have increased taxes on large corporations and banks, so that today large corporations in Saskatchewan pay a higher tax in this province than anywhere else in the Dominion of Canada.

So I think that we've taken the reasonable course in an attempt to keep the tax burden down; in an attempt to increase taxes upon the large corporations that can pay; in order that we can continue to provide the kinds of services that are essential here in the province; and to provide those services in as best a quality as possible.

**Mr. Tchorzewski:** — Well, Mr. Minister, if you want to get into the debate on taxation, we're quite prepared to do that. What you have done is . . . what you have done with public accounts and budgets and so on, is that you put figures here and put them in different columns, and then you try to make an argument ignoring all other aspects that you have hidden somewhere else.

Well let me just respond to those so-called tax reductions that you have talked about, sir. Why don't you talk about the sales tax on used cars which collected some \$6 million from people who bought used cars for a six-month period of time? Why don't you tell us about the flat tax which you imposed? And people all of this month have been filling out income tax, and on their income tax forms have had to fill out separate forms in which they are paying hundreds of dollars a year in flat tax. And I might remind the taxpayers and yourself, sir, that that's only for half a year, and anybody who paid \$300 in flat tax this year automatically knows that next year it's going to be \$600 million because they only paid for six months, because you only started collecting it since July.

Your removal of the property improvement grant which increased the tax burden on property owners by \$80 million a year . . . You talk about the removal of the gas tax, but you don't mention the other side where you have collected more than the people have paid on the gas tax. That's the other argument — where the deductible on

insurance that you buy through your car insurance have increased from \$350 to \$500, an increase of 43 per cent; where other rates have gone up in fashion, and rates that never before has been known.

You don't talk about the Saskatchewan Power Corporation electrical rates for farm and residences which has had an average increase of something like 38 per cent. That's a form of cost to the home owner. And the list goes on.

Mr. Minister, even the people who build the highways, the contractors' association, has proved and shown you statistically, and your government refuses to listen, that because of the poor maintenance of your roads, the increase of maintenance on cars — because of the damage that's done to them on the highways of Saskatchewan since your bad policies have caused them to deteriorate — costs \$119 a year.

Your tax increases, Mr. Minister, have been atrocious, and when you talk about them you refuse to talk about the tax increases that municipalities have had to put on because you haven't provided sufficient funding. When you add all that up, Mr. Minister, this province has seen massive tax increases and reductions in services, and that's the point here. There is nobody that agrees with you.

And I wish the minister . . . And I apologize to the member from Wascana. A little while ago I didn't mean to say the member from Wascana. I meant to say the member from Lakeview. But the member from Lakeview was here a moment ago and I wish he was still here — maybe he is somewhere in the House — because in 1985 he was the master-mind of Urban Affairs. Along with the minister of Finance they put together the budget for urban municipalities.

Well the Saskatchewan Urban Municipalities Association became so concerned that they had to, in a fashion which is not usual of such an organization, they felt they had to respond. And so they wrote to the minister of Finance expressing the concern that they were feeling. And I'm going to take some time, Mr. Minister, and I'm going to read this to you, because maybe that's what it takes to get you off your sort of position of arrogance as a government as a whole, and begin to realize what the real world is like out there.

And you always keep talking about consultation. Well here is what the Saskatchewan Urban Municipalities Association in 1985 thinks about your consultation. They said:

We express disappointment at not being included as one of the partners for progress for we have some grave concerns about our own fiscal capability to move forward in assisting that progress in the years to come.

This is a letter dated April 23, 1985 to the then minister of Finance. And they say that after talking about the four pillars which you talked about, your government talked about, and after talking about the so-called consultations that the former minister had with SUMA. They went on to

say, and I quote again:

The Provincial and Federal orders of government seem to have turned away from programs of assistance to local government in the past two or three years.

And I submit to you, Mr. Minister, that is the pattern that you're still continuing to carry on. I quote further:

Through our own minister we expressed concern about a replacement capital program for the existing program that was due to expire at the end of the 1984-85 fiscal year. As well, we asked for continued negotiation on the Operating Revenue Sharing Program so that we would not experience a "freeze," so to speak, on everything while the deliberations of the commission were in effect.

Conversely, we did not want, and we expressed this concern, the introduction of piecemeal types of solutions, a bit at a time, preferring to "wait until the final report" was submitted by the Finance Commission in June of 1986.

There was talk of consultation, but it never happened. They continue to say:

It seems, however, that our requests have been largely overlooked in this current budget, (that's the last budget, and I'll come to the present budget in a minute) for there is no change in our operating revenue sharing pool which amounts, in essence, to a reduction for 1985-86 when inflation and other increased operating costs are taken into consideration.

The property rebate system, Mr. Minister, you claimed was not a tax increase. SUMA said, I quote:

The property rebate system has been totally revamped which is a direct impact on our property tax payers.

The people who actually pass on mill rates and determine mill rates are arguing that the removal of the property improvement grant was a tax increase, and they stated it in a letter to the former minister of Finance. They went on to say:

The "urban surface transportation" provision under the Department of Highways and Transportation has been slashed in half. This latter move has simply shuffled funds from one program to another, and from a conditional to an unconditional grant.

And I mentioned this to you on Friday, Mr. Minister. And I quote again:

The urban surface transportation commitment through the Department of Highways and Transportation has been slashed from \$18.5 million two years ago to just over \$5 million in the current fiscal year.

(1530)

That letter was written in 1985, Mr. Minister. In 1986, and we talk about your budget, I quote from a newsletter sent out — it's called *The Urban Voice* — to all urban municipal councillors. And do you know what the Urban Municipalities Association has to say about that program? Well listen and I'll tell you. They say:

The urban assistance program that was modified and drastically cut back in the past year remains at the same level this year as 1985.

So your government in 1985 cut that program from \$18 million to \$5 million with some hokery-pokery and playing of figures. And in 1986, in your new budget, nothing has changed; it's frozen; it's still a cut. This is the great financial commitment you're making to urban municipalities, Mr. Minister. I quoted to you last day, on Friday, when you said that you had a 25 per cent increase to community capital fund, and that you had taken all kinds of money from other programs and put it into this new fund, and that now there was a big increase — when you knew very well while you were saying it, while you stood in your place and you were saying it, that there, in fact, had not been an increase but, in fact, had been a \$2 million cut — a \$2 million cut.

So what we're saying, Mr. Minister, is only what others have said. We are only saying to you what the urban municipalities association and councillors who are trying to maintain the services in their communities have said to you — that you have made substantial cuts in funding to municipalities. And the statistics from the city of Saskatoon are a very good example: in 1982, \$25,857 million from your government; in 1985, \$21,423 million from your government; and in 1986 that figure has not changed in any significant way.

How, Mr. Minister, do you expect municipalities to be able to maintain services when you are not prepared as a government to share some of the provincial wealth and carry some of that burden?

**Hon. Mr. Dirks:** — Well I'm delighted that the member ended his comments by saying, share the wealth. Because I wonder how many people in this Assembly and how many people in the province of Saskatchewan remember when interest rates were 18, 19, 20 per cent how much wealth was shared with the people of this province when they needed assistance in their pocket-book to the tune of 200 or 300 or \$400 to help them keep their homes, and how much wealth was shared by the NDP administration at that time — none; not one red cent.

