

April 10, 1989

EVENING SITTING

INTRODUCTION OF GUESTS

Mr. Solomon: — Thank you, Mr. Speaker. With leave I'd ask permission to introduce some guests this evening.

Leave granted.

Mr. Solomon: — Thank you very much, Mr. Speaker. And, Mr. Speaker, I'd like to introduce to you this evening, and through you to my colleagues in the legislature, a number of Scouts in your balcony. We have 20 Scouts from the 87th Scout Troop, and they're accompanied by Dennis Len and some other chaperons.

I'd like to take this opportunity to welcome each of you to the Legislative Assembly. I hope that you enjoy the proceedings this evening. I hope you enjoy the tour. And I look forward to meeting with you at 8 o'clock for some discussion and some refreshments, about the tour and about politics in Saskatchewan. So I ask members to join with me in welcoming the Scouts from the 87th Scout Troop. Thank you.

Hon. Members: Hear, hear!

Mr. Trew: — Thank you, hon. members and Mr. Speaker. It's a great pleasure to introduce to you, and through you to members of the Legislative Assembly, a second group of very good-looking Cubs. This is the 81st Regina Pack, which is back for the second year running. And accompanying the 19 Cubs in the Speaker's gallery, in your gallery, is the leader, Don Ruel, and the assistant leaders are Henry Sobchyshyn, Barry Ritco, and Bill Neil.

I'll be meeting with you gentlemen of various ages at 8 o'clock. I understand we're having pictures taken on the steps, and then we'll have some refreshments and a chance to discuss what you see here and any other concerns you may have.

I ask all members to join me in welcoming the 81st Cub Pack.

Hon. Members: Hear, hear!

COMMITTEE OF FINANCE

Consolidated Fund Budgetary Expenditure
Urban Affairs
Ordinary Expenditure — Vote 24

Mr. Chairman: — Order. The question before the committee is Urban Affairs estimates. Would the minister introduce his officials.

Hon. Mr. Klein: — Thank you, Mr. Chairman. I should maybe start by acknowledging to our guests in the Speaker's gallery that we're into a little formal, a little different session of the legislature for you this evening. This is the first time that we've had the opportunity to go into committee to do what we call the Committee of Finance. The budget has now been approved as was presented by our Minister of Finance and this is an

opportunity for the opposition to go line-by-line over the budget.

We're starting tonight with the budget of Urban Affairs. The critic for the opposition members will be questioning me and tonight I have the luxury of having with me the officials from my department, that I will introduce to the Assembly in a moment, who provide me with the technical answers that the opposition might ask. So I welcome you and I hope that you do enjoy this visit tonight to the Assembly.

With that, Mr. Chairman, to my right is my deputy minister, Dave Innes; and behind me here is Don Harazny, my director of administration; Ron Davis is our executive director of municipal finance; and Keith Schneider, my assistant deputy minister, is to Mr. Innes's right. And Henry McCutcheon is at the back there, director of northern municipal services.

Mr. Chairman, I suppose that I could begin by saying that the department goals and mission statement is to support and maintain a viable system of urban government within the province by providing administrative, financial, and technical assistance to urban and northern municipalities and assisting them, meeting the needs of their residents for service and facilities. And as my annual report points out, when you go through it you can see the outline of work done in the administrative services department and community planning services and municipal advisory services and municipal finance and the like, as well as northern municipal services. That kind of describes in greater detail the functions of this department.

While the members opposite do indeed have a critic that will be questioning me tonight, Mr. Chairman, I should point out that probably one of our greatest critics is SUMA, the Saskatchewan Urban Municipalities Association, which represents some 500-plus communities in an association that works very closely with me and with my department in the establishment of programs and policies that affect urban municipalities throughout the province.

I was pleased to read their official news release following the budget, Mr. Chairman, and in it, following the budget, some items that I can point to were quotes from the president, who said:

Yesterday's provincial budget holds some promise for urban municipalities, according to alderman Ted Chodol, president of Saskatchewan Urban Municipalities Association, calling it a budget that we can build on.

And president Chodol indicated that SUMA welcomes several of the budget items. So it appears as though initially we have seemed to satisfy their concerns.

He goes on to say that SUMA had taken the position that capital funding needs were a top priority. And this budget demonstrates that the provincial government recognizes these needs, he said, and the long-term nature of these capital funding commitments is of particular importance to our members. So again, another request of theirs was

satisfied.

Our member municipalities know that this program (referring to capital) will give a big boost to their efforts and maintain and improve local infrastructure and other facilities. The SUMA president said that he expects that the provincial government will consult with SUMA regarding the details of the new municipal capital program.

And I'll deviate for just a moment to say that, as a matter of fact, this news release is right on; I will be meeting with the SUMA executive later this week to begin, indeed, discussing and consulting with SUMA, as we always do with regard to their various programs.

I see my critic is getting a little uneasy about all this, but he'll have his opportunity in a moment.

We look forward to those discussions taking place in the very near future so that our members can make adjustments to their own budget plans as soon as possible (is what Mr. Cholod said). We welcome the expressed intention to give a high priority to water and sewer projects, the opportunity for obtaining up to 100 per cent of debenture financing for water and sewer projects through the Municipal Financing Corporation, and longer term financing approvals from the Saskatchewan Municipal Board (were two other initiatives mentioned in the budget). We will have to see how all of these alternatives, including existing Sask Water grant programs, can best be combined to fund water and sewer projects, the SUMA president said.

He went on to say:

A comparable level of funding in the last five-year program generated more than \$100 million worth of local construction, and we expect that this new funding will have the same positive effect. A much appreciated additional form of support for facilities operation was the recent announcement that SaskPower intends to cut power rate charges by 50 per cent later this year for skating and curling rinks throughout the province.

It seems that all areas of government have touched on SUMA this year, and they certainly respect the fact that the government was paying attention and is addressing some of their needs.

Mr. Cholod went on to say with the \$1 million increase in funding for urban highway construction — under the urban assistance program — and noted that that was a 20 per cent increase.

Despite continuing concerns, president Cholod concluded that the budget contained more good news than bad news for SUMA members, and he looked forward to working with his colleagues and building on the gains that had been achieved.

So all in all, Mr. Chairman, I am extremely pleased that indeed we were able to satisfy an awful lot of the

concerns of our big lobby group, if that's what you would like to refer to as SUMA. I'd like to call them rather our partners in this together. They understand the difficult period of time that our government has gone through in the last couple of years, and they have certainly addressed their problems in a fashion that we expected and asked them to do. I think, all in all, they are reasonably satisfied with our effort in this budget. We look forward to continuing our good relationship with SUMA.

Under the circumstances I find it extremely difficult for the opposition to, understandably, have much to say about it because of . . . SUMA's concerns have basically been addressed, and I'm sure that the opposition will have something to say, but it will be very weak arguments, and probably have to be limited to the political scope only because, when we have satisfied SUMA, it appears that we would have satisfied, through them, all of the property taxpayers in the province of Saskatchewan.

Mr. Van Mulligen: — Thank you, Mr. Chairman. If I might also make a few cursory opening remarks, and like the minister, I would want to indicate to the students in the gallery that . . . the Cubs in the gallery, that it's his job to run the department. It's our job to ask him questions on behalf of the people of Saskatchewan, to see how well he's doing his job and whether the money that he proposes to spend for the coming year will be adequate, given the needs of urban municipality and property taxpayers in Saskatchewan.

And we will find out, during the course of the next three hours, that what the minister had to say at the outset is not really something that's shared by a lot of people in Saskatchewan.

When they write the epitaph, Mr. Chairman . . . When they write the epitaph of this PC government — and the people of Saskatchewan, I hope, will be given an opportunity in the near future to write that epitaph — I think the people of Saskatchewan will say that this is a government that in the main has been unfriendly to local urban governments and downright hostile to our larger cities and downright hostile, given the actions and the antics of the government over the last number of years.

Now the minister is coming forward and saying, well we should put all of that behind us, put all of that behind us because this budget and these estimates are a reflection of how well things are going, and that everyone should feel good — that everyone should feel good. And I want to, just as an aside, say that all those who have a history of apologizing for this government will continue to apologize for this government, and will continue to apologize for the budget provisions for Urban Affairs in this particular budget and in these estimates.

But I want to say to the minister, if somehow he feels that all of a sudden property taxpayers in Saskatchewan . . . that somehow urban governments in Saskatchewan should feel good on the basis of his words and on the basis of what's in this government, I don't think that's a feeling that's being shared widely by people out there.

You know, the minister reminds me of the old Mutt and Jeff cartoon, where Mutt is observed going outside when it's 100 degrees above, wearing a fur coat. And Jeff asked him, well, why would you wear a coat like that? And Mutt answers, well, it feels good when I take it off.

You know, and you're saying in the context of massive cut-backs, massive cut-backs to urban municipalities and massive cut-backs to property taxpayers over the years, that somehow now property taxpayers in Saskatchewan and urban municipalities in Saskatchewan should feel good. Well, Mr. Minister, that is simply too incredible to believe, and no one believes you.

And I'll tell you why. The bottom line, the bottom line on all this is the level of property taxation in Saskatchewan. The net level of property taxation in Saskatchewan is the second highest in all of Canada — only after Ontario. The net property taxation level, the load in Saskatchewan, is the second highest in all of Canada — the second highest in all of Canada. And that is a direct result of the policies of your government. That is the situation that you created and that is the situation that you have continued to make worse over the years.

(1915)

Now that's not something that's going to escape the notice of property taxpayers in Saskatchewan, Mr. Chairman. I think people know that this is a government that has been unfriendly to property taxpayers, continues to be unfriendly to property taxpayers, and it's not the government that should be entrusted any longer with the stewardship of urban affairs.

And I strongly believe that when they write the epitaph of this government they will say that this is a government that, in the main, was unfriendly to local government and, I might say, that there probably will be a minor footnote there somewhere saying that this minister was surely the most incompetent and surely the most . . . or the least influential in any provincial cabinet in so far as Urban Affairs ministers are concerned.

Some Hon. Members: Hear, hear!

Mr. Van Mulligen: — Mr. Chairman, I want to turn, in the first instance, to the question of revenue sharing and note that the amounts allocated for revenue sharing is the same this year as it was last year. And I just have a question for the minister, and I'm not asking that he provide this tonight, but if he could provide, as last year, a copy of the urban revenue sharing program distribution for 1989-90; material that would also display the allocation to each urban municipality for last year, this year and a percentage change — an alphabetical listing of those, and any overall distribution patterns that he may care to comment on. I want to ask the minister if he could provide that information.

Hon. Mr. Klein: — Mr. Chairman, my critic surprised me with a new statistic tonight, and my officials — I hope it can be substantiated — and that is his comment that we, in Saskatchewan, are the second highest property taxpayers in the country. That is a new statistic. I hope that he can substantiate that, if he's the critic, otherwise he

shouldn't go around making statements like that because even my officials are not aware of that.

I can tell you that while my critic sat on Regina city council he was . . . perhaps the second highest taxed city in the country. His record speaks for itself. While he sat on Regina city council, from 1980 to 1985, the mill rate increases were in double digit figures for the first couple of years. Business tax increases were in double digit figures almost annually while he sat on council.

I can tell you that the municipal mill rate increases since this government has come in . . . And I will read these figures to you. In 1981, the last year of the NDP administration, property tax mill rate, municipal mill rate percentage of increase, was over 11 per cent — over 11 per cent. In 1982, the first year of our administration, we took that down below 9. It then dropped below 6 in 1983, below 4 in 1984, and below 1 per cent in 1985 in terms of percentage increase.

I think that the statements that the member from Regina Victoria made are totally unfounded. I will go on because, yes, there have been percentages of mill rate increases over the last few years: 1986 saw 2.89; 1987 saw 3.13; and 1988 saw a 2.66 percentage increase in municipal mill rates — but far from the 11 per cent in 1981, the 6 per cent in 1980, the almost 11 per cent in 1977.

I think a lot of his statements concerning the property taxpayer are absolutely, totally unfounded. I am also the minister for the entire province, not just for the two cities. If he wants to get into an argument about the two larger cities in this province, I'm prepared to do that. I would flag his record in his face, his aldermanic record which he must be totally embarrassed to hear, just absolutely, totally embarrassed. I have a lot of those numbers available. If he wants to get into that kind of an argument, I'd be prepared to do that.

As far as his request is concerned for the municipal revenue-sharing percentage figures from this year versus last year, we will have them available. If we can make them available this evening during the course of the questions, we will send them over. If not, we will send them over by the end of the week.

Mr. Van Mulligen: — Well I thank the minister for undertaking to provide me with that information. And I just want to go back to something that he said. He's very fond of somehow trying to justify his actions in the area of Urban Affairs by going back to previous years of my record on city council. And he invites comparison. And I want to ask the minister, or I want to point out to the minister that when I was on Regina city council and while you were a member of the PC government, expenditure growth for the province of Saskatchewan — and that's something that both levels of government had something . . . or at least have control over — expenditure growth, the amount of money that you spent, was higher for the province of Saskatchewan than it was for the city of Regina.