And when the gas tax continued to escalate year after year under the NDP administration, how much assistance did the NDP administration give to people to help cut inflation costs at that time? Not one red cent — zero, a big zippo from the NDP. Oh, you had sufficient money to buy uranium mines, and you had sufficient money to buy potash mines, but you never had one red cent to help people when interest rates were going sky-high.

It was a Progressive Conservative government that shared

the wealth so that people didn't have to have the burden of interest rates on their shoulders, and the people of Saskatchewan will remember it.

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

**Hon. Mr. Dirks:** — And you talk about sharing the wealth. Well, I wonder, did your administration ever provide 6 per cent loans to farmers? Did your administration ever provide 8 per cent money to small-business people? Did your administration ever provide thirteen and a quarter per cent assistance to home owners? Did your administration ever freeze SaskTel bills? Did you ever freeze SaskTel rates in the province of Saskatchewan? Well they've been frozen the last two years; they're frozen this year; they're going to be frozen again next year. And at the same time this administration is going to be putting in individual line service. Now if that isn't helping people share the wealth of this province, I don't know what is.

And, Mr. Speaker, when you talk about SGI — and you mentioned it — well SGI's insurance rates have been frozen. And I want you to know that, in fact, the cost of licenses has gone down under this administration. And it wasn't too long ago that people in this province remember that insurance rates were going sky-high because of the inefficiencies and the incompetencies of the former NDP administration when you were running that particular corporation.

What about the sales tax on clothing . . . (inaudible interjection) . . . What about the sales tax on clothing? If that doesn't help people in the province of Saskatchewan to put money back into their pockets . . . (inaudible interjection) . . . Well you talked about the full gamut of taxation, and you talked about the full gamut of putting money back into people's pockets. Well I'm simply saying that in all fairness you'd better take everything into account when you talk about putting money back into people's pockets.

And when I talk about frozen SaskTel rates, frozen SGI rates, licence costs down, no gas tax in the province, the sales tax off of clothing, the income tax down from 51 to 50 per cent, 13 and one-quarter per cent assistance for home owners, 8 per cent assistance for small businesses, 6 per cent assistance for farmers — if that isn't sharing the wealth, I don't know what is.

**Mr. Tchorzewski:** — Well, Mr. Chairman, isn't it interesting, after having a calm discussion here and asking calm, intelligent questions, the minister, when he finds that he cannot answer the question, has to stand up and rant and rave and bring the decorum of this House, along with some of the colleagues who shout with him, down to a new low.

Now, Mr. Chairman, it is interesting that when the ministers of this government find themselves pressed, instead of responding to the substantive questions which are being asked, feel that they've got to get up and make irrelevant speeches that have nothing to do with what the question was that was made from the opposition side of the House.

Not only have we established this afternoon, Mr. Chairman, that this government has been negligent in its approach to urban municipalities, but also this government is not prepared to even as much as to consider the concerns that are brought to their attention, either by the opposition or by the public. Because I spent a little time a little while ago relating to the minister, Mr. Chairman, the concerns of the Saskatchewan Urban Municipalities Association. Well you notice, Mr. Chairman, not once in his tirade that he just gave us did he refer to the comments of the Saskatchewan Urban Municipalities Association.

Now why would he not do that? Because he knows that they're right. But in his usual way, Mr. Chairman, everybody in the world is wrong, but he's right. That's the attitude of this minister, and that's the attitude of this government.

He talks about SaskTel rates being frozen. Well why wouldn't they be frozen? Heavens, the public has a right to expect that when in the last four years they have increased those rates by 21 per cent . . . (inaudible interjection) . . . Well you check the figures. Ask your minister of telephones. The basic rates for telephones have gone up by 21 per cent. Now the minister stands up and boasts that they're frozen this year. They shouldn't have been frozen this year; they should have been reduced.

He boasts about SGI rates being frozen. Well it's funny how election years bring about a lot of freezes. But putting all that aside, I would hope that SGI rates might be frozen when they have increased the deductible on cars by 43 per cent in the last four years. There should have been a reduction, I say to you, Mr. Chairman, and I say to the member and his colleague who is the minister in charge of SGI, that not only should SGI rates be frozen, but that deductible which was increased from \$350 to \$500 over the objections of the Public Utilities Review Commission established by this government — that deductible should have been reduced, because the deductible that there is now is unreasonable. It is unreasonable. And it has increased the revenues of SGI to the point, and at the cost and the expense of people who shouldn't have to carry all that burden.

Four years they increased taxes. Four years they increased rates for SGI and the Saskatchewan Transportation Company and SaskTel and power corporation. And then in the last year they freeze the rates. Now isn't that interesting? It doesn't take much figuring to understand what the game has been. This government seems to think that it can punish the population with taxation and bad services for four years, and then in an election year kind of make up; and then they will get all the people to forget, and therefore it will all translate in votes for the Conservative Party.

Well I say, Mr. Chairman, that's a fool's game. And if those members opposite want to continue to be fools, that's quite all right with us, but that's the kind of game they're playing. And the member from Kindersley who sits over there knows better than anybody else the kind of price you have to pay for trying to take away from the people of Saskatchewan more taxation, and under an

unfairer system than they have ever had to experience in the past. The member from Kindersley no longer sits as the minister of Finance, and you would have thought that other members of the treasury benches would have learned from that.

Now why wouldn't you, Mr. Minister, talk about the concerns of SUMA? Why wouldn't you respond to the fact . . . And I'll quote you another section from their letter. And they say that:

The larger cities that were receiving some substantial grants under urban assistance have lost (that) grant.

That's not what I'm saying; that's what SUMA is saying. I'm only repeating that. That was for 1985. And then they go further in 1986, in the most recent news-letter, say, "and it still remains the same in 1986." They went on to say that:

We are now led to believe that the Department of Highways has forwarded a letter to communities . . . what they are doing was at the request of SUMA.

And isn't that interesting? — because I want you to listen to what they said afterwards. This is the famous consultation process that you pretended to undertake. I quote:

I can assure you that we did not request that our communities be subject to reduced financial support from the Provincial government and we are not very pleased at being used as the reason why the Provincial government has shifted monies such as I have just described.

This is from the president of SUMA. They went on to say, and they said:

We also point out that during the past several months the utilities, which are Crown corporations . . .

And that's why I'm glad you raised that, Mr. Minister, because I wanted to respond to it. Well here is SUMA telling you, and I repeat again:

We also point out that during the past several months the utilities, which are Crown corporations under the control of the government while having to go before the Public Utilities Review Commission, have indeed imposed substantial rate increases on the consumers who are also, of course, the property tax payers that we endeavour to represent.

To sum up, then, (I keep quoting) it seems to us that the overall attitude toward local urban government is to hold the line insofar as provincial contribution is concerned, and to let the property tax burden increase and increase substantially I might say, by this line of reasoning. I reiterate that we are in favour of having a review done by the Local Government Finance Commission, that you

appointed (and he's talking to the member of Kindersley here — that you appointed) but that we not be ignored during the time that the Commission was doing its work. This is certainly what has happened in this 1985-86 budget.

And I submit to you at the end of this quote, Mr. Minister, that's what's happened in the 1986-87 budget.

And I just simply conclude by what I thought were particularly interesting closing comments in this letter from the president of SUMA:

The property tax payers are going to be severely burdened; in our view, this year by virtue of the fact that you have put on a 1 per cent flat tax on net income, you have removed the property tax rebate, you have increased our local tax burden by simply not providing any more funds through revenue sharing, (the) library services, (the) ambulance services and no apparent pressure on the school boards to reduce their demands on the property tax payer.

I quote again:

It is difficult to understand what the objective of the Provincial government is in its relationship to local government operations, when we have been so severely dealt with in your current budget.

This is, I grant you again, 1985-86. They even refer to your gas tax. I quote again:

We know when your government came into office in 1982 that you promised to remove the burden of fuel tax on motive fuels, and you did indeed do that. The resultant loss, however, has contributed, in our opinion, substantially to the deficit that you are now facing. We do not, as local government, feel that you and your government should transfer the cost burden to municipalities because of (the) political decisions you undertook to remove a source of substantial revenue that you have available to you and choose to do without.

They're not arguing with your policy of the removal of the gas tax. They're simply arguing, as we're arguing, that having made that decision, you were wrong in transferring that source of revenue onto property taxpayers. You did not reduce taxes, Mr. Minister. You just made a shift, so that now property taxpayers pay more than they ever did before. That's what you did.

Now that was 1985-1986. And you would have thought with a brand-new minister and a brand-new Finance minister and the kind of flack you took over these issues, resulting even in the dismissal of the Finance minister to another portfolio, that you would have listened. Well, did you listen?

(1545)

Here is what 1986 is being said by municipal people:

Operational revenue-sharing pool increased by 3 per

cent. These funds are to be distributed level across the board so that each community should receive 3 per cent more this year than it did in 1985. This, of course, is a departure once again from the revenue-sharing distribution formula that has been used over the years to apportion the funds available in the revenue-sharing pool.

Next quote, 1986 news-letter:

The urban assistance program that was modified and drastically cut back in the past year remains at the same level this year as for 1985.

And finally, quote:

Funds available under the water corporation or municipal water and sewer projects have been reduced somewhat this year, 1986-1987.

Well, Mr. Minister, in light of all of this . . . And I really am sorry I have taken so much time to read it into the record and read it to you, but listening to you I'm not sure you've seen any of this stuff. So I thought it would be useful to familiarize with you.

In light of these concerns, don't you think that these people who get elected at the municipal level merit being listened to and have their concerns taken into consideration?

**Hon. Mr. Dirks:** — Mr. Speaker, I have had numerous positive consultations with people in the urban municipalities association and have had the opportunity to speak with many mayors across this fair province. Indeed, this morning I met with the mayor of Saskatoon to consult with him on an issue of particular importance to his jurisdiction.

And we have had productive discussions concerning liability insurance, for example, which we talked about last time. We're in the process of talking about, and have been for some time and will continue to be, the revenue-sharing formula which should come into place over the next period of time. We've had significant discussions concerning the need for the federal government to be involved in providing funds to upgrade and enhance our municipal infrastructure here in the province of Saskatchewan.

So our commitment to consulting with the organizations involved in the urban municipality scope of things here in Saskatchewan is certainly a fundamental and significant commitment. And I think that that commitment is evidenced by the fact that this year revenue-sharing is increasing in the amount of some 3 per cent. And I indicated previously Saskatoon, for example, will be receiving in '86-87 an overall total amount of some \$24 million-plus, which is a very significant amount of money.

And I'm sure that there will always be those individuals and those organizations who would wish that there was more money that was available for them. I can recall when I worked in the education field that school boards and educators were always asking for more money. And I

can understand that and appreciate that. One never has enough money to fully do all of the things that you wish you could do.

And in the field or urban municipalities, I have yet to hear of an organization or a particular council that did not wish that they had additional funds that could assist them in meeting the particular needs of their jurisdiction.

So certainly those kinds of things are natural. One expects that regardless of the level of funding that is provided people always wish that they received more. However, the senior government does have a responsibility to look at the overall priorities of the province. And certainly, during these days, agriculture is a number one priority. We need to shore up the backbone of Saskatchewan's economy. And I think it's fair to say that at no time in Saskatchewan's history has agriculture ever received the magnitude of assistance nor was that assistance every as justified as it is today. And I think people appreciate that.

And I think people in the municipal scheme of things understand that agriculture does need the level of assistance that it is receiving today. Having said that, I think that the magnitude of assistance that we are providing these days to our municipalities — the 3 per cent increase; the special funds that are provided to various municipalities for special projects; the consultation that we are involved in, whether it be liability insurance or revenue-sharing or whether it be for the need for the senior Canadian government to be involved in financing the enhancement of municipal infrastructure — all of those things together, that entire orbit of activity and commitment certainly is substantial on the part of this provincial government.

**Mr. Tchorzewski:** — Mr. Minister, I don't disagree with you that people usually would like and would appreciate more than they often get. I don't think that that's an overwhelming kind of force that exists out there.

I think it is fair to say that if people feel that they have been fairly dealt with, because they generally understand what the economic situation is, whether they're individuals in Saskatchewan, who are usually well-informed, or whether it's municipal organizations or school boards, they usually will accept what the provincial government does if they feel that they've been unfairly dealt with. I suggest to you that the reason municipal people have been so concerned, and then therefore have become vocal in their concern — and this is not a usual kind of a letter, Mr. Minister, to be written by the government from SUMA — the reason that this was expressed in such strong terms is because a lot of people out there in municipal government have concluded that they are not being fairly dealt with. And that's really one of the major things that's an issue here.

You mention that the revenue sharing is increasing by 3 per cent. Wouldn't you agree, Mr. Minister, that in light of the fact that last year revenue sharing was frozen — there was no increase — that therefore over this two-year period of time that's really only an increase of 1.5 per cent per year? Would that not be an accurate conclusion to draw?

**Hon. Mr. Dirks:** — I believe that last year, while there was no increase in the revenue-sharing pool, that capital was up somewhere in the magnitude of 5 to 6 per cent. And at the time that SUMA wrote the particular letter that you were referring to, that they may not have realized that. So there was a significant increase in capital last year.

There of course is an increase in capital in terms of the provincial capital fund over a two-year program — up 25 per cent from the old capital fund — a 3 per cent revenue sharing increase. Certainly all of those things assist on the municipal side. And then when you take a look at the assistance that has been provided to individuals, which in a sense is a form of tax relief — if you want to use those terms — certainly whether it be SaskTel rates frozen, or SGI rates frozen, or not having to pay a gas tax in the province, or no tax on clothing, or no tax on power bills, or income tax going down from 51 to 50 per cent, or 8 per cent assistance to small business, or 6 per cent assistance to farmers — on the individual side you see a substantial array of assistance being provided to people to keep the tax burden down. Then on the municipal side you see capital increase; you see revenue sharing increase. I think that's a reasonable way to go.