Now as for taxation increases, well, people of Saskatchewan and people of Regina will have to answer

that for themselves. They'll have to look at the property taxes which are well documented on the one hand, but they'll have to look at things like the flat taxes and other forms of increases on the other hand and have to make their own conclusion, draw their own conclusions about which government really benefitted the most and which one benefitted the least; which one went on a tack of decreasing services; which government it was that took away the property improvement grant — which was substantial help and relief for property taxpayers in Saskatchewan — to the extent of \$230 a year without any qualifications.

You know people will have to take those things into account and then tally it up and keep a score card as to which government benefitted them the most and the least. And I would venture to say, I would venture to say, Mr. Minister, that if the results of the last provincial election are any indication, where you barely squeaked through and the member for Wascana barely squeaked through, and the member from Wascana barely squeaked through — two out of 10 constituencies in Regina — I think that charge that you're making, and those concerns that you raised, were certainly answered in '86. And if they weren't answered then, I would say that they were certainly answered in 1988 in the municipal election, where anyone who was identified as a strong PC, anyone who was identified as a strong Tory, was shot down at the polls because they don't believe in your style of government in the city of Regina. They don't want any part of it.

And I would just simply say a word of caution to you, in terms of the next provincial election, is to watch out and concern yourself with trying to make things better for yourselves, and try to improve as a government, rather than looking back to the past, as you so often do.

Mr. Minister, you question the figures that I threw out about Saskatchewan's net property taxes being the second highest in Canada. And I want to apologize right now. I want to apologize right now for having given the public and the legislature the wrong information. I want to apologize right now.

And I want to quote from your document, sir, the final report, the Local Government Finance Commission, September 1986, which was tabled when you were the minister of Urban Affairs, I believe, or with your predecessor, the PC cabinet minister. I want to acknowledge that I was wrong in saying that Saskatchewan had the second highest net property taxes per capita in Canada. And I want to refer you to page 20 of your document where it says:

Net property taxes per capita in Saskatchewan are the third highest in Canada.

So I was wrong when I said the second highest in Canada; they're the third highest in Canada. They're just slightly behind Alberta; slightly behind, I think . . . \$8 behind Alberta which was the second highest in Canada. My information, based on growth of property taxes in Alberta and here, suggests that Saskatchewan may have crept into second place. But I stand to be corrected and I certainly wouldn't want to claim that Saskatchewan's net property

taxes per capita are the second highest in all of Canada when in fact they are the third highest in all of Canada. So I wonder, Mr. Minister, would you accept my apology and my correction in this case.

Hon. Mr. Klein: — I figured for a moment your apology was sincere. I think rather it's said tongue in cheek. But none the less, you do admit the fact that you were wrong, and I think that for that you should be acknowledged.

You mentioned earlier about all the taxes. And yes, when you want to compare all of the taxes across the country, the sales taxes, the health charges — of which we have none and other provinces do — the automobile premiums, and bulk all of the taxes, bulk all of the taxes of the taxpayers of this country so that you can compare fully the tax impact on all of the citizens across the country, you will find that Saskatchewan is still in probably the lowest third . . . I don't know offhand, so I would say in the lowest third of all of the provinces throughout the country in terms of total taxes.

When you start talking about this great property improvement grant that our government did away with, somehow or other you've got a little bit of confusion going there. The \$230 that the home owners used to receive at one time, that you say was removed and all the rest of it, did it really go to the taxes? How do you know where the people spent that money? How do you know where the people spent their money? They may have spent it on clothing, they may have spent it on a vacation, they may have spent it on whatever they spent it on.

I can tell you this, Mr. Chairman, and they still don't like to hear it; you still don't like to hear it. What about the home improvement program that is much, much richer than the property improvement grant ever was, and yet it wasn't a give-away? We simply didn't go into the Consolidated Fund and say, here you are, here's \$230, and we'll send it to you and spend it any way that you want. But rather we said, we will form a partnership with you, Mr. Taxpayer, and we will match your dollars on the home improvement program. And as a result of the activity, what has happened? What has happened? The people that are taking advantage of that program . . .

An Hon. Member: — The rich.

Hon. Mr. Klein: — And oh the rich, the rich, the member from Saskatoon says. Well I've got news for you. It's not the rich.

An Hon. Member: — That's an insult.

Hon. Mr. Klein: — That's an . . . What you're saying is an insult to the taxpayers of this province. There are over 220,000 applicants so far, Mr. Chairman. Let him go out . . .

You're talking about an election. Don't worry about my re-election; when the time comes, this government and the Premier are going to be fine. And the people will show that to you in the same way the people have shown you in Assiniboia-Gravelbourg at a recent by-election three months ago. If I were you, I wouldn't be pushing for an election so quickly. You can see the results clearly what

happened in Assiniboia-Gravelbourg, and I wouldn't be in such a big rush. Don't worry about our re-election one bit.

Mr. Chairman, I can tell you that the people by far, by far appreciate the home program much more than they ever did the \$230 property improvement grant that was originally a give-away from the original . . . from the NDP government to try to buy some votes from property taxpayers. Property taxpayers don't need bribing, Mr. Chairman. Property taxpayers want to protect the largest single investment that they will probably ever make.

Our young visitors in the gallery tonight, the largest single investment that most of those young people will make in their lifetime, Mr. Chairman, will be their homes. And they will want to build and improve and have a home that they will be proud of, so that as they grow older, their children and their children's children, in turn, just like mine, will have the pride of home ownership. When our government, Mr. Chairman, can work together with the home owners of this province to develop a program that creates employment, that stimulates the home building industry and the home renovation industry to do double what has normally been done, I believe that that is exactly the way to go in partnership with our people.

(1930)

Mr. Van Mulligen: — I wonder, Mr. Chairman, if the minister has regained his cool. If he has, then I would like to again ask him: will he accept the figures that I put forward from his own report, the Local Government Finance Commission final report, which says that Saskatchewan's property taxes, per capita, are the third highest in Canada? And I admit that I was wrong when I said that they are the second highest in Canada. This report says that they're the third highest in Canada. And will you confirm for me, sir, this is your government's report, and that these figures in this report are correct?

Hon. Mr. Klein: — I confirmed at the outset of my remarks that your apology, although it was probably tongue in cheek, did recognize the fact that your original statement was wrong and in 1985, according to that report, yes, it was the third highest property tax.

As far as losing my cool, Mr. Chairman, I don't lose my cool, but I have to shout above the din from the members opposite when they get carried away and don't want to listen to my remarks.

Mr. Van Mulligen: — Well, Mr. Chairman, I find people paying a lot of attention to what that minister has to say. We have to pay a lot of attention to what that minister says because not all of what he says makes logical sense to everyone that's listening. And we have to pay very careful attention to make sure that we're understanding what it is that he's trying to communicate.

I want . . . Just speaking on communication, Mr. Minister, in carrying on with the question of revenue sharing, you were quoted the day after the budget came down — you were quoted by the . . . Or you were reported by the *Star-Phoenix* as saying that:

Changes to the allotment formula this year followed recommendations from the Saskatchewan Urban Municipalities Association and are based on new population figures and a new assessment base.

But that same day the president of SUMA, the Saskatchewan Urban Municipalities Association, Ted Cholod, said, in commenting on the revenue sharing pool, he said the freeze on the \$120 million revenue-sharing pool is an issue his organization intends to take up with the government.

We were hoping for an increase, we sat around without an increase, we took a reduction in 1987 and felt that perhaps there should be some adjustment that way, Cholod said. Currently the pool is divided up based on population. Cholod said that formula needs to be re-examined, because more people are leaving many Saskatchewan communities. In the long term, the issue of declining populations in our urban municipalities is one that has to be addressed by the provincial government, Cholod said.

Now I just want to go back to this. You said that the allotment formula this year followed recommendations from SUMA, and then the president of SUMA is saying that the formula needs to be re-examined. Now can you explain for me and for the public just what's going on here? Are you saying that you made some changes and they're still not happy; or you made the changes, they don't like the kind of changes that you've made and therefore want changes again; or you didn't make any changes and they still want changes; or is there just a lack of communication between Mr. Cholod and yourself, which is strange because I understand you have very good communication?

Hon. Mr. Klein: — I don't have any trouble straightening that out. First of all, 1988 we were able, Mr. Chairman, to provide an increase to the pool, albeit very small, but an increase to protect the revenue-sharing formula on the safety net that SUMA wanted, so that this year, our 1989 was zero but it was the same number as '88 which was an increase over 1987.

Now the changes on the distribution were made in consultation with SUMA, and the member from Regina Victoria, my critic, he knows that. He knows exactly how SUMA and this government works and that we consulted with them, and the distribution formula was arranged in consultation with SUMA. Understandably, SUMA would have liked to have seen an increase in the revenue-sharing pool. Why wouldn't they? It only stands to reason that everybody likes to see an increase in the revenue-sharing pool.

However, when they looked and saw a 20 per cent increase in the urban assistance, in the Department of Highways; when they looked and saw the replacement of the capital program, coming back in with \$100 million over six years, \$33 million in culture, they recognized that this government is trying to address their concerns. And they are prepared again to try to hold the line as best they can on the expenditures on their side, to contain the

revenue-sharing pool.

So when Mr. Cholod says that that is the effort that they're going to focus their direction on, I would suspect that that is the last single little area left with SUMA; and once our government finds itself in a position to indeed increase the revenue-sharing pool, that all of their requests and recommendations will have been met.

Right now, SUMA is so pleased with the significant increase in the return of the capital funding program that they are prepared to live with the revenue-sharing pool without the increase, as much as they would have liked to have an increase. So that's kind of simple to answer.

Mr. Van Mulligen: — I want to thank the minister for that simple explanation. I am sure that all those who are listening at home will be relieved by his explanation, and will now fully comprehend the differences between himself and Mr. Cholod, the president of SUMA, when they were both interviewed following the tabling of the budget.

I want to ask the minister . . . He will know that urban revenue sharing is comprised very substantially of two grants. One is a per capita grant, which I don't think I need to explain to people. It's just what it says it is. It's money that's sent to municipalities based on their population per capita. The other part of the revenue sharing is a foundation grant. There are also two other minor aspects of the revenue sharing, a basic grant and a guarantee, but in the main the revenue-sharing grant is comprised of a per capita portion and a foundation grant. And I wonder if the minister might explain just what he sees the purpose of the foundation grant being.

Hon. Mr. Klein: — Mr. Chairman, the revenue-sharing formula is kind of a complex technical thing that we work out with SUMA, and over the years it has worked out very well to their satisfaction. They've been pretty pleased with it.

The revenue-sharing formula that is in use: 60 per cent of the formula is based on per capita, which is the easy side, as the member acknowledges. Forty per cent, though, is based on what we call the foundation grant, and the foundation grant utilizes the assessment base of the communities. And our communities are pretty diverse around the province, and as their assessment base is changed quite a bit we . . . Those with a weaker assessment base are taken into consideration on the foundation grant. Or in some instances, indeed, some of our municipalities have higher operational costs that are included in the foundation grant, and they, too, are recognized. There might be an instance of either higher sewer and water costs, for varying reasons, or something similar to that. And as a result, the foundation grant, the 40 per cent, tries to level off and put the communities in as fair a light as at least SUMA can see to treat all of their respective members equally and fairly. And that's why when we go about the task of this formula we do indeed take consultations with SUMA into effect, because they are the ones that are trying to satisfy their membership totally. So that 40 per cent is the foundation grant based on those figures.

Mr. Van Mulligen: — I want to thank the minister for that explanation. As I understood the foundation grant, and he's confirmed that, is to equalize the tax base, if you like, between wealthier and less wealthy communities.

I think the Local Government Finance Commission took the situation of Rosetown and Meadow Lake, where Rosetown . . . communities of relatively similar populations, but where Rosetown might have a higher assessment base, and probably in part because it's got a wider trading area to draw on. There's more businesses that can be developed there, as opposed to Meadow Lake which is more or less isolated in relative terms. The foundation grant proposes to recognize that, as the minister's indicated, there are diverse communities and some may be wealthier than others.

And I want to ask the minister how freezing the urban revenue-sharing grants this year, on top of freezing and a minor increase last year, how that helps to promote equalization — that is, to level out the tax load in a number of diverse communities throughout Saskatchewan. I want to ask the minister how he sees this budget as achieving that objective or that purpose.

Hon. Mr. Klein: — The freezing of the total pool — revenue-sharing pool — really doesn't affect the fairness of the equalization portion, because each year that part of the equalization formula is examined by the department and by SUMA. And as the assessment base or the assessment rolls for a given community goes up or down, so does their foundation grant go up or down.

And we are using up-to-date population figures. Originally, and I believe that under the prior administration, under the NDP administration, that the population figures were only used from the census which was every four or five years. SUMA asked for a change and we are presently using our hospitalization and medical statistic numbers for that, so that we are catching that part of it and adjusting every year on that end of it and we are adjusting every year on the equalization end of it. So that, really, the freezing of the pool doesn't affect the fairness in any way, shape, or form.