**Mr. Tchorzewski:** — Mr. Minister, once again, after the first day we began these estimates, it became quite clear that your comments about the increase in capital are really not in line with what actually happened. I will agree with you that indeed there was an increase of a \$5 per capita in the provincial capital fund. We've established that; nobody can argue that. But what you failed to say, that after you consider what was taken out of the urban surface transportation funding, because you put \$5 in the capital fund but you took several million out of the transportation side, and when you add all that up, Mr. Minister — that's why you can't just take one subvote at a time — municipalities actually were cut in capital assistance by \$2 million. You may have put \$5 in one place, but you took a lot more than that out of somewhere else. So the net has been a loss in 1985-1986 of \$2 million. And you have already indicated that in this year on that end there is no increase, so that cut still remains.

You didn't come around to answer the question. So I'm not going to make another speech here. I'm just simply going to ask you once again the question: if there is a 3 per cent increase in revenue sharing . . . We're talking here about operating money, not capital. Capital you provide, something is built, something is done, and it's done. But the operating goes on. The operating is continuous. So that's a very significant item and is of some interest to taxpayers and municipalities. If you had an increase, and you have an increase of 3 per cent in this year's revenue sharing, and you had a freeze in revenue sharing last year, would you not agree, Mr. Minister, that's only an increase of one and a half per cent per year over the last two years?

**Hon. Mr. Dirks:** — Well, if you want to talk about particular, you know, year-over-year increases and the amount of money that was provided, and if you want to talk about '85-86 where the revenue-sharing pool was kept static and then a 3 per cent increase this year, I mean, the year prior to last year there was a 5 per cent increase; and the year prior to that a 7 per cent increase; and the year prior to that an 11.5 per cent overall increase, so



there's been a significant increase over time in the revenue-sharing pool.

And you may wish to want to zero in on a particular year or a particular program, but I think, in all fairness to the public, it makes more sense to zero in, not on individual years or individual programs, but on the larger picture and on the overall amount of dollars that are being spent in all of the programs over a period of time. And when you do that, when you treat statistics fairly like that, then I think that you find that this government has provided a substantial amount of money to urban municipalities.

I wish it would have been more. I'm sure everyone wishes it would be more, as individuals wish they would naturally receive more. But as I said, when you compare the entire array of funding programs over the last four or five years, and you take a look at the overall revenue-sharing dollars, I think we've seen a reasonable increase in the amount of money going to urban municipalities.

**Mr. Shillington:** — Mr. Minister, I want to assist you in understanding why you are of the same pariah to the municipalities that the Minister of Health is to the doctors. I began the discussion Thursday night and want to pick up where I left off.

In 1985 . . . In 1982-83 when you took office . . . Since 1982-83 when you took office the total amount of revenue sharing has increased by 10 per cent during a period of time when the inflation has been 27 per cent. The minister, when I related that fact to him Thursday night, then stated: but the increase since 1981, when you were not in office, was 25 per cent. That's right. But the rate of inflation since we were in office, the total cumulative inflation is 40 per cent. You conveniently forget, Mr. Minister, those were years of relatively high inflation.

Mr. Minister, it is no wonder the municipalities are upset. You have left them with significantly less money in real dollars than when you began office. Mr. Minister, it doesn't matter how you cut the cake, you have been short-changing them; you have not been giving them grants which have anywhere near kept pace with inflation. You have assumed crassly that the populace will blame the local governments, and not you. I think you assume crassly and wrongly. I think the public do understand that a large part of the problems the municipalities face begin and end with you and your successor.

Mr. Minister, I can go on, and unless you're prepared to deal with the issue, I'm going to do that. During the period of time that you have increased the urban municipalities' funding by 10 per cent, government revenues have increased by 32. During that same period of time government expenditures have increased by 33. You've given them one-third of the increase in revenues which you've enjoyed. Again, quite crassly you assume that it won't catch up to you. I think you're wrong. The member from North East, his overwhelming election victory in November of last year, I think, points out how wrong you are.

Mr. Minister, I ask you: how on earth do you expect

municipalities to provide the same level of services when the grants which they have got under revenue sharing have been less than one-third of the rate of inflation?

(1600)

**Hon. Mr. Dirks:** — Well, Mr. Chairman, I think that the pattern is beginning to become obvious as we go through estimates. This particular department is not receiving enough money. That particular department is not receiving enough money. This particular individual, that particular organization, and on and on and on and on the opposition goes — everybody is not receiving enough money, and at the same time taxes are supposed to be cut. Cut taxes here, here, here, and here, and increase money for everybody.

Well, my friend, when you do that you lose all credibility — all credibility. The populace out there are not so stupid as to think that somehow you can reduce taxes and at the same time dramatically increase funding for every last organization and individual out there. They realize that one and one makes two and not five.

So I would suggest to the member opposite that it's the responsibility of a senior government, the provincial government, to reasonably and prudently determine where the funds should go, and to allocate them appropriately. When you have a drought in the province, then clearly it makes sense to put a fair amount of assistance into agriculture. When you have educational institutions that for years and years and years were underfunded by a former NDP administration, then it makes sense to take some of that revenue and put it into a university renewal and development fund or put it into an education development fund.

When you have a health jurisdiction which was ignored for a good period of time in terms of renovating old hospitals and building new hospitals, and when you have a moratorium on nursing homes, then clearly it makes sense to put a substantial amount of money into those particular areas in order to shore them up because they were ignored so sadly during your years when your priority was not urban affairs or health or education or agriculture; your priority was to buy potash mines and buy uranium mines.

Now there's a substantial difference between this government and your administration and this difference is certainly going to continue for a significant period of time as well.

And I wish the member opposite would stand to his feet and acknowledge, as he should if he were honest with the public and with himself, that in fact you cannot do everything that you want to do in terms of increasing funding for every last organization out there and at the same time dramatically reduce taxes for everybody out there. It simply doesn't work.

And I have to chuckle a little bit at the Leader of the Opposition when he suggests that in fact it's legitimate for him, and it is credible for him, to offer to the populace of Saskatchewan a billion dollars in election promises and somehow say, but it's not going to cost the government

anything. What absolute nonsense. What absolute nonsense!

You cannot offer people the moon — which is what one editorial writer has accused the NDP opposition of doing as we approach an election — you can't offer them the moon and somehow suggest that you're not going to increase your deficit. You can't speak out of both sides of your mouth at the same time, as much as you would like to try and do that. You're simply not credible when you do it.

**Mr. Shillington:** — I wonder if the minister would like to deal with the issue. The issue before this Assembly is that your revenues have gone up 33 per cent; what you have given the municipalities has gone up by 10 per cent. I ask you, Mr. Minister, to justify that.

I'm a little surprised that you are flying health as one of your flagships when the doctors are in a foot race to get their hands on the Minister of Health and tear him limb to limb. You're flying universities as one of your flagships when they are having enormous problems — and nursing homes in which there is a huge waiting list.

Mr. Minister, I ask you to deal with the issue that I raised. Your revenues have gone up by 32 per cent; your expenditures have gone up by 33 per cent; what you're giving to municipalities has gone up by 10. How can you describe that as fair?

**Hon. Mr. Dirks:** — Well, Mr. Chairman, I suppose in response I could say that: how do you call it fair when the former administration, in a supposed heyday of revenue increases in the province in the late '70s, would allow the amount of money going to education from the provincial government as a percentage of the overall dollars to be reduced, so that the property tax burden was increased on the average home owner?

I mean, you know as well as I do that you've got a certain amount of money, and from that pool you determine what the priorities are going to be. And if you people ignored health, then obviously we have to shore it up. And if you people ignored education in terms of universities, then we obviously have to shore that up. And we have a \$125 million renewal development fund in the universities to do that.

If you people ignored the pressing burden of interest rates for farmers, then obviously we have to shore that up, and that's what we're doing. And if, of course, a drought happens to come along at the same time and we happen to take some money and spend it over there, I think people say that's a reasonable thing to do.

Now I've long learned that the statistics quoted by members opposite aren't necessarily statistics that reflect the entire picture. So I can say that the amount of money that we have provided in terms of revenue sharing increases to municipalities over a period of time has been fairly reasonable — 11.5 per cent, then 7 per cent, then 5 per cent. And then we hit a drought and so the revenue-sharing pool is static; then a 3 per cent increase this year. I think we're talking about reasonable levels of increase, given the fact that we had to shore up a number

of areas which you people sadly ignored.

**Mr. Shillington:** — Mr. Minister, I happen to have this document lying around. It is the Estimates from the first year you people were in office. If the minister wants to talk about the year before you took office, I'd be delighted to do that. I have that sitting on the desk of the member from Cumberland. But I think it's more relevant to deal with the progression of events during your term of office.

I ask you to look at the figure in the '82-83 Estimates for revenue sharing — \$60,113,160. Mr. Minister, the figure in the Estimates for 1986-87 is \$67,126,900. That amounts to an increase of about 10 per cent. I ask you, Mr. Minister, I ask you to deal with the world as it is and not as you wished it were.

In a moment, Mr. Minister, I'm going to get on to the question of the total grants provided to local authorities. It is an even sadder story than this, because while you have not decreased the grants under revenue sharing, the amount of money actually going to local authorities has decreased over the four years.

So I ask you, Mr. Minister, to deal with the facts. The facts are: in the first set of estimates which you tabled in 1982-83, you estimated that you do spend \$60,113,160, and that's almost exactly what you spent. That is not out by a thousand dollars, if you check the *Public Accounts*.

What you're estimating to spend this year is \$67 million — \$67,126,900. How does a 10 per cent increase in revenue sharing over a period in which we've had 27 per cent inflation, how is that reasonable? How is it reasonable that your revenues increase by 32 per cent, but the amount of that revenue that you pass on to municipalities increases by only 10 per cent? The system which has been in effect in this province for some period of time has been that a part of the revenue which municipalities spend is raised by the provincial government. There are a variety of reasons for that, not the least of which is that the provincial government can raise the money in a more efficient and a fairer manner. Municipalities do not have at their disposal easy means to raise money.

So I ask you, Mr. Minister, if you'd deal with Urban Affairs, first of all. I know you'd much rather talk about education. Well we're going to get there, Mr. Minister. If ministers continue to behave as they are, and that is talk about anything except the subject under discussion, then it's going to take a while, but we're going to get there. We've already dealt with health. I don't think the Minister of Health felt that health ought to be the flagship of this government's efforts to re-elect itself. There aren't a huge body of people saying grand things about you and the health care system.

And education is in the same sphere, but the member from Swift Current can deal with that, and she will probably do so quite ably. I would suggest, Mr. Minister, you let her deal with the matters with respect to education. We will, if you please, deal with Urban Affairs.

So, Mr. Minister, I ask you to deal with the facts, and I just

finished giving them to you. If you want me to read the figures out of the *Public Accounts* for what was actually spent, I'll do that as well, but it doesn't vary materially. They got 10 per cent and their revenues are supposed to increase proportionally to ours. If that isn't your program, if you have a new program in effect in which their revenues, the grants going to local authorities, does not increase proportional to our revenues, then I wished you'd say that, and then we could join the debate on that issue; but you're not.

You and your government have pretended that revenue sharing is in effect. You retain the name and, I may say, nothing but the name. You retain the name but you don't retain the program. I want you to admit that, Mr. Minister, and then this debate can assume a more sensible level, instead of us asking fairly simple, straightforward questions, and ministers of the Crown playing hide-and-go-seek with us and talking about anything but the estimates under discussion.

So I ask you, Mr. Minister, let's deal with the Urban Affairs estimates and not every other minister's estimates — I know you'd love to talk about anything else but your own department — and let's deal with the facts. The facts are that you've given them a 10 per cent increase during a period in which inflation has been 27 per cent. How do you call that revenue sharing?

**Hon. Mr. Dirks:** — Mr. Chairman, if the members of the opposition, when they ask their questions, would keep them to the Department of Urban Affairs and Urban Affairs only, then I am more than willing — indeed happy — to respond within that framework. However, the former member was asking questions which strayed quite far afield from the Department of Urban Affairs in an attempt to draw certain conclusions. And I think it certainly is appropriate to attempt to respond to those questions as best I can with the information at hand.

The member opposite has asked a question about revenue sharing, and the information that I have at hand is that in the '81-82 year, the last year of your administration as you came to an end, 53 million-plus dollars spent on revenue sharing. This year we expect 567 million-plus dollars spent on revenue sharing — somewhere around a 25 per cent increase in revenue sharing, certainly a substantial increase.

But whether or not you believe it is enough is debatable. As I indicated to the member opposite and to yourself, there will always be those times and those places and those people and those organizations who would wish more. And I suspect that if I were working in the field of urban municipal government, I would like more and would ask for more as well, and I understand that. That's a very natural sentiment, and the reality is that the needs are always greater than the amount of money which is available. But I think when you take a look at the overall funding picture for the last four or five years, then certainly the level of amount of assistance has been significant.

**Mr. Shillington:** — Mr. Minister, if you want to deal with the last year we were in office, we can do that just as easily. The increase is about 25 per cent versus a 40 per

cent increase in inflation. You arrive — although the figures were higher, because that was a period of high inflation — you arrive at precisely the same problem. The problem is, your grants have fallen woefully short of the rate of inflation.

Mr. Minister, let's deal with your last year — and believe me, this is going to be your last year in office. Let's deal with your last year versus the last year of the former administration. The increase is 25 per cent; the rate of inflation is 40 per cent. How do you call that revenue sharing?

**Hon. Mr. Dirks:** — Well, Mr. Chairman, the inflation statistics that we all hear about take into account a number of things such as the cost of housing — and of course municipalities don't buy houses; they may buy material, but they don't buy houses — and the cost of cigarettes, and the cost of liquor, and a host of things that goes into the make-up of the index. So a good deal of that doesn't necessarily apply to municipalities at all; in fact it may have nothing to do with municipalities.

(1615)

But that isn't to say that inflation doesn't hit municipalities. Of course it does. We all know that. But the amount of assistance that we have provided, I think, is a reasonable level of assistance, given the fiscal times in which we live, given the amount of revenue which government has, given the deficiencies that the members opposite left us with, given the drought which we have had to put up with during the past two years.