Mr. Van Mulligen: — Mr. Minister, I want to go back to your report again, this Local Government Finance Commission, who said on page 136 of their final report — and again I want to point out that this is your commission, not some opposition group but a government body — and they said that:

In short, the Commission has concluded that there are insufficient moneys in the urban revenue sharing pool in order to bring about a full equalization in a practical way.

And they go on to say:

In summary, the Commission has concluded that there are means of providing full equalization and eliminating disparities in mill rate requirements under a number of options that would entail the addition of approximately \$17 million to the urban revenue sharing pool.

(1945)

Now they said in 1985 that there was not enough money in this revenue-sharing pool to bring about full equalization. They said that an additional \$17 million was required to achieve full equalization. Yet since that report has come out, your government has mostly frozen the revenue-sharing pool and has frozen the amount of money going to municipalities.

So I wonder if you can explain then by what magic you have been able to achieve full equalization or move in that direction by freezing the urban revenue-sharing pool. Is there some explanation you have that was perhaps lost on the Local Government Finance Commission which, by all accounts, was a very authoritative study of urban municipal financing?

Hon. Mr. Klein: — Mr. Chairman, I think that it's fair to say that the Local Government Finance Commission recommend a lot of things. And I guess if we were living in a perfect world and our government had not suffered the severe decline in revenues that indeed we had suffered as I've spoken on several times, as our government has spoken on several times . . . And just when you might think that a recovery is starting, all of a sudden you get hit by a drought, with the worst one since the '30s and like that. We've been struggling, and our revenues have suffered dramatically. So I don't think that even if you study that local government finance report that even they indicated that full equalization would ever be able to be achieved except in a perfect world.

And I think that if you wanted to, I suppose you could pick and choose certain recommendations out of that local government finance report. Obviously my critic chooses to do that. Well we on the government haven't accepted that report verbatim, we haven't referred to it very often in many of our deliberations and certainly in our various budget presentations, and I suppose well we could because in some areas we've probably over-exceeded their expectations.

So if you choose to go through the local government finance report piece by piece, then I suppose all I can do is give you the same answer. In a perfect world it might work out fine; unfortunately this isn't.

Mr. Van Mulligen: — I just wanted to make it clear. I wanted to make it clear, Mr. Minister, that you had an option, that you had a choice, that you could have provided more money to urban municipalities, that you could have made the load just a little bit easier for some of those municipalities with limited assessment bases, could have made the lives of those property taxpayers just a little bit easier, but you chose not to. You talk about a perfect world and then you go on with all the excuses all of a sudden about, well, you know, if it wasn't for the drought and if it wasn't for this and if it wasn't for that, that somehow these things would be corrected.

And I simply want to say now that it's a matter of choice and it's a matter of the decisions that your government had to make about where it wanted to expend its dollars, and that the priority was not — was not, I would submit to you — was not in terms of urban government. Your

priority was not to support urban governments; your priority was not the property tax load for property taxpayers in urban Saskatchewan. That was not your priorities. You did have the money for other priorities, but for urban governments that was not your priority and I wanted to make that very clear. And I wanted to make it clear, Mr. Minister, that under your government, poor municipalities stay as poor municipalities, and they have no hope.

Mr. Minister, can you advise at this point just what distribution formula you have, which takes into account rapidly shifting population figures in Saskatchewan, and how frequently you update those figures? Is that done now on an annual basis? I know that for a period of years your government was given to making across-the-board increases to municipalities. Municipalities might see their populations decrease but they were getting increases. Others with large increases in population were getting the same kind of increase. And that situation prevailed for awhile.

Can you tell us now how you propose, or how you will be monitoring populations on an annual basis to take into account rapid population shifts in Saskatchewan, and so as to ensure that the per capita portions of the revenue-sharing formula will be done with the latest information possible?

Hon. Mr. Klein: — Mr. Chairman, just to finish off on the local government finance report. We will be sitting down with SUMA over this year and discussing our review to the formula, so I will thank my critic for his observations and we will indeed throw his ideas into the working mill with SUMA and see what they believe to think about his insertion into that.

Presently we don't hear an awful lot of communities complaining. Even SUMA rightfully respect what our government has tried to do. And although the revenue sharing is the last little, small bit left to go — even if we would have had a 5 per cent increase, you're talking about \$3 million — the blue book this year shows a \$30 million increase in this budget, \$30 million of new money. For my critic to stand there and try to fool the taxpayers of this province by saying that we are short-changing the municipalities is just a joke. I thought that his knowledge in urban municipal government was greater than that kind of a silly statement. This government has increased by \$30 million in new money this department's budget, so for him to say that we don't give urban governments a priority . . . the capital funding alone, \$133 million — \$133 million. SUMA recognizes what we're doing.

The business tax program, \$10 million a year of assistance to urban government on their tax — not this government's tax, on the municipal government's tax — \$10 million a year. For that member to stand there and say that this government has no priority for municipal governments is a ludicrous statement, and SUMA must be giggling when they hear him talking like that. Surely he can come up with something better than that. The taxpayers of this province will recognize that those statements are a bunch of malarkey, that the dollars are there, and by this government stepping in and assisting,

that the burden of the business tax won't be transferred to the property tax owners.

Now as far as it relates to the numbers on the revenue-sharing pool, again, in consultation with SUMA, Mr. Chairman, SUMA wanted to use new annual population figures. It's not something that this government arbitrarily chose to do, but rather in consultation with SUMA. They indicated that they want annual population changes.

It was the NDP that wouldn't do it. They went about it every four or five years with the federal census. SUMA had been saying, let's do this every year. We're doing it every year and we're using the health insurance registration formula which SUMA is totally satisfied to use.

Mr. Van Mulligen: — I just might say, Mr. Chairman, how pleased I am to hear that the minister is going to sit down and listen to SUMA this year. Surely there has been no firmer indication yet that an election must be coming next year, if he's prepared to sit down and listen for a change to urban municipalities, as opposed to preaching to them or whining about his government's and his own inabilities to help urban municipalities.

Now he says that they are going to sit down and listen to urban municipalities about their needs. I can only take that as some confirmation that an election is just around the corner, because the history of this particular administration, going back to the last election, is one of saying: we haven't got any money for you; don't come to us; we're not going to help you; you're the folks that are going to have to bear the brunt here. The property taxpayers of Saskatchewan are going to have to bear the brunt of this government's mismanagement and this government's misspending and this government's wrongful priorities.

I want to turn, Mr. Minister, and Mr. Chairman, to the question of capital funding. And I wonder if the minister . . . He said in his opening remarks that he's only now getting around to discussing with SUMA, and I assume the Saskatchewan Association of Rural Municipalities, SARM, he's only getting around to discussing with them now just how that program is going to evolve.

And I assume that means that the minister has no clear idea as to how this is going to work. Or does he perhaps have some objectives in mind? For example, would he see this as being an unconditional, as opposed to a conditional capital program? I wonder if the minister might enlighten the people of Saskatchewan what he has in mind with respect to the capital program.

Hon. Mr. Klein: — Mr. Chairman, we've been listening to SUMA for a long, long time, and . . . Well they giggle over there, but their appreciation of this government is apparent to everybody and it's certainly apparent to the taxpayers of this province.

It's apparent to everybody but the NDP who put up a very hollow argument. And this must be very, very difficult for my critic tonight to try to make something out of nothing. I think that he would be far better off to ask some

meaningful questions to indicate that he recognizes, as SUMA does, certain problems that this government has, and under the circumstances we've done very well.

To say that we're finally getting along to the consultative process is another . . . You know, I got a word that I'd like to put on it, but it's a hollow statement. I mean, the budget was presented in this Assembly some 10 or 12 days ago, and when you knock out the time that the SUMA executive isn't available and the time that they do their thing . . . The meeting is set up. I said in my opening remarks that we're going to be meeting this week, and we indicated to them that we were prepared to meet as soon as possible. So if that's as soon as they can meet, it's not their fault, it's not this government's fault; it was the soonest that we could meet. Everybody's happy with it; everybody but you, and you're not even involved in it.

So why you bring up that kind of a false, hollow argument is well beyond me. And as far as what's in it with the capital, we're sitting down with SUMA to discuss that very thing, and to see what they would like to do, how they would like that money spent: whether it should be unconditional; whether they want it conditional; how they want to handle the smaller municipalities; the larger municipalities. My gosh, there's \$100 million over six years to be negotiated. We don't choose to say, bang, there you are, take it or leave it, the way the NDP might. No. We are going to sit down with them and say, where do we go from here? Here's what we have; how do we go about doing this?

They're waiting for this process to begin. I'm happy to tell everybody that it's going to begin this week. We're going to sit down, we're going to talk about it, we're going to see what we do to it and it's going to be to everybody's advantage.

Mr. Van Mulligen: — Well excuse me, Mr. Minister, and would you excuse the public of Saskatchewan, that when they look at Urban Affairs expenditures being less this year than they were four or five years ago, of not, you know, sharing your enthusiasm for the wonderful budget that you have, and for the estimates that are before us? Would you excuse us for any scepticism that we might have, and for not sharing your enthusiasm? Because you will know that less money is proposed to be spent this year, even with your wonderful budget, than it was four years ago.

And somehow you assume that you're going in the right direction. I would take the position that you've got a long way to go yet, a very long way to go yet, before property taxpayers in Saskatchewan can be satisfied with your performance as a minister, and can be satisfied with the performance of your government.

Now again, I want to ask you not what SUMA or SARM (Saskatchewan Association of Rural Municipalities) might have to say about a capital grant, but I want to ask you about what you have in mind for a capital program. And as an example, do you see this being an unconditional program or a conditional program?

Hon. Mr. Klein: — Mr. Chairman, I just finished indicating that we're going to consult. So how can I

possibly begin to tell you, my critic, what I have in mind when the consultation process with SUMA has not yet begun?

(2000)

I indicated, we don't work like the NDP. We don't walk in and say here, our mind is made up, this is what you're getting. But rather, we sit down and consult with them. And that process is going to just take on an excellent meaning, the way it really does.

And when the member opposite starts comparing total dollars, again he's trying to fool the public. The taxpayers of this province are not stupid, and it's unfortunate that the member from Regina Victoria might feel that they are. But when you take out the property improvement grant, and add in the cost of the home program where we worked together, with the people of the province . . . I mean let's compare the truth with the truth. You can't say, on one hand, that it's lower dollars, and not recognize the fact that you've got something like the home improvement program in place, which supersedes the property improvement grant. I mean, you just can't do that and expect the people to believe that.

Mr. Van Mulligen: — Well you can say whatever you want about one program superseding another. And you will say that; no one else in Canada will say that.

But now you say that you don't have any predetermined . . . You say that you don't have any predetermined ideas about what this capital grant, or what this capital grants program is going to do or what its objectives are going to be, and that you don't know whether it's going to be conditional or unconditional. And all of this is going to wait for the discussion with SUMA, and I suppose SARM.

Can you then tell me, what did you mean by water and sewer projects will have priority on the money granted? Isn't that a conditional grant?

Hon. Mr. Klein: — Mr. Chairman, I think that it's fair to say that when I . . . If you want me to give you that opinion again right now, yes, priority will certainly be on water and sewer.

We have heard an awful lot of discussion about infrastructure, not only from this government but from SUMA, and indeed the FCM (Federation of Canadian Municipalities). So wouldn't it make eminent sense that if somehow we could encourage the municipalities to spend the bulk of this money on that form of infrastructure, that it would make an awful lot of sense.

So that would be the priority that I would have. But although it's my priority, it doesn't particularly go to say that SUMA may have that same priority, but somehow I have a feeling that they might just put a priority on that. I'm willing to discuss and sit down with SUMA to see where they're going to go. That's how this government prefers to operate. My gosh! All the people of . . . All the taxpayers of this province would figure that that makes eminent sense.

We believe in autonomy. They're elected at the local

level. And as a result of our respect for that autonomy, why wouldn't we sit down and talk with them and see what they would like us to do with that money?

Mr. Van Mulligen: — Well what did you mean, then, that you say on the one hand you're going to consult them? On the other hand, you're saying the water and sewer projects will have priority on money granted under the new program. Are you now saying that municipalities won't qualify if they have needs other than for water and sewer?

Hon. Mr. Klein: — Mr. Chairman, I simply indicated that in our consultation, programs relating to water and sewer, in my mind, would have a priority, and I would hope that they would put a high priority on that.

Mr. Van Mulligen: — Well, Mr. Minister, what you see as a priority may not necessarily be a priority for a local government. You will know that local municipalities will have their own ideas about what needs to take place, and they will have their own judgements about what is necessary. And I'm wondering if you could be more specific about water and sewer being a priority.

I guess what I . . . Suppose a municipality has, on its own, in the last number of years chosen to upgrade water and sewer and has made that a matter of priority because of necessity or whatever else, but finds that water and sewer projects are not a matter of necessity or a priority this year because of the work that they've done in the last couple of years, but decide that sidewalks, roads, any number of other capital projects are more important this year. Are you now saying, are you now saying, Mr. Minister, that they're not going to get the money, that there's no priority for them getting that money? What are you saying to municipalities?