**Mr. Shillington:** — No, you're quite right, Mr. Minister. Municipalities don't experience the same rate of inflation; no two people experience exactly the same rate of inflation. The inflation experienced by municipalities would be much higher than the CPI (consumer price index) because a very large portion of their expenditure is on salaries, and the industrial wage index has increased more than the rate of inflation. If you want to deal with the industrial wage index, we'll deal with that, but I think that might get a bit cumbersome.

Mr. Minister, I want to ask you a question. Do we still have revenue sharing? Does this government believe in a program where revenues . . . the grants to municipalities are increased proportional to the revenues of the province?

**Hon. Mr. Dirks:** — As the member knows, the municipal financing commission was put in place and is dealing with a number of issues pertaining to local government finance. And during that particular period of time the normal revenue-sharing formula has been suspended until such time as they make their final recommendation to the government.

In the meantime, we are in the initial stages of revenue-sharing formula negotiations with the Saskatchewan Urban Municipalities Association. However, I would remind the member opposite that the actual increases over a period of time from '82-83 to, say, '85-86, the actual plus the increase in the pool amounted to about 23.5 per cent. The increase, if only the escalator

or the formula has been used, would have been around 21.4. So I think we're in the ball park in terms of what would normally have been provided to municipalities. And as I indicated, we're in a consultation process with them right now, the initial stages, as we await the final report of the commission as it pertains to local government financing.

**Mr. Shillington:** — I take it then, that we don't have — that's your position — we do not have a system of revenue sharing. But you are reinventing the wheel and you're going to renegotiate another system of revenue sharing. Is that what you're saying?

**Hon. Mr. Dirks:** — Well, if we're not providing \$67 million to municipalities this year — revenue from the provincial coffers which we are sharing with municipalities to the tune of some \$67 million — if that's not revenue sharing, then certainly you've got a different definition for revenue sharing.

Now if you're talking about a specific formula applied to a specific year, this particular year the old formula has been suspended and we are awaiting the report of the Local Government Finance Commission with regards to matters of local government taxation. And we are in the process of discussing formula with the Saskatchewan Urban Municipalities Association as it pertains to the future.

So it's important to realize that there is \$67 million that is being shared with local governments here in the province.

**Mr. Shillington:** — I had hoped that we might abbreviate these discussions by having the minister deal with the issue rather than trying to avoid it. Mr. Minister knew full well that when I said, do we have revenue sharing, I meant: do we have a system of revenue sharing whereby municipalities' grants increase as proportional to provincial revenue? Of course you have a subvote called revenue sharing; I can see that.

Mr. Minister, I take that . . . I don't take it. That's an admission that you don't have revenue sharing in the sense that you have a formula. What you now have is a tin cup ad hoc system whereby they come and do the tin cup routine and you give them moneys depending on the spirit that moves you. And it is patently obvious that the spirit has not made itself known very forcefully over the last four years.

It is no wonder that municipalities are writing the kind of letters to which my learned friend referred. The city of Regina and the mayor have written their own letters saying this simply won't do.

Mr. Minister, would you tell us what was wrong with the concept of the old revenue sharing whereby grants to municipalities moved in lock-step with the increase in provincial revenues?

**Hon. Mr. Dirks:** — Well the old revenue-sharing formula did have some tie-in to the old infamous, stiff NDP gas tax. We remember that NDP gas tax, and there was some tie-in on the formula to that gas tax. And when that gas tax

of course was removed, when the Local Government Finance Commission was implemented, it was felt appropriate to suspend that normal formula operation for a period of time while we were engaged in those discussions with the Local Government Finance Commission.

And of course each year we do meet with the urban municipalities association to talk about their particular financing needs. And I'm sure that while they would have liked more than 3 per cent this year, I can remember the mayor of Regina telling me, well if we got 2.9 per cent I'd be happy. Well we did provide 3 per cent and I'm sure he would have like more. But I think that was a liveable amount of money.

We are of course, as I indicated, in the initial states of discussions, consultation, and negotiation with the urban municipalities association on the escalator factors and the formula and everything involved in that for the next period of time here in the province.

**Mr. Shillington:** — Well I don't know what the mayor said to you privately, but he's been noticeably reticent to compliment you in public. In public his stance has been very, very different. It's probably . . . with no disrespect to the mayor of Regina, it may have something to do with the fact that anyone who said anything good about this government could not hope for re-election. And that may indeed have affected the mayor's comments, although I doubt it.

**An Hon. Member:** — He's a smart politician.

**Mr. Shillington:** — He's a smart politician. He's also an honourable man. And I think if he genuinely felt you had done anything good, I'd think he'd say so. But his public posture has been very different. So perhaps once again, Mr. Minister, we'll leave the mayor of Regina out of it and deal with your performance and your estimates.

Mr. Minister, I can only assume that ministers of the Crown . . . We've only had two of them, but I can only assume that ministers of the Crown are filibustering their own estimates. I can think of no other explanation for the behaviour of you and the member from Indian Head-Wolesey in prolonging the estimates the way you have. You have ignored virtually every question we've asked.

I accused the Minister of Health the other day . . . I'm sure that if I'd have said, what's the time, I'm quite sure he'd have said to me: now I am so proud of the way Saskatchewan people learn to tell time; I am just so proud of it; I go all over this province; they learn to tell time; but if you're saying they shouldn't be taught how to tell time, if that's your position . . .

Mr. Minister, you're every bit as bad as the Minister of Health. You are every bit as bad. You blissfully ignore the facts. The facts, Mr. Minister, are that the municipalities did not get a share of the gas tax. The gas tax was . . . and The Income Tax Act and the corporation income tax Act and the sales tax were part of a formula, and it was simply a tax base. What they got was a percentage of provincial revenues based on that as a formula.

I know of no reason why the formula couldn't have continued. It would have been relatively easy, Mr. Minister, to calculate the amount of the revenue sharing using the same formula. The same formula could have been used. But you blissfully ignore the fact that it wasn't the percentage of the tax; it was simply used as a tax base. And the minister of Urban Affairs before you took the same position. That is not the case, Mr. Minister.

I'm unable to figure out with any degree of certainty what the grants would have been under the old formula because I don't have your statistics. If I had, and if I had the information which the Department of Finance have and which revenue, supply and services have, I think I could arrive at a reasonable approximation in a matter of a few minutes.

So, Mr. Minister, don't tell us that the old formula was somehow or other destroyed by the abolition of the gas tax. The tax itself was no part of the actual moneys they got; it was simply used as a tax base. But at least, Mr. Minister, I thank you for the admission that you don't have a revenue-sharing program in place whereby municipalities' grants increase proportionately, in direct proportion to provincial revenues. That is patently obvious from what I have said with respect to the growth in revenue sharing from '82-83 to '86-87. It's equally apparent if you include our last year in office, from '81-82 to '86-87. It's equally apparent.

It's painfully apparent, Mr. Minister, that you believe that the blame for the bad streets and the general deterioration in the quality of services provided by municipalities and the increase in taxes is never going to find its way to your doorstep. All I can say is, I don't know what you were doing when you were pretending to be canvassing out in Regina North East, when I ran into you on a number of occasions, but you weren't listening. Because that is precisely what the people of Regina North East were saying. That's precisely what — that's exactly what they were saying. They were complaining about taxes and they were laying the blame to your door for the problems the municipalities have, of which they all complain. SUMA complains, Regina complains, Saskatoon complains. They're all complaining about this government's performance.

And, Mr. Minister, you now tell me that four years into your term — this is the fifth year of your term . . . In the second year of your term . . . 1983, if my memory serves me correct, was the year that revenue sharing was buried, that it ceased to exist as a formula for moving grants in locked step with provincial revenues. It was done away with in 1983. Lo and behold, in 1986, three years later, we now find out that you're negotiating with the municipalities. If you don't believe that municipal grants ought to increase proportional to provincial revenues, what do you see, if any, as the relationship between provincial revenues and municipal grants?

(1630)

**Hon. Mr. Dirks:** — Well we continue with our discussions concerning revenue sharing with the Saskatchewan Urban Municipalities Association —

concerning the whole matter of what would be an appropriate formula, what would be an appropriate means of bringing forward to municipalities a reasonable amount of money to fund their ongoing needs.

The whole issue of how much money, what size of the pie, what percentage, should go to urban municipalities — that is a fair question, I think, for us to consult with them on. That is the issue that we are presently dealing with them about. We have been doing that for some time. We continue to do that. I think you need to take into consideration that when you do have a particular difficult year, for example in the field of agriculture, then it certainly behoves the senior government to take funds and put it there.

So whatever the particular issue is of the day that government needs to be able to respond to, it needs to be able to do that. And I think those kinds of things need to be taken into consideration as well when you're talking about an overall revenue-sharing formula with the municipalities.

**Mr. Shillington:** — Mr. Minister, I wonder if you're going to deal with the question rather than the drought and the grasshoppers and every other conceivable problem under the sun. The question is, Mr. Minister, what do you see to be the relationship between provincial revenues and municipal grants — or do you see there being no direct relationship?

**Hon. Mr. Dirks:** — I think generally speaking as a matter of large principle, as you see provincial government revenues increase, you would want to see some kind of increase to municipalities. And I think when you take a look at the overall record of this particular government — moving from 53 million in your last year to 60, and 62 and 65 and so on up to 67 million this year — indicates that in fact revenues have been increasing to municipalities as they have been increasing to the provinces.

**Mr. Shillington:** — I don't think the public are going to believe that we waited for several minutes for that answer. I think a child in elementary or high school would probably have guessed that, if provincial revenues go up, there might be some opportunity for provincial spending to go up, including spending on municipalities.

I asked you not whether or not you felt that the two might coincide; I asked, is there a direct relationship between provincial revenues and municipal grants? That was the program which was brought into effect in the mid-1970s. Do you still see that as a goal you want to achieve in your negotiations with the municipalities?

**Hon. Mr. Dirks:** — Well your question is no different and my answer is no different. I told you: in broad, general terms, as government revenues increase, you would want to see municipal revenues increase — and that's what's been happening.

**Mr. Shillington:** — Then why has your performance fell so short of your goals? Why, if you believe the principle of the old revenue-sharing formula to be desirable, why, Mr. Minister, have the grants increased at one-third the rate of inflation?

**Hon. Mr. Dirks:** — Well that brings up the point that I was mentioning previously. You know, they went from 53 million to 67 million. They could have gone to 90 million or 120 or 150 million. And then of course we may have made the decision not to put any money into universities, or not to build any nursing homes, or not to provide farmers with drought assistance. But we decided that those were appropriate priorities for this government, given the mess you left us with and given the fact that we have had a drought to deal with. At the same time that we made those priority decisions, we increased revenue sharing from 53 million up to 67 million, an increase of \$25 million — rather substantial in anybody's books.

**Mr. Shillington:** — It's not an increase of \$25 million. The minister . . .

**An Hon. Member:** — Twenty-five per cent.

**Mr. Shillington:** — That's right. The increase is not 25 million at all; it is 25 per cent during a period of time when inflation was 40 per cent. That fact shouldn't come as a great surprise to the government, since I got the figure out of your own documents.

Mr. Minister, how can an increase of 25 per cent during a period of inflation of 40 per cent be described as keeping provincial grants increasing proportional to provincial revenues? For that matter, how can it be said to be the case when your provincial revenues have increased by 32 per cent?

**Hon. Mr. Dirks:** — Well I would just respond to the member opposite that I certainly question his use of statistics with regards to inflation — not anywhere near what he talks about over the period of time in '82, where we're at 9 per cent, and then 6 per cent, and then 4. And 3.7 inflation is indeed much closer to the overall amount of money which was provided in the revenue-sharing pool at that period of time which, as I indicated, was about a 25 per cent increase.

**Mr. Shillington:** — The minister obviously wasn't . . . The minister obviously didn't teach mathematics. I'm not sure what he taught, but it certainly wasn't algebra. If you total those figures as if you'd simply add them up, of course it's not 40 per cent. But the figures are compounded, of course. In 1981 there was 12.5 per cent inflation. The figure for the next year . . . This is your budget document. You compound the figures; you don't simply add them. If you add them, you're right; but you compound them, and it makes an enormous difference. And it makes an enormous difference, Mr. Minister.

Mr. Minister, if you won't accept our comments with respect to revenue sharing, then I wonder if you would deal with revenue sharing as a percentage of your budget. I note, Mr. Minister, that the amount you have spent on administration, subvote number 1, has increased by 27 per cent in those four years. From '82-83 to '86-87, the amount you have spent on your own office, your own employees, has increased by 27 per cent — exactly what inflation has been. Why was it appropriate for administration in this department to keep pace with inflation but not appropriate for municipalities to do the

same thing?

**Hon. Mr. Dirks:** — Mr. Chairman, there's been a centralization of various expenditures under the administration subvote, a number of those which were not there previously under former administration subvotes, so you're really comparing apples and oranges when you make that kind of a statement.

**Mr. Shillington:** — Would the minister give me those items which have been centralized under administration? Administration is administration.

(1645)

**Hon. Mr. Dirks:** — Well things like advertising, printing, duplicating, CVA (central vehicle agency), aircraft and vehicle, telephone and messenger, registration fees, training fund — those kinds of things were brought into the administration ordinary expenditure subvote.

**Mr. Shillington:** — Would you give us the figures for each one of those? If you have comparative figures for 1982-83 I would love to have them, but I don't think the . . . The minister's had enough problem giving us answers to relatively straightforward questions that would have been expected. I would be surprised if you could give us the figures for '82-83, but if you can, I would love to hear them.

**Hon. Mr. Dirks:** — We don't have those. It would take a fairly substantial period of time to get them.

**Mr. Shillington:** — You have just finished telling me that that was the explanation for the fact that the administration of your department, the cost had increased proportional to inflation. You felt that appropriate, I gather, because each year you have brought to this Assembly estimates in which the cost of running your department has exactly equalled inflation. But you think that's inappropriate for municipalities. Why? Because there's a drought, the universities are falling down, the grasshoppers are getting bigger, and all the other problems you cite.

My essential point is, Mr. Minister, if it is appropriate for the expense of running your department, i.e., administration, to keep pace with inflation, why is it not appropriate for municipalities to do the same thing? The excuse you offered to me was there was a whole lot of other things brought in. I say, fine; how much is it? Because frankly, the things you listed, I doubt — apart from advertising which is an enormous expenditure, the other things I doubt would add materially to the cost of administration.