Hon. Mr. Klein: — Well, Mr. Chairman, my critic is finally getting it through his noodle. My priority and the local government priority being different is exactly right — exactly. And that's what I've been saying all along. And their priority could very well differ from mine, and that's exactly why we're going to sit down and have consultations; that's exactly why we're going to sit down and have negotiations. I don't propose to shove anything down their throats like the NDP might do. So the only other alternative that we've got is to sit down and talk, and that's exactly what we're famous for doing and that's what we're going to do. They know the money is going to be there and it will work itself out, and I'm not going to place my priority into their priority. Let them figure it out for themselves. You're absolutely right.

Mr. Van Mulligen: — Well, Mr. Minister, I just wanted to correct you again in terms of your history and your own rewriting of history and just simply point out that the first unconditional grants for capital and for revenue sharing were instituted in this province by a New Democratic Party government. And I don't want to hold up that government prior to 1982 as being a paragon of how all governments should operate, but I would ask you to respect history and respect the truth and recognize that and not try and give the impression that prior to your being the minister that there is no such thing as unconditional grants. I think that the New Democratic

Party government that day and certainly I for one, now, without any reference to the past, would take the position that unconditional grants are necessary; that there is strong arguments in favour of unconditional grants; that the type of capital needs vary among local governments; that local officials are in the best position to make judgements about what type of capital facilities are most needed in their respective communities; that capital grants which are paid for only certain types of projects reflect an assumption that provincial authorities are better able to make those judgements than local people.

I'm also concerned that conditional grants can create an artificial priority for certain projects and that this may not be in the public interest. And I just might point out in that connection that the \$33 million for the recreation and cultural funding, those capital grants, although welcome, you might have been better off to roll those all into one capital program and to allow municipalities to make their own choices about whether they needed to put more money into roads or into sewer one year as opposed to recreational facilities. And I also want to point out that unconditional grants are compatible with encouraging local decision making.

And I certainly recognize that there is room for conditional grants, especially where unique requirements exist, such as some communities may have need for money for bridges. But it doesn't make any sense to give money to a lot of communities for bridges when they have no bridges. And certainly there is a need for some conditional grants but I want to encourage you to look towards unconditional grants. And I want some assurance in that way then that when you talk about the new program benefitting smaller centres more, just what you meant by that, and how that fits in with what Alderman Ted Cholid, or Councillor Ted Cholid, the president of SUMA. I want to ask you: was that his advice to you that these grants be geared for smaller communities?

Hon. Mr. Klein: — I think, Mr. Chairman, it's fair to say that we've probably been getting all sorts of advice from all kinds of people over the last couple of years while we found it necessary to curtail the activities of our capital grant program.

But now that we have the capital grant dollars available to the communities, although I can appreciate the views of the member, I'm looking forward to hearing SUMA's views, because it will be they that will be spending the dollars. And once we sit down with SUMA and negotiate whatever they believe that they would like to see, and after we have finished our consultations, I can't honestly tonight tell you where we're going to end up on this situation of capital grants.

I can tell you that we're going to end up in the area of \$133 million over the next six years — when you combine our budget and that of culture and recreation, \$133 million given back to the property taxpayers of this province. And I think that that's a significant contribution.

We will sit down with SUMA and we will consult with exactly what we're going to do with the capital program. And at this point in time, I can honestly tell you that

there's nothing there yet until we sit down and see how they want to spend it.

Mr. Van Mulligen: — Well why didn't you just say that then when the budget came down, that you don't have any ideas or you don't have any priorities yourself as opposed to saying that — and I quote you, sir — that you said that, "a lot of the programs will be geared to our smaller communities." What did you mean by that?

Hon. Mr. Klein: — Mr. Chairman, I don't know what the member's trying to get at. I have indicated a priority of mine. Don't say that I haven't; I have. Clearly this evening I have repeated that priority: sewer and water. And when I repeat that priority and publicly stand here and say that that is a priority as far as the minister is concerned, I believe that I'm simply reflecting SUMA's position. That's all I have heard from SUMA, from FCM, from various other municipalities — sewer and water, sewer and water, sewer and water, sewer and water. The taxpayers of this province for the last two years have heard nothing but sewer and water, sewer and water, sewer and water. So obviously if that's what I've been hearing, that's my priority. If that's a reflection indeed of what SUMA has been saying, then that will be their priority. And through the consultative process we will arrive at something that everybody will be happy with.

And I can't see why you're sitting here with doom and gloom, knocking a \$100 million capital program, or trying to knock it, when SUMA is delighted with it and the taxpayers of this province are obviously very pleased that our government has \$100 million to put into capital projects in this province. Why would you sit there and be against it?

Mr. Van Mulligen: — Well, Mr. Minister, I haven't said that I'm against anything, and you'll excuse the taxpayers of Saskatchewan for being something less than enthusiastic about expenditures this year being less than they were four or five years ago in this very important part of government. You'll excuse them and myself if our enthusiasm for what you're proposing this year is a little bit more contained than your own enthusiasm.

I know that it's important for you to stand up on your soap-box and to beat your breast and to proclaim to the whole world what a wonderful job that it is that you're doing, and how wonderful you are for the people of Saskatchewan, even if the . . . What you say sometimes doesn't mirror what is actually taking place out there, as is so often the case with your government, where you spend extravagant amounts of money on advertising what it is that you say it is that you're doing, as opposed to actually doing something constructive for the people of Saskatchewan.

But again I can appreciate what your priorities are, Mr. Minister, but I just want to say to you that you don't run a local government; you just simply run the Department of Urban Affairs. And why would you take the position that water and sewer is a priority of yours, even if it might be a priority for some other local municipalities or local governments? What happens to those municipalities for whom water and sewer is not a priority? Are they still going to get help under your project? Would you answer

the question?

Hon. Mr. Klein: — Well you know the member opposite, Mr. Chairman, is getting carried away again, and he says the expenditures are less than they were four years ago. That's not right. It's simply not right and the people aren't going to believe that. You know this year's budget shows a \$30 million increase in Urban Affairs. They knew that there is a new \$100 million capital program.

(2015)

You want to take that property improvement grant, something you know . . . backing your way into the future again. Go ahead. I mean, I'll put up the home improvement program any time against the property improvement grant, and we'll win on that one, and you know that. You know that as you talk to your constituents that they're delighted with the home improvement program, and there hasn't been a program like that in government for a long, long time as popular as the home program is and means an awful lot more than the property improvement grant. So don't try to fool the people of this province by saying that the expenditures in Urban Affairs are less. They're not. You have to compare one with the other, and you have to be honest and truthful about it.

And I'm not saying that I'm wonderful, and I'm not standing here beating my chest. What I am saying is that this government has indeed listened to SUMA, as we always do, and we have put priorities on their requests, and we have recognized that they have a capital problem and that's why we put \$133 million into the next six years for capital spending. And I can't repeat that enough. And SUMA even recognizes that.

Now what you want to do is sit here with me tonight and negotiate. I'm not going to negotiate with you. I'll listen to your viewpoint, and I'll carry your viewpoint back to SUMA, but I'm not going to negotiate with you. I'm going to negotiate and consult with SUMA, and we'll see where we get to. And you'll never convince me, nor the taxpayers of this province, that water and sewer is not a priority of the majority of the communities in this province. And if there are any communities out there that have indeed fixed up all of their water and sewer infrastructure and will have to look at some other program, that will be recognized by SUMA and will be brought up in the consultative process to which I've always said that I'm going to be negotiating and discussing with them.

But to give you a commitment tonight, I can't do that. I'll tell you as soon as we're done consulting with SUMA what it is, because I want to please them. And if SUMA and the government agree on that, I would like to hear you say that you would be pleased with that, rather than knock the \$133 million, as you're doing tonight.

Mr. Van Mulligen: — You know, Mr. Minister, you could have saved yourself a lot of trouble, if you'd choose your words more carefully. The next time you're asked for your opinion on something in the budget that instead of running off at the mouth, that you try to describe things accurately.

And if your priority for funding and capital is the priority of local governments, why don't you just simply say that, instead of saying, well I want to put in water and sewer, and causing a lot of concern on the part of urban municipalities? You're going . . . Well you know, like, water and sewer is not our priority in our community this year, but the minister says here in the paper that his priority is water and sewer. Why don't you be straight with these communities, and why don't you just choose your words a little bit more carefully before you run off at the mouth the next time?

I wonder, Mr. minister, if you might explain this comment that's also creating some concern and is causing some municipalities to ask questions. This comment of yours that, and I quote you:

A lot of the program will be geared towards or to our smaller communities. The larger cities always have special projects, and they seem to come to the government for these major projects. And what we're looking at now is a matter of fairness.

So you're saying here . . . Anyone who reads this would say that the program is going to be geared to smaller communities; that larger cities — and you haven't defined that — need not expect any assistance from this program, or if there is any assistance, that it will only be minor.

Now that's the conclusion I would draw from reading your comments, and that's the conclusion that I'm sure that some other people are drawing. I wonder if you can clear that one up for us now, just how this program is going to work for smaller communities and for larger communities.

Hon. Mr. Klein: — First of all, I don't want to get off of that sewer and water. And I think that I'll refer to SUMA's press release, which I didn't write by the way — SUMA did. And if you would pay some attention to it, then perhaps your questioning tonight would be a little bit different.

SUMA had taken the position that capital funding needs were a top priority, and this budget demonstrates that the provincial government recognizes these needs.

That's a quote from the president of SUMA. And then, he goes on to say:

We welcome the expressed intention to give a high priority to water and sewer projects, because our research indicates that over 200 of our members have experienced problems just with maintaining sewage lagoon facilities. And water supply or water quality problems during the last several years have left many urban municipalities with a severe thirst for further provincial assistance.

Well you wonder where I get my priorities from. I get my priorities from SUMA. Where else should I get them from? They're the ones that are going to be spending these capital dollars. So I hope that you recognize that we will be negotiating with SUMA.

And as far then as it relates to the capital funding and the negotiations and the consultations, those will occur. And after they are done is when we will have the details of the program to announce. And with regard to the major cities and the degree of fairness, I have spoken with them, and I have consulted with them to some degree already, and I have told them that no longer can the major cities expect to come along to any government and say, look at, it's fine for us to participate in this and this and this, but we need an extra \$25 million, for instance, for rail relocation. And it doesn't count. We'll just give it to you.

We need an extra \$4 million for an art gallery. We need an extra \$15 million for an arena. We need an extra and an extra and an extra. I believe that in fairness to all the people of this province, all of these extras have to come into play in one fashion or another. Now just how we're going to arrive at that, I'm not in a position to tell you tonight because those consultations with SUMA haven't occurred. But I can tell you that over the years, at the SUMA conferences, they have indicated just that, that all communities have little special priorities that they put on various projects. And why is it that perhaps local small communities can't come in and ask or demand that they get special considerations, but yet it seems that the major cities can?

Well we're going to have to put all that into fairness to all of the taxpayers of this province, and we're going to have to come to some agreement. SUMA, representing all but one major city — and hopefully that major city will see their way clear to join SUMA ranks again — will then be speaking for the municipalities so that we can sit down and have some meaningful consultations that will be representative of 100 per cent of the communities and we can get to where we're going on this kind of a consultative process.

Again, I repeat that we're not about to just shove it down anybody's throat. We want to talk to them and see where we get to.

Mr. Van Mulligen: — Well I just want to ask you: you're leaving the impression somehow that larger municipalities have access to extraordinary assistance from your government and therefore they shouldn't expect to get very much help from this capital program. Is that . . . Am I interpreting your remarks correctly, Mr. Minister?

Hon. Mr. Klein: — It's not only our government that shows, or has shown special preference to some of the cities. Indeed, the NDP government showed the same preference to major cities. And I . . . Well I can name some if you wanted me to name some — special considerations for whatever reason.

And as I mentioned at the outset of my remarks in this regard, I said that governments have faced this problem before for special requests and it seems that it never has been included in any part of any formula. The question is one of fairness. Even SUMA recognizes that, and they want to get fairness into the whole structure.

So I'm leaving the impression clearly, clearly leaving the

impression that I am going to sit down and consult with SUMA. And all of these things are going to be considered, and I think that they should be because SUMA believes that it should be. So if you're telling me that I'm doing it wrong, then why don't you go and tell SUMA that they're doing it wrong? I mean, who else are we going to consult with? The taxpayer, the local property owner is very concerned about these consultations, and they're very concerned with a matter of fairness to see that the money is distributed as equally as possible, particularly now where the sharing of dollars is very important, and where it should be fair. And that's what we're trying to get to, is some degree of fairness. And we will get there, because you get there by consultation, which is what I'm prepared to do, which is what will start occurring later in this week.

Mr. Van Mulligen: — Then I'm just curious, Mr. Minister. This fairness of yours will not cut both ways. Is this a new policy of yours that's going to cut across the piece for municipalities, is it something that is only to be applied in the case of the capital program, or is it something that then will also prevail in other areas of provincial government assistance to municipalities?

For example, you will know that cities such as Saskatoon, Regina, Moose Jaw, P.A., will incur their own expenditures for planning, but that smaller communities don't have any planning departments and don't incur the kind of expenditures that larger communities might for planning.

Or assessment. Smaller communities will pay a small amount of money to the SAMA (Saskatchewan Assessment Management Agency) but Saskatoon and Regina are expected to keep a large staff of assessors on hand to do basically provincial assessment work, and that they incur a major expenditure in that way, which is not shared by other municipalities.

Or public health expenditures, where most municipalities are assessed, I think, in the neighbourhood of 50 cents per capita to defray public health costs throughout Saskatchewan, whereas the costs in Regina and Saskatoon are what? Seven dollars per capita for the same level of services.

Or the announcement by George Hill of the Saskatchewan Power Corporation that he was going to defray or cut in half the power bills for recreation centres in smaller communities, and I suppose excluding cities and larger communities.

Is this something that you're going to be taking into account? Does this policy of favouring some as opposed to others, is this something that's going to be carried on across the piece now, Mr. Minister?

Hon. Mr. Klein: — Well, it's typical that the NDP would have it backwards, Mr. Chairman. It's not a matter of favouring some; it's not a matter of favouring any at all. It's a matter of bringing fairness to the situation in exactly the same way that we have consulted, and will continue to consult with SUMA regarding revenue sharing and, for instance, the safety net, the safety net. That's not arbitrarily put in by the government, but the safety net on revenue sharing is carefully discussed with SUMA;

options are discussed, were looked at, see where they want to get to on the safety net provisions that affect the communities, and we arrive at decisions that SUMA is pleased with.

So on the same basis, we're going to get to the same thing with capital funding. It's a direct link between SUMA and the government, the municipalities and the government. And I'm simply saying that I am going to use the consultative process to the nth degree in this because it's desperate to them that we do that.

Now if some other department chooses to use SUMA, or SARM, or their particular interest group to consult — as they do — then so be it. I'm only talking here about the process that I will be using regarding how we're going to spend \$100 million — \$100 million that you seem to sneeze at. SUMA doesn't; SUMA recognizes that it's a lot of money. They want to become involved in the process of how it's going to be spent and we're fully prepared to get involved with them very deeply to see, indeed, how that will be spent.

Mr. Van Mulligen: — Well, just again, Mr. Minister, I encourage you not to get carried away by your own rhetoric as you so often seem to be in talking about the capital grant of \$100 million. I'm sure that it's something that's welcomed by municipalities, but again, put it in some context of the history of urban funding in Saskatchewan and go back four years or five years. This is not some major improvement, or dramatic improvement in funding for urban municipalities. It certainly is an improvement of the abysmal situation that municipalities found themselves in in the last couple of years, thanks to the activities of your government. It certainly is some improvement on that, but it's no improvement over the situation four or five years ago. In fact, again, I would submit to you that urban affairs funding is less this year than it was four or five years ago. You somehow have the impression that because you put money into housing that somehow this is money for urban affairs and this is somehow an improvement in Saskatchewan. Well, that's your opinion, that's your interpretation, but it's not one that's widely shared by people.

(2030)

Mr. Minister, I want to turn to another area — and let's see if you can be a little more objective and a little bit less rhetorical in your responses in this area of urban affairs — and that is to turn to the matter of store hours. I want to suggest to you, sir, that you're getting exactly what you wanted; that you wanted unrestricted shopping hours in Saskatchewan, and that's what you're getting, and if you haven't achieved 100 per cent of that yet, that you'll get it ultimately; that it was your government's policy to have Sunday shopping in Saskatchewan, that that's what you wanted and that's what you're going to get, and that's what's happening in some cases.

I want to refer you to a article in the *Prince Albert Herald*, dated March 25, and the article is entitled "Blank (meaning the Premier) excited about foreign investment." I don't want to go into why the Premier's excited about things in Japan and Hong Kong, and about how they're really getting into North American fast foods like

hamburgers and fried chicken, and how that's going to benefit us here. But I want . . . This was coverage of a speech that he made to the Prince Albert chamber of commerce.

And I want to turn to, I guess, a peripheral matter, where the Premier is reported, is reported as saying . . . And I'll just read directly from the article here, if I might. And it says here in his opening remarks:

The Premier praised city council for opening up store hours and commended the business community for supporting council.

You will know that since that time, that Prince Albert council has taken a position that it doesn't want unrestricted store hours and that it wants closing on Sundays. But the important thing in this quote is that the Premier was taking the position that city council should be praised for opening up store hours. That tells me that the Premier supports Sunday opening, and by implication, that the government and you, sir, support Sunday opening.

And if you wanted Sunday opening . . . If you wanted Sunday opening last year, I would submit that you didn't have the guts to deal with it yourselves; that you simply lacked the guts to pass the laws to make Sunday opening a reality in this province; that you lacked the guts to do so; that your Premier, that your Premier lacked the guts — lacked the guts to stand up and say, I support Sunday opening; I want the stores to be open in Saskatchewan on Sunday. And that you, as the Minister of Urban Affairs, lacked the guts to stand up and say, I want Sunday opening in all of the communities in Saskatchewan; that you lacked the guts to do so.

Because the situation in Saskatchewan now, the situation in Saskatchewan now is for most of the communities that are implicated, and this primarily concerns the larger communities, that if they don't want, if they don't want Sunday opening, that they are under attack — under attack — in the courts. And the trend very much seems to be one of losing in the courts and moving towards Sunday opening.

Mr. Minister, you knew that last year, that this was going to happen, that individual municipalities were going to be under attack and that the battle or the fight to retain Sunday, or one common pause day, was going to be a difficult one; that communities were going to lose to those interests that wanted Sunday opening. You knew that. I want to ask you now: why didn't you simply pass a law last year saying there was going to be Sunday opening in Saskatchewan? Because if that's what you wanted, this is what's going to happen, and this is what is beginning to happen in Saskatchewan now. Why didn't you simply pass a law and say, we wanted Sunday opening?

Hon. Mr. Klein: — Mr. Chairman, you've finally asked a question that makes sense, and I'm going to respond to that.

But first, I still want to clear up the inaccuracy about the budget and your statement that Urban Affairs spending is reduced. And don't try to fool the people. If you want to

compare the blue book values, I suppose it's fair to say that, because at one time, for instance, in the Department of Urban Affairs we found the senior heritage funding of \$30 million . . . That doesn't appear in Urban Affairs any more but rather in another department. So that financing is still there; that financing is still in place.

So let's get back to comparing the truth. And where I freely admitted that the property improvement grant was no longer, you can't say that we have denied access to funding to the property taxpayers. We haven't. We have implemented another program to take its place, a program that's much better, that's more effective, that stimulates our economy in the home improvement program. So you'll never be able to sell the argument that our budget is less funding.

And you're absolutely right on the question of store hours. If we wanted a policy of wide-open shopping, we wouldn't have respected the autonomy of local government, and wouldn't have given them the option to regulate store hours if they so choose to do.

Those municipalities . . . And most major cities who have chosen to regulate store hours can do so because we haven't imposed anything on them. And if they choose to regulate, that's their business. We respect local autonomy even if the Premier might differ. He didn't indicate that we were then going to withdraw and say, fine, it's wide open and you have no choice. We respect their local autonomy, and if at the local level they choose to regulate then let them do so.

What we clearly said at the time was that we cannot find a piece of legislation that will control effectively the issue of Sunday shopping. And the proof is in the pudding now. Because if the city of Regina or if the city of Prince Albert can't even write a by-law that would affect their local municipality then how on earth was our government supposed to devise a piece of legislation that would apply equally to the whole province, that would cover my little home town of Cedoux equally with the city of Regina, when the city of Regina can't even control it within their own municipality, if they choose to control it? My firm belief and my argument was that the market-place would dictate that and save a lot of court battles. And it still will if they allow the free market-place to do that. Some communities are allowing that. We'll see if indeed they have a problem compared to those that choose to try to regulate and try to bring some fairness into it. We will see if the people in those communities are satisfied to deal with the issue on the way that they choose because there is a matter of plebiscite that still relates to the freedom of the local choice at the municipal level.

So to say the people out there are not condemning this government for what we have done, but rather they sit back now and they say that was good, that was good. If the local community wants to regulate, choose to regulate at the local level, then so be it. Let them regulate. And we didn't impose anything on anybody. And again you've got your whole argument backwards.

Mr. Van Mulligen: — Well, Mr. Minister, saying to municipalities that you can regulate for yourselves now in what you're going to do in terms of Sunday opening, that

that somehow is an effective policy is proving to be not quite that. You know, I might as well give my car keys to my three-year-old son and say, drive yourself to day care. I know that he can't do that, and I would submit to you that the reality in Saskatchewan today is that where municipalities take the position that they don't want Sunday opening, that they are having great difficulties in achieving that, and that the courts are overturning them.

And for you to say that municipalities have the freedom to regulate for themselves, or that the market-place is going to regulate — I think that's what I heard you say, that the market-place is going to regulate the question of Sunday store hours — begs the question of what your principles are, what your priorities are, and what it is that you and your Premier happen to believe insofar as Sunday opening is concerned. And if you really believe, if you really believe, Mr. Minister, if you really believe that Sunday opening is the way to go, then why don't you simply say that in the legislative way and save municipalities a lot of confusion, a lot of indecision, substantial court costs, and, I would say by definition, also provide some clear direction and leadership for the business community in Saskatchewan, many of whom are uncertain at this time as to what the future holds for them when it comes to shopping hours — they simply don't know.

They do know that they're embroiled in a situation that will likely, ultimately be resolved in favour of unregulated store hours. And again I say to you, if that's what you want, why don't you simply take the power that you have, pass a law, and say this is the way it's going to be, and in the process save communities and people in those communities a great deal of confusion and legal cost, because I would submit to you again that's what you wanted. That's what the Premier of Saskatchewan wanted. He wanted unregulated store hours. His comments to the Prince Albert chamber of commerce in late March suggests that the Premier wants unregulated shopping hours in Saskatchewan, that the Premier wants the stores to be open on Sundays. And I would suggest to you that your actions as a government demonstrate that.

The other thing that your actions demonstrate is that you have a lack of courage to stand by your own convictions and to say to the people of Saskatchewan: this is what we want; this is the law; this is how things are going to work. Again I would submit to you that your Premier and you demonstrated a clear lack of guts in the issue, that you wouldn't provide the political leadership, and that you're leaving it up to municipalities to accomplish what you were afraid to do through legislation, because your suggestion that municipalities have the choice to regulate is simply hollow.

(2045)

Mr. Minister, you will know that by-laws are under attack in Saskatoon. They're under attack in Regina. They're under attack everywhere that they're being put forward, and if they're not under attack now they certainly will be. And for those communities where it's quiet, they're simply waiting to see what happens in other communities whose actions may affect them.

I would just refer you to an article in the *Star-Phoenix* of March 11 where it says that:

Unlike most . . . (Saskatchewan) cities, the store-hours issue is, for now, peaceful in Melfort.

But that could change if Prince Albert . . . less than an hour's drive away, goes ahead and passes a bylaw allowing stores to open anytime during the week . . .

"That's causing us some concern," Mayor Carol Carson said in an interview. "Everything is peaceful now, as far as our merchants are concerned, but we may get dragged into (the Sunday shopping debate) if (Prince Albert) goes ahead.

And this article goes on to talk about Moose Jaw, and says here that:

Moose Jaw city council is also in a wait-and-see mode . . . Not only does his council have to wait and see what happens in Regina before passing their own store-hours regulations, but he has watched while more and more local stores are opening Sundays in order to compete among themselves.

And the he in that instance is Mayor Stan Montgomery of Moose Jaw.

Weyburn is also waiting to see what Regina is going to do, Mayor Ron Barber said.

We are already being hurt some by the Superstore in Regina staying open Sundays.

Yorkton, which is fighting for its own store-hours bylaw in court, is in the (unfortunate) position of being far enough away from competing markets that what other cities do won't have a great effect, Mayor Ed Magus said.

. . . Melville is watching Yorkton, its deputy mayor, Tony Wihlidal said.

"Until we see what Regina and Yorkton do, we aren't taking a stand . . .

"If (opening Sundays) is the way all the other communities are going to do, we will have to go along," (Melfort's) Mayor Carson concluded. "I just don't know who will be the winner in the end."

Mr. Minister, you were warned, warned loud and clear last year when you implemented the legislation which left it up to municipalities to fight the superstores and major corporate interests in the court. You were warned that if you went ahead and did that, that there would be a severe domino effect on the part of Saskatchewan communities, and that as one community went, others were sure to go, which, incidentally, was one of the reasons that Saskatchewan has had provincial legislation in these cases, because it recognized that there were provincial

interests at play; that it wasn't simply a matter for the people in Regina to decide what the people in Weyburn might have to do — recognizing that businesses want to be able to compete fairly — and that it's not fair competition for one municipality to have the stores open on a Sunday but the next municipality to be closed.

You knew that, Mr. Minister. You were warned about that. Yet you ignored — you ignored — the representations of small businesses throughout the province; you ignored the representations of working men and women through their unions in the province; you ignored the advice that we gave you from this side of the House; and I would venture to say you probably ignored the advice of some of your own members and ploughed ahead to give municipalities this hollow power of being able to regulate for themselves — being able to regulate for themselves — whether or not stores would be open on Sundays.

Mr. Minister, the situation in Saskatchewan is a confused one, but the bottom line on that is that store hours are gradually tending towards Sunday opening. That is what you wanted. I want to ask you now — are you happy, Mr. Minister?

Hon. Mr. Klein: — Mr. Chairman, I hope that the officials of SUMA have just listened to my critic. What he has spoken is utterly amazing. I'm going to issue what I think is a quote, and **Hansard** will show this tomorrow, but I believe that he said, "take the power and pass a law." That's what he said. He, my critic suggesting in this Assembly that the government usurp the powers of local autonomy. I just can't believe what that member said, and SUMA will be very, very interested in that.

It's not a matter of lacking courage at all. It's a matter of having a high degree of respect for SUMA and for local government. And he said it himself when Melfort, indeed, was concerned with what Prince Albert was going to do. And thank God for local autonomy and Prince Albert doing what they did, and now Melfort being pleased, whereas they wouldn't have had that opportunity.

And for that member to compare local municipal government ability to govern to that of his three-year-old son driving a car. Is that all the respect you have for local government? That they can only govern at the local level to the same degree of ability that a three-year-old boy can drive a car; surely, you must have more respect than that — by-laws under attack.

The municipalities know that when they issue their by-laws that they are responsible. You know that as my critic that municipalities are responsible for the by-laws that they issue. And we have always said that if our provincial legislation is found wanting we will defend our provincial legislation. Clearly we have taken a leadership role and respect . . . maybe the member isn't aware of this, and I'll bring it to your attention — a brief to cabinet by SUMA in 1981 to the NDP government of the day. They submitted a brief to cabinet on behalf of SUMA, October 17, 1981, which stated on page 6:

The matter of establishment of business hours in our own communities should be a responsibility

of the local authority, and we believe our councils are prepared to accept that responsibility.

Now you can't have it both ways. And if SUMA resolution — by resolution to cabinet — want that, why wouldn't we respect that?

The matter of what the Premier said in Prince Albert, and I have an editorial here from the *Prince Albert Daily Herald* about the same time, at the end of February. You said that the Premier made his comments to the chamber of commerce in March. This is at the end of February — February 27. And I'll quote the last paragraph:

Society will not return . . . (this is written, Mr. Chairman, by the editorial of the *Prince Albert Herald*). Society will not return to the way it was last year, let alone 10 or 20 years ago. City council cannot win by trying to set a detailed all-encompassing by-law. There will be exceptions, and arguments for exceptions. The most logical way appears to be to have store hours regulations which are as unrestrictive as provincial government regulations allow, thus giving the business community the opportunity to set its own store hours. This puts the onus on the people who are most directly affected by the issues. There appears to be little to fear and less to lose by letting businesses decide what hours they are to open.

It wasn't just our Premier saying it; editorials are saying it. If the business community don't want to open, there's nobody forcing them to open.

If the people, Mr. Chairman, don't want to shop, they don't have to shop. And to say that it's going to affect the people going to church, unfortunately only 15 per cent of the population attends church regularly. You can't use that as an excuse. And there's all kinds of arguments along that line.

The domino effect — and I've described this several times to my colleagues in the retail business sector from where I came. The retail business sector is the last little sector out there that had any degree of regulation left. So provincially we removed that and said locally, if you want to do that, we respect your autonomy; go ahead and regulate.

There is no domino effect in Alberta, who has similar legislation and has had for seven or eight years; there is no domino effect in B.C., where they have similar legislation. And the Yorkton versus Melville versus Ituna, or the P.A. versus Melfort versus Tisdale, or the Regina versus Weyburn versus Yellow Grass or whatever, the domino effect.

That domino effect is in place Monday, Tuesday, Wednesday, Thursday, Friday, Saturday, and Sunday has nothing to do with it — not a thing. And if the business community could open and wanted to open, let them. Why regulate? But if in a municipality you want to regulate, we respect your autonomy, we respect your citizens. We will allow you that right to regulate because that's what you asked for in 1981. But be aware of some of

the problems that come with the responsibility.

But in any event, if you choose to regulate by by-law and your by-law is found wanting, you can change your by-law like that, you know that. Provincial legislation, if it's found wanting, you can't change that rapidly. And while the arguments are going on in court and the discussions are going on in court, and all the rest of it, you have an unlevel playing field that nobody can regulate, that nobody can live with, that you never do know who's open, when, or why. At least if a community wants to establish their patterns, one way or the other . . . and I believe firmly, as I've said before when the argument was on, Saskatchewan will return to its traditions and to its values if you allow that to happen. But if you want to regulate, we respect your power, we respect your autonomy, go ahead and regulate. That's what they asked for in 1981, and that's what this government delivered.

Mr. Van Mulligen: — It's ironic, Mr. Chairman, that people of Saskatchewan would have thought at one time that the values that were important and dear to them would be the values that would be espoused, practised by their government. But that doesn't seem to be the case.

This is a government that has turned its back on our society, on some of the values that people hold dear. It's turned its back on the small business community in Saskatchewan, a community that has been clear in its opposition to the actions of the government insofar as opening up Sunday shopping throughout Saskatchewan. This is a segment of our society, and especially family-owned businesses, that have been hurt by the government and feel betrayed by the government. This is a segment of society that supported that government strongly in 1982 because it believed that government to represent its values. They now feel betrayed because that government has not stood up for them; that government has turned its back on them.

This is a government that refuses to recognize that there is a fabric in this society of which part was a common pause day, more particularly Sunday as being a common day of rest. And whether 15 per cent actively attend church, or whether it's 75 per cent that attend church, wasn't the important thing. The fact is that here was a common day of rest, a common day of pause, which came from our roots and our traditions that people believed in, and you said that that's not the kind of values that we have; we don't understand that fabric; we don't want to be part of that.

To you — to you — the only things that matter, the only values that matter are the commercial values. The almighty dollar is more important to you than any almighty God. It's the almighty dollar, sir, that I say to you is the thing that you hold most dearly and causes you to turn your back on Saskatchewan people when they don't share your vision of Saskatchewan, they don't share your love for commercial values.

(2100)

And it's ironic — it is ironic, Mr. Chairman — that we would have a Premier that so strongly espouses family values, so strongly espouses family values that he would

take the one common pause day, the one common day of rest, and turn it into another day where the family can sort of jointly observe commercial values.

Well I think the people of Saskatchewan expected more. I just simply want to ask you now for the record, Mr. Minister: given the confusion that exists in our communities; given the fact that wherever there seem to be by-laws; that these by-laws are under attack — will you be providing any assistance at all, that is to say, in the way of model by-laws which may have a greater degree or a greater chance of working; or legal assistance; or provide help with legal costs for municipalities that do not want Sunday openings? Will you do that, Mr. Minister?

Hon. Mr. Klein: — Mr. Chairman, before my sanctimonious critic wipes that tear from his eye, I would like to point out a resolution that came from Regina city council when that member sat on the council, that very member that stands in his place and criticizes our actions. What a hypocritical situation he's caught in.

Here's the resolution passed by that member when he was on Regina city council:

That the city council of Regina request the Minister of Urban Affairs to amend section 167 of The Urban Municipality Act, so that municipalities may regulate the hours of business, both as to when shops may open and close.

Now you, sir, were a part of that resolution, and you stand in this Assembly with that tear in your eye giving me the hog-wash dribble that you just gave me. Well we won't buy it, and neither will the people.

Some Hon. Members: Hear, hear!

Hon. Mr. Klein: — Now the commercial value that you're espousing that this government is bringing up . . . Do you mean the commercial value like bingos on Sunday, like sports on Sunday, that kind of activity?

I'll give you my little typical scenario as I've delivered before into some audiences, and maybe tonight there'll be some other people that might be interested in this thing.

As I mentioned at the outset, Mr. Chairman, the matter of retail shopping hours is about the last small section that had any degree of provincial regulation attached to it. And rather than use our power, take our power and set a law, take it away from the municipalities the way the NDP proposes that we do — to heck with the municipalities — just do what you want; you're the God almighty powerful government; just take it away and do that. No, we don't believe in that. Sorry. We believe in their local autonomy.

And I share this story again this evening about a typical family with a Sunday off, who decide to enjoy the day. They jump in their automobile and leave their home. The first thing they do is stop for gas. Well the gas station's open; it's the typical family's day off. So after they get their car filled, they drive along the highway and go to a

provincial park. Well that's open because it's the family's day off. People are working there. They go to the local concession stand and they'll have a hot dog and some popcorn, whatever is served. And they're all working there, but that's fine because this is my typical family day off. Now they'll go for a swim in the pool. Well everybody's working around the pool; they have to; it's this typical family day off.

They'll then check into their cabin at this provincial park. Well the maids and everybody, that's working, but that's fine because this is the typical family day off. Now they'll sit down and watch television. Well the TV stations, they're all working, but that's fine, this is my typical family day off. They tune in the football game on a Sunday. Well they're all working there, but that's fine, because it's my typical day off, and I guess the 28,000 people at the game, they've got a typical day off.

One of the football players, who also happens to be working that day, gets injured, ambulance goes out there. Well they're working because it's my day off. Now they take him to the hospital, and the hospital is fully staffed. Well that's fine, because it's my family's typical day off. How far do you want to carry this story? How far?

So now what I am saying is: why regulate people's lives? Why regulate people's lives when you can leave it up to the discretion of local government? If they believe that that is best for their local community, then fine. We're not going to take their powers away. Let them have their powers and let them use their powers at the local level where they know what the local preference is.

Respecting the by-laws, you should know better than that. We as government can't write up a by-law. Now we help them with their suggestions, and we can come up with some kind of a — perhaps a model by-law that they know that when they establish their by-law at the local level, they must have checked out by their own local lawyers or whoever advises them on their legal aspect, or the government would find itself responsible for every single, solitary by-law in this province.

Then if that's what you're saying and if that's the NDP philosophy, I'm sorry, we don't deal that way. We believe in local autonomy. They should indeed have their own by-laws. They should have them checked out by their own legal protection. They should ensure that they will withstand the test.

And as we have said before, and as I've said tonight, and as I repeat again now: if our provincial legislation is found wanting, you bet we'll step in and protect the provincial legislation. That's our job, and we will be there if they need it.

Mr. Van Mulligen: — Mr. Minister, first, I want to say that if you have information that pertains to me, why don't you table it with this legislature so that all can take a look at it.

Secondly, again I want to submit to you, sir, that your Premier, that your Premier wanted Sunday opening in Saskatchewan, that your cabinet and you wanted Sunday opening in Saskatchewan. What you wanted is what you're going to get. You didn't have the guts to stand up

and say that. You're hiding behind some ruse of, we'll let the individual municipalities determine that, even if the powers and the ability of municipalities to deal with that question is far more limited than the powers that a provincial government might have.

That is the reality, sir. You lacked the guts. I want to ask you: does your cowardice know no bounds?

Hon. Mr. Klein: — You can insult me all you like. The fact is there. We respect local autonomy. I've read you the resolutions that have come forward over the years, one from SUMA, one from Regina. Another one that I haven't read, I guess, is Moose Jaw, 1986, that a motion passed by council 1986:

That the province of Saskatchewan be urged to introduce legislation to transfer the responsibility of establishing store hours to local municipalities.

I mean, they were asking for this stuff. So for you to say cowardice . . .

An Hon. Member: — What year was that?

Hon. Mr. Klein: — Nineteen eighty-six was the year. April 1, 1986 was when Moose Jaw city council passed that resolution. So it's all there. So when these requests come in . . . Moose Jaw requested one, city of Regina requested one. I read the city of Regina one in — city of Regina, September 14, 1981. I believe you were serving on council at the time.

So that resolution was submitted to the government. And I might add that that was given to the NDP government of the day, at the time, so that, you know, to stand here and to contradict that, you've got a false argument going. And to say that it's cowardice, I mean, you can insult me all you like.

All I'm doing is reading into the record the fact . . . (inaudible interjection) . . . I'm reading . . . Mr. Chairman, the member will have every opportunity to argue with me in a minute. I can see that I've got his dander up a little bit. And I didn't mean . . . I didn't mean to upset the member from Regina Victoria, but obviously when I . . . (inaudible interjection) . . . You'll get your chance. Just let me explain. People are watching. You're behaving not very well. I mean, just let me give my response. They know I've got you in a box.

An Hon. Member: — You were attempting to mislead people.

Hon. Mr. Klein: — I'm not misleading people at all, I've got you in a box. And the resolution . . . the resolution was passed, and that's it. So what can I tell you? And, Mr. Chairman, where they are asking for that autonomy, this government respects that autonomy and we delivered it.

Mr. Van Mulligen: — Well, Mr. Chairman, the minister didn't have any guts last year and he doesn't have any guts now. If he's got something pertaining to me, table it. He refuses to do so; the minister has no guts, he lacks respect, and especially in the eyes of the public of Saskatchewan. He has no more credibility, and on this

issue he and the Premier have no credibility at all.

Again, the Premier made it clear, he made it clear in his remarks to the Prince Albert chamber of commerce that he wanted Sunday shopping, that he favours Sunday shopping, that he prefers family not to observe traditional values but prefers them to observe, even more so, commercial values. That's what the Premier wants; that's what he's got, but they didn't have the guts to stand up and say so.

Now the minister hauls out resolutions from 1981, but neglects or won't table that particular resolution with the Legislative Assembly. And I would simply say to the minister: if you have something with my name on it, table it with the Legislative Assembly so that everyone can see what it is that he's talking about. If he's going to stand in his place and insinuate things and try to mislead people about my activities, then that minister has no respect at all in this Legislative Assembly and none in the people of Saskatchewan.

I want to turn to another subject, the matter of the ward system. And I want to refresh the minister on something that he said last year. When he talked about . . . that an at-large system or, alternatively, his proposal for a hybrid system, that is half of the councillors elected at large and half elected in wards in our major cities, would find wide-spread acceptance — would find wide-spread acceptance. And I want to quote to the minister his comments from *Hansard*, May 31, 1988, and I want to quote the minister where, in response to questions from the member for Regina North West, he says, and I quote him from *Hansard*:

Go back and talk to your people in Regina North West later on in this week and over the weekend, as I have done, and see what they anticipate with this. And you will find that they will accept this, and you will find that the NDP will back off of this, and that this will not be debated too much once the Bill is introduced. And they will recognize the fairness of this system, and this system will pass, and it will be accepted.

Those are your words, Mr. Minister. Those are not my words, those are your words. *Hansard*, May 31, 1988, page 1730.

Now in light of the fact that in one city — talking about widespread acceptance — in light of the fact that when a question was put to the voters in Regina, and the question being: are you in favour of the city of Regina being divided into 10 wards as opposed to five wards — which is your idea — or at-large? When in response to that question, 74 per cent, or 47,657 said yes, we want the city to be divided into 10 wards, as opposed to some 26 per cent that said no. And I assume that they preferred your alternative.

But in light of the fact that 74 per cent said that they prefer 10 wards, as opposed to your goofy idea of five wards and the other half of council elected at-large — and that is opposed to an at-large system — shouldn't you offer your resignation? Or is it common for PC cabinet ministers to be that out of touch in Saskatchewan? Could you answer

that.

(2115)

Hon. Mr. Klein: — Well we had an interesting debate on this whole subject of the ward system a year ago and, as always, the NDP is living in the past. I guess the two main questions that I got out of that was, did it pass? Well certainly it passed. So it must have been accepted because that's how the election occurred was at large. We gave the cities the option of a hybrid; they turned it down; they decided to go at large; the elections were at large -
_ that's history.

Mr. Van Mulligen: — Can I just ask you, Mr. Minister: did any of the cities in Saskatchewan go with your particular goofy proposal of electing half at large and half through a ward system?

Hon. Mr. Klein: — Mr. Chairman, no, none of the cities that were afforded the choice of going either/or went for the hybrid, they all went for the at large. So, you know, what can I say. I guess I must have convinced them about the wisdom of that.

Mr. Van Mulligen: — Well, Mr. Minister, in light of the lack of any uptake on your goofy proposal, do you still see your goofy proposal as having some merit for the cities of Saskatchewan?

Hon. Mr. Klein: — I assume that they're going to be staying at large.

Mr. Van Mulligen: — Could I then ask you, Mr. Minister — and framing this in the context of estimates — do you think that any of your departmental activities in the coming year might be directed towards rewriting the Urban Affairs legislation so as to delete that particular goofy proposal that no one seems to be too interested in, and perhaps replacing it with an alternative for municipalities if they so wish to have all of their election done through the ward system?

Hon. Mr. Klein: — I really can't say that I am thrilled with the member's choice of words, but we'll let the people that are listening to his choice of words determine whether he is showing any respect for anything at all, at this point in time.

But I can tell you that no, our government, our government has no intention of changing that part. We will watch with interest to see if indeed the at-large system will provide the efficiencies to local government that we are hoping that it will, and, you know, we can only assume that it will do that. Again the member from Saskatoon Westmount is holding in his chair something that he's not entitled to hold, I suppose.

But I would point out that the ballot — and I suppose my critic will probably display it next, although I would point out that I don't believe exhibits are in order. But for your information, and my critic should be aware of it, the choosing of the ballot and the way it's going to be determined and printed and the size of it, is done at the local level. So you can display it if you like.

Mr. Van Mulligen: — Well, Mr. Minister, you talked about respect, and where I come from you've got to earn respect. And if you're not getting any respect, Mr. Minister, in the House tonight, it is because you didn't really earn it, did you? You didn't really earn it.

I mean, here you come with your own goofy idea about how people in our larger cities should elect, should elect their councillors. You had your own goofy idea about how they should do that. No one went with your goofy idea. No one liked your goofy idea. The people in at least one case strongly, strongly said, we don't want any part of your idea. And now you talk about respect.

Respect, Mr. Minister, would be saying to those municipalities, I made a mistake; I was wrong; I'm prepared to amend the legislation so as to give you the choice of what it is that you want to do. That would be respect. That would be respect, Mr. Minister. Maybe then you'd get some respect. But again, you've got to earn respect, and you haven't earned it in as far as the people in our larger cities are concerned.

How could they possibly respect you? You're the minister that's responsible for a ballot — and I have the ballot here, or a copy of the ballot, from Saskatoon. This ballot nearly goes across two desks in this Legislative Assembly. And I'm not sure, I'm not sure how many names are on this list, but someone said to me that there are 70 names on this list. So the people of Saskatoon had to go and choose from a list of 70 names; 70 names they had to choose from in order to get their council.

Mr. Chairman: — Order. Members aren't to use displays in the legislature.

Mr. Van Mulligen: — Mr. Chairman, I'm prepared to table this with the Legislative Assembly if you'll allow me to read from it.

Mr. Chairman: — The member can certainly read from it, but can't hold it up to the camera.

Mr. Van Mulligen: — Well, my eyesight's pretty good with these glasses, Mr. Chairman, but it's not that good, so I've just got to hold it up a little bit in order to read what's on here. But I think the point has been made, the point has been made, Mr. Chairman, that the choice that was presented to the voters in our larger cities was a confusing one; that the options that were available to our councils were simply not acceptable; that the idea that was being put forward most strongly, most strongly by the minister himself, is simply one of the goofiest ideas that anybody had ever heard. And now the minister has the nerve to stand in this House and say, well how come I don't get any respect?

Well here he is, the Rodney Dangerfield of Saskatchewan politics — he don't get no respect. Well again, Mr. Chairman, in my books you've got to earn respect. You've got to work hard to get respect. And if you don't work hard at it, and if you're not in touch with what people want or are saying or are wanting to do, then it should not be surprising that you don't get any respect.

I wanted to turn to another quote of yours from this debate

that took place last year, Mr. Minister, on the ward system. And you denied that there was any political motive behind what you were doing; that you were motivated by what you call the taxpayer; that you denied that your PC government had any political motive for what it was doing; and that the people of Saskatchewan knew that, that they knew that if you were politically motivated they would tell you.

In fact you responded, and I quote from *Hansard*; I quote you directly. You said, in response to something that the member from Regina North was asking you about, you said:

So when your member from Regina North stands up and says that we're doing this for political gain . . . you know the electors are intelligent, they're sophisticated people that pay taxes. You know, if there would be some big political motive behind this, if that's what you're suggesting, then obviously a Tory that would be attempting to run on city council wouldn't have a chance.

Is that what happened to Gordon Dirks, Mr. Minister, he didn't have a chance because there was a political motive behind what you were doing? Can you answer that?

Hon. Mr. Klein: — Sure I can answer that. He didn't run as an alderman in a ward; he ran as the mayor. So you know, let's get the thing straightened out here.

You know, Mr. Chairman, he talks about respect. Well let me tell you about respect. Mr. Chairman, over the years I've stood in my chair here and taken all kinds of abuse and ridicule from the members opposite about my size. Now that's fine. You know, the fact that I'm a short person, that's what the good Lord blessed me with, but the part that counts is from the ears up. I think that I'm a lot taller than a lot of the members opposite are from the ears up.

Some Hon. Members: Hear, hear!

Hon. Mr. Klein: — But you know, Mr. Chairman, recently in this very Assembly there was a remark made about one of the members of the opposition. And they took exception to it and called a point of order because they were injured as a result of this thing. And our member had to apologize. Well I'm bigger than that. You people can ridicule my size all you like and I'll put up with it, because the more ridicule that you get that way to me, or give to me that way, the more respect that I get from the people out in the real world. And the fact that I'm short doesn't bother me one bit.

But your leader . . . Why don't you pay attention to what your leader says? Your leader, in the original argument, way back in the '70s, indicated that the ward system had no politics in it and he hoped that he kept out of it. And let's read the rest of *Hansard*, where I quoted your leader, the member from Riversdale, with that exact same thing. And politics had nothing to do with it. And I quoted, I believe it was the member from Westmount, when we said that it was the responsibility of the government to provide local government with what they believe to be the best democratic government and the best form of

operation that we could give to a municipal government. We happen to believe that that's the at-large system.

When you get into the length of the ballot, and you are trying to discredit me, why don't you go and discredit the council of the city of Saskatoon? We changed the regulation, and clearly the length of the ballot was determined by the officials, or the Saskatoon city council. So if you want to call anybody foolish or foolhardy over that, then you know, direct that at the city of Saskatoon council. They're the ones that came up with the length of that ballot.

The other interesting thing, in a democratic situation, sure there were 25 more people in Saskatoon decided to run in the election, and that's good. What's wrong with that? What's wrong with encouraging more activity? So they ended up with a total of 70 candidates, and the city of Saskatoon decided to go into a length ballot.

But let's talk for a moment about Prince Albert where they went with the at-large system — and don't throw up your hands in such a sanctimonious thing — the city of Prince Albert, where there was a decrease of seven candidates in the same at-large type of an election.

And let's talk now about imposition, and let's get to the crux of the matter. You brought up the plebiscite. In 1970 there was a plebiscite in the city of Regina that was turned down by the people. This is in advance of the imposition of the NDP. In 1970 the city of Regina said no, we don't want the ward system. In 1973 the NDP government said, we don't care if you want it or not; you're getting it, period. And they put that in, but that was fair. Then Saskatoon, in 1976, three years afterwards, still didn't support the ward system and had a plebiscite, and did the NDP government do anything about it? Not a thing; they left the ward system in, going against the wishes of both of those cities.

Now at the time that the plebiscite was held here in 1976, it was at the time that the election at-large was going on. How on earth could you have changed it in the middle of the election the same day that people were voting? Come on, get with it.

Mr. Van Mulligen: — Well, Mr. Minister, there you go living back in the '70s again. I just might say, Mr. Minister, that whatever the NDP government did in this province, they answered to the public for that in 1982, and the NDP lost, probably in no part due to your persuasiveness with the voters telling them that a PC government doesn't believe in that kind of direction from the provincial government and that a PC government would have different standards.

Now I want to ask you, in relation to your standards, Mr. Minister, in terms of what you believe is important, not in something that the NDP might have done back in the 1970s, and something that an NDP government answered to the public for in 1982, I want to ask you: what are your standards in this case? Are they something that you believe in in terms of local choice, in terms of local decision making, or is your point of departure, is your reference point what the NDP did prior to 1982, in the 1970s? By which, by which measure do you judge

yourselves?

(2130)

Hon. Mr. Klein: — Mr. Chairman, I will be measured by the people of this province when my time comes, and I will go to the polls when the Premier calls the next election. And if you want to make the ward system an issue, so be it. And if you want to make store hours an issue, so be it.

And don't worry about the re-election of this government, and I pointed it out earlier, but the Leader of the Opposition . . . And I tell you, sir, don't worry about the re-election of this side. You've got a lot of credibility to worry about on your side and the first thing that you're going to have to do is pull your caucus together. And you can't go, as you did before, publicly saying that you have this unity in your caucus. You better get your caucus together and get some unity if you ever hope to form government, because the way you're going right now . . . I don't know, 1982 could be back again, and you might be down to four or five; you might be down to four or five over there.

Mr. Van Mulligen: — Mr. Minister, you said that you shouldn't be measured in terms of what the NDP might have done in the '70s and that you shouldn't be measured in any other way. I would simply suggest to you that on this particular issue that you don't measure up at all; that the people of Regina spoke very clearly about their preference in this matter; that that feeling was also strong in the city of Saskatoon, and it was also strong in the city of Prince Albert, and ran contrary to measures that people in Moose Jaw were undertaking in order to get a ward system established.

I guess the only question I would have on this one — I recognize your own intransigence in this matter, that your interest and the interest of your government was simply to ram your own goofy ideas down the throats of councils in Saskatchewan and ram your own goofy ideas down the throats of property taxpayers in our larger cities, just ram it down their throats without any regard for what they might like.

I want to ask you . . . You're so caught up in measuring up to what the NDP did, you're so caught up in measuring up to what the NDP did in the 1970s — because every time we ask you about something, you refer back to what the Leader of the Opposition might have been saying many years ago — and caught up in in what the actions of an NDP might have been many years ago. Let me just ask you one question in this vein: will you do what the NDP did then, and that is at least give municipalities the power, give them the power to hold a plebiscite within three years of this particular election in 1988 and put the question to their voters in terms of what their preference is — do they still want to go with the at-large system, do they want to go with a ward system?

Because you will know, sir, you will know that one of the provisions of the legislation in 1970 that you say was forced down the throats of municipalities, that there was a provision for municipalities to ask the taxpayers: do you want to retain this system now after three years of

reflection? That was one of the options that was available to urban municipalities.

And I want to ask you, Mr. Minister, are you going to give that opportunity to the people in Regina, Saskatoon, Moose Jaw, Prince Albert — to, in a couple of years time, ask the voters at that time if they want to have the at-large system; if they want to go with the hybrid proposal that you've been promoting; or if they want to return to a ward system exclusively — to ask them in two years time whether . . . to give them that opportunity, an opportunity that was at least afforded to municipalities in the mid-70s. Are you going to do that, Mr. Minister?

Hon. Mr. Klein: — Well the binding referendum wasn't three years, it was four years after two elections, so let's clarify that.

And I think that I have publicly said before, and I say again, that certainly if they want to have a referendum again at some point in the future for us to look at, we'd be prepared to look at that.

As far as changing the legislation prior to the next set of municipal elections, no, we don't intend on doing that.

Mr. Van Mulligen: — Well then, people of Regina, people of Regina and Saskatoon and P.A. and Moose Jaw are probably asking themselves, why is this minister so stubborn?

Some Hon. Members: Hear, hear!

Mr. Van Mulligen: — You know, supposedly in politics you can never make mistakes. But I tell you, Mr. Minister, that if you've made a mistake — and you did in this case — if you make a mistake, and you own up and you be square with the people of these cities, square with them and say, well you know, obviously I was wrong, you didn't want my goofy idea, you didn't want my proposal, you want to retain the ward system — and that's what the vote in the fall said — I want to say that I made a mistake, and I'm going to provide an opportunity for you to return to the ward system if that's what you want, if that's your priority, and you can do that. My guess is that you would earn a lot of respect out there, Mr. Minister.

Some Hon. Members: Hear, hear!

Mr. Van Mulligen: — That the people of the cities and of Saskatchewan would say, well at least there's one minister who's strong and honest, willing to stand up and admit a mistake, willing to say that he was wrong, and willing to address the situation. Just for once, Mr. Minister, will you admit that you have made a real big mistake in this case?

Hon. Mr. Klein: — I don't believe that I've made a mistake, Mr. Chairman, and I've said it earlier tonight, and I'll repeat it again right now. The voters of Regina South will have every opportunity to deal with me when the next election is called and if . . . I understand that your member from Regina Lakeview could be my next competitor; I welcome the challenge, and if she wants to make the ward system the issue of the day for Regina South, I'd be pleased to make that the issue.

Mr. Van Mulligen: — Well, Mr. Minister, if you can't stand up and admit your mistakes, then certainly I don't think you leave us any choice than to point out to the people in the cities and to the people of Saskatchewan, and I guess in the next election, point out to the people of Regina South that you made a major mistake; that you wanted something; that you forced something down their throats that they you didn't want.

We'll have to point this out to them. And I would say that in the case of Regina South, that we'll have to point out a number of other mistakes that you've made as a government, while we're on mistakes. We will have to point out to them that the dismal economy in the city of Regina is in large part due to the actions of your government and due to you as a member of that cabinet.

Some Hon. Members: Hear, hear!

Mr. Van Mulligen: — That we will have to point out to the people of Regina South, the people of Regina and the people of Saskatchewan that unemployment rates are unacceptably high because of the actions of your government.

Some Hon. Members: Hear, hear!

Mr. Van Mulligen: — That we will have to point out to the people of Regina South and the people of Saskatchewan that they're paying through the nose as never before for their taxes because of your actions and the actions of your government.

Yes, sir, we'll certainly be telling the people of Regina South and the people of Saskatchewan about your mistakes, Mr. Minister; not just your mistake in the ward system, something that people generally perceive to be a mistake — in fact, 74 per cent of the people of Regina said that it was a mistake. Many others say that your ideas, your particular ideas are just downright goofy in terms of what you're trying to promote.

Mr. Minister, I want to leave the question of the ward system. It's clear that in the ward system that you will not be moved by reason; that you will not be swayed by logic; that you will not listen to the reasonable suggestions of the opposition; that you will not admit your mistakes . . . (inaudible interjection) . . . Now we have the comments of the member from Regina Wascana.

And I just want to say, Mr. Chairman, that I stand by my remarks of some weeks ago where I suggested to the Premier that the very best thing that he could be doing in terms of urban affairs these days was to fire the present member from Regina South and to replace him, given the limited opportunities that he has for replacement, to replace him with the member from Regina Wascana because . . . And it's not saying much, it's not saying much, but the member from Regina Wascana has twice as much on the ball as the member from Regina South.

Some Hon. Members: Hear, hear!

Mr. Van Mulligen: — And that the Premier would be

doing himself a big favour and would be doing his government a big favour by getting rid of the current member from Regina South, because it's obvious that the current member from Regina South is too caught up, is too caught up in the situation in the city of Regina, is too caught up in the fights inside the city of Regina to be able to stand back and look objectively at the situation and say things like, you know, the decision that we made with respect to the ward system really wasn't a good one.

Well a new minister would have some elbow room and would have some leeway to make changes, changes that obviously you can't make because you're too caught up in what it is that you've done in the past and you can't admit any mistakes. And certainly someone like the member from Regina Wascana who, you know, I think it's generally conceded is a co-operative person, has at least twice as much on the ball as you do, would have some leeway to correct the mistakes that you've made.

I want to turn to the question on the fuel tax, Mr. Chairman. I want to turn to the question on the fuel tax and point out that prior to 1982, when there was a gas on fuel in Saskatchewan, that there were certain exemptions. Farmers, I believe, had an exemption prior to 1982.

One of the other exemptions that existed prior to 1982 was for urban transit systems. And it might be said that transit systems had an advantage over those who drove individual vehicles. After 1982, when your government did away with the fuel tax, obviously there was no advantage for the transit system, nor was there any advantage for the individual motorist who drove their own car.

But now you've brought back the fuel tax, something that you said you'd never do. But then, I guess, that goes to show you can't believe you guys. You can't believe that government. But anyway, now that you've brought back the gas tax, you've also brought back a system of rebates, rebates which go to individual motorists but do not extend, do not extend to urban transit systems. Now it seems to me that there is an advantage for the individual motorist and a disadvantage, relatively, for urban transit systems.

And what we seem to have done is to come 180 degrees, where government policy one time said, we support, encourage urban transit and are prepared to give it some advantages vis-a-vis the individual motorists. You are now saying, we think that it's more important for people to drive their cars, less important for them to take transit; that our priority is not transit; that we really do not place any strong value on transit. Am I reading you correctly, Mr. Minister, that the budget and the estimates reflect something that we saw last year, that urban transit simply has no priority as far as your government is concerned?

Hon. Mr. Klein: — Well, Mr. Chairman, I think that the matter of municipal transit assistance does have priority. In this year's budget we have paid over \$1.8 million for municipal transit assistance, and this transit assistance is operating assistance to the transit systems in some communities. And so I guess it all boils down again to a matter of fairness because this \$1.8 million goes to Regina, Saskatoon, Moose Jaw, Prince Albert, Yorkton,

Swift Current, North Battleford, Battleford, and Creighton, and stops there.

(2145)

Now we haven't tinkered with this; we've left this in place, so that to say that we don't give municipalities any transit assistance is not right — we do.

Interestingly enough, Mr. Chairman, I've been trying to get my hands on a report that was given to the city of Regina, but never made public, regarding the transit system and the inefficiency of that operation. And perhaps if the gas tax gets high enough, we might find some efficiencies starting to be looked at by the various transit systems as far as it relates to their expenditures on fuel.

There is a rebate in place, as we all know, that applies to individuals, and individuals only. And our Minister of Finance has been very clear on that so that we as individuals get a rebate on the gas tax and don't pay a gas tax as an individual citizen. We as government knowingly has drawn the line there and everybody clearly understands that. And if you don't draw the line somewhere, then where do you draw the line? So that as a result, the fuel tax is there; municipalities are aware of it; there is \$1.8 million in the budget to help them offset the expenditure of the fuel tax.

Mr. Van Mulligen: — Well, you've certainly drawn a line, Mr. Minister, and I'm trying to follow you down the line, but I'm having some problems here.

I know that you're still providing assistance for transit. I know that, because that's in the budget. What I was trying to point out to you is that your government doesn't seem to have any priority in so far as urban transit is concerned, that you see no value whatsoever, or little value — or don't place as high a priority on urban transit as other governments might have done some other day; that you don't believe that there's any real place for transit.

I just want to ask you, Mr. Minister: like, don't you think that transit has a role to play; that when it comes to our environment and conserving energy and all those kinds of things, that there's some role for transit here and especially in our cities? Do you believe that, Mr. Minister, or do you believe that that's not important?

Hon. Mr. Klein: — I'm sorry; I missed the question.

Mr. Van Mulligen: — Well what I asked you: environmental considerations have . . . play any part or any role for you in determining to what extent you should prioritize transit? You know, recognizing that transit is an energy-efficient way to transport people around.

I think, in the case of Regina alone, some nine million trips are made on the transit each year, and it's probably a comparable or a higher number in Saskatoon. This means that a lot of people are getting on a vehicle with other people, as opposed to driving in their own car, therefore less energy is expended. I mean, that's one of the theories behind why governments promote transit usage and why governments tend to subsidize transit in our larger

centres. Do you continue to put a high priority on that, Mr. Minister?

Hon. Mr. Klein: — If you are referring to the Regina Transit System, I think that all I could do, Mr. Chairman, is point out to the people of Regina, who, like me, who . . . Like tonight on my way home I will pass three buses all going down a street, regularly empty — not a passenger. So I would like and encourage the city of Regina to make their transit system report public, about the efficiencies of it. I know that that report exists; I know it was discussed in their committee, but they will not make that report public.

Now the people of Regina see these buses running around empty, knowing full well that it's subsidized by all the taxpayers of this city. When there is a report, what are they hiding? Why won't they make that report public? And I suppose once we get that report, rightly or wrongly, that would be very interesting for us to have a look at.

Mr. Van Mulligen: — Mr. Minister, for every bus that's being driven around with simply a driver in it, there's got to be at least 20, 25, 30, maybe 100 vehicles driving around with just one driver in it. So, like . . . I guess what I'm getting at is that one of the reasons that you have urban transit is because it becomes . . . it's one way that society has of conserving some energy. It's also, in some ways, a cost savings for communities because, I mean, if you took those 9 million trips and translated it into additional vehicles, you'd have to upgrade the road capacity, and there goes your urban assistance and, you know, all those things.

So you . . . I mean, government would have to provide grants to . . . because let's face it, motorists are subsidized. Communities and governments pay for roads and people drive on it and those things are subsidized. So you've got to pick it up somewhere, and it's felt that this is a more efficient way, and it's certainly a more energy-efficient way to transport people. Do you no longer believe this, or have you just got some axe to grind again with the city of Regina? Is that what you're getting at? You got an axe to grind again with the city of Regina council, Mr. Minister? Is that your problem in urban assistance and urban transit?

Hon. Mr. Klein: — I think I was very clear at the beginning of these estimates tonight that I am the Minister of Urban Affairs for the province of Saskatchewan.

Mr. Van Mulligen: — Well you certainly are, and I think you're also the minister that's responsible for axes to grind with Regina city council, judging from your remarks. But, Mr. Minister, Mr. Minister, I would encourage you to start being realistic about urban transit. I would encourage you to put your political axes to grind aside, and this is not just a matter that pertains to the city of Regina, with whom you have an axe to grind, but also pertains, for example, to Saskatoon, a city that's widely recognized for having an efficient, workable transit system.

And they clearly concede, they clearly concede that things like increasing the fuel tax, which in the case of Saskatoon probably comes to, this year, an additional \$200,000, as it does for Regina; that these factors plus your freezing of funding for urban transit system simply

means that it becomes far more difficult for transit systems to do what they're intended to, and that is to transport large numbers of people at a reasonable cost, and to provide the kind of service configurations that make sense; that that is becoming increasingly harder for our transit managers and councils in those cities that have transit systems to be able to do that.

And that you need to recognize that there is a role for the province to play if it is at all concerned and interested in promoting transit usage; that you cannot close your eyes; that you cannot simply listen to the yahoo element in your caucus, listen to the yahoo element in your caucus and cabinet, who may not have transit systems in their own communities, and say, well, why should we support transit systems?

But recognize that this is a matter of a public conveyance system transporting large numbers of people and especially, in this case, transporting the poor, transporting the elderly, transporting the students, transporting thousands of people in our cities, and that this is a necessary public service that needs to be maintained, needs to be given some priority, something that your government is simply not doing any more. You're refusing