**Hon. Mr. Dirks:** — Well the member knows that wonderful things can be done with statistics sometimes. I'm not sure what he's trying to do with them, but as I indicated, there were a number of items which were transferred into the administration subvote of this particular department, and estimated '86-87. I've just given you some of those.

**Mr. Shillington:** — I just don't believe you, Mr. Minister. I want the figures with those items. If you don't have the

figures I don't know how you can put the fact forward as an assertion.

**Hon. Mr. Dirks:** — Well, Mr. Chairman, for the edification of the member opposite, for example, CVA aircraft and vehicle, this particular year the budgeted figure here is something in the order of 98,000.

Now in years gone by, that total amount would not have been in the administration subvote. So I don't know how you can in fact compare administration subvotes over the years to say that you have had this particular percentage increase and then compare it to inflation.

Now if you want to require the senior officials of the department to spend hours and hours going back through document after document to find out what particular amount of money was spent in this particular subvote of this particular branch of this particular agency and then try and add them all up and bring them to you so that you can attempt to make your point that this particular department, in your estimation, is not keeping up with inflation — if you want that to be done, then I suppose I could request the officials to do that.

But that is one awful lot of work to do, and I question whether or not that is significant or appropriate to the argument being made. If you think it is, if you want all of that to be done, I suppose we can put that onerous burden on them.

But you make the point that you believe that inflation has been at this particular level and that grants have not kept pace for municipalities. I present the argument that we have been making a substantial commitment in terms of funding, over a five-year period of time, to municipalities. They naturally wish it would have been more. I wish it could have been more. But we have given a very reasonable commitment to municipalities. And given the overall spending priorities of government, including such things as the drought which we have just had to live with, I think we've provided a fairly reasonable amount of assistance.

**Mr. Shillington:** — Mr. Minister, that is unmitigated nonsense. You have to do all of that for public accounts. I want to show the minister something. That is the *Public Accounts* for 1984-85, and that is the *Public Accounts* for '81-82. I can take these two documents and in a few moments compare what is included in administration because it's set out. You're going to have to do it by midsummer anyway.

Mr. Minister, I just don't believe that your officials do not have that information with them. It is relatively routine, straightforward information which is provided each year to the Provincial Auditor, and each year it appears in *Public Accounts*. You are saying there's things that are new and different, that your department really hasn't increased lock-step with inflation. I say that's nuts; I say that's not accurate. I say when the *Public Accounts* are published next year we will find out that while there may have been some new things included, there will have been some old things taken out, and the whole thing will balance.

You make this bald assertion in the Assembly that the reason why your administration has increased so much more rapidly than the grants to the municipalities is because there were new things brought in. Presumably, if you can make the assertion, Mr. Minister, you can give me the figures. So I want the figures. You're going to have to have them in a few months anyway.

**Hon. Mr. Dirks:** — Well I would provide the member opposite with the following information. If you compare 1982-83 program services, which includes administration of all branches — and we're really talking about the services that we are providing to municipalities — program services was \$5,460,270. And when you look at program services today in the budget under consideration, \$5,622,950, a 1.8 per cent increase over a five-year period of time, now that is a very significant indication of the efficiencies of this particular department — at the same time not reducing services to municipalities but indeed enhancing them, and doing so over a period of time with only a 1.8 per cent increase.

And I certainly want to commend the Department of Social Services and all of those involved for being able to accomplish that particular objective. And at the same time I want to commend all the municipalities here in the province, and the senior officials and those who work underneath them, who have done such a commendable job to restrain expenditures during difficult times when revenues have not been as generous as everybody would like them to be, whether it was into the provincial coffers or whether it was into the coffers of the municipalities.

**Mr. Shillington:** — Mr. Minister, will you provide me with those items which are not included in administration, which weren't previously? It is just nonsensical to suggest that that's going to take hours and hours and hours and hours and hours. You're going to have to have it for the Provincial Auditor in less time than you would have us believe it would take you to get it ready.

So I ask you, Mr. Minister, will you provide that to us? Will you also . . . One of the things you mentioned which have ballooned out of sight was advertising. I will agree with that. Would you at this point in time tell me what your department spent on advertising — what you estimate you will spend on advertising in the '86-87 year?

**Hon. Mr. Dirks:** — I will provide the information to the member in terms of printing the necessary brochures; providing updates to municipalities in terms of administration and financial management and council procedure; guides for newly-elected officials and municipal audits; in terms of provincial assistance for local government; municipal directories; notice of incorporation; planning and development Act; news releases; correction notices; the *Municipal Scene*, a document; the annual report; staff news-letter; various certificates of kinds; statistical returns and so on; the Saskatchewan heritage program for seniors. When you add that all up, the estimate is approximately \$124,000 for '86-87 year.

**Mr. Shillington:** — Mr. Minister, I wonder if you'd give me the breakdown of what is included within

administration. Would you give me those figures, Mr. Minister?

**Hon. Mr. Dirks:** — Are you talking about advertising in administration? What are you talking about?

**Mr. Shillington:** — No, I'm talking about everything. Will you give me the breakdown of how you arrived at a figure of \$1,285,960 for administration in 1986-87?

**Hon. Mr. Dirks:** — If I might take the liberty of correcting the member opposite, I believe the figure for administration for 1986-87 is \$1,633,030. Is that the figure the member opposite is referring to?

**Mr. Shillington:** — By mistake I read from the '82-83 book of Estimates rather than the '86-87.

**Hon. Mr. Dirks:** — Well I can understand why — '82 was a difficult year for you people. But I could provide the member opposite . . .

I believe that in terms of the overall expenditure in the 1.6-plus million figure: salaries, about 758,000. I'm just giving you rounded figures here if that's fine. Miscellaneous professional and other services, 60,000; computer services, 28,000; equipment rentals, computer, 83,000; advertising, 39; printing, duplicating, 114; travel, approximately 1,617; CVA, around 98; telephone and messenger, around 106; relocation, 14; registration fees, training, 40; materials and supplies, 68; northern construction revolving fund operating deficit, around 155; miscellaneous, 38 — for around 1.6 million.

**Mr. Shillington:** — Okay, that's satisfactory.

Mr. Minister, the amount budgeted for the Meewasin Valley Authority, Wakamow Valley Authority, and the Wascana Centre — those figures are all lower than they were when you took office. Why is it, Mr. Minister, that you assume that . . . Well there's the former minister of Urban Affairs applauding the reduction. I wonder, Mr. Minister, why your colleague, the member from Saskatoon Sutherland I believe it is, applauds the reduction. I wonder why you have reduced the amount to these three authorities.

**Hon. Mr. Dirks:** — Well, we're simply talking about a prioritization of funds to municipalities and to authorities, and the decision was made at that time to prioritize accordingly. The decision is made today to prioritize as we are at present. And of course we are doing a significant number of things for municipalities, including revenue-sharing increases and including things like providing assistance to Saskatoon for their new university. And we've provided dollars to fix up the water problem here in the city of Regina.

So certainly those kinds of prioritization decisions go on within each government. Your priority was to buy potash mines and uranium mines, for example. Our priorities of course have been different.

The Assembly recessed until 7 p.m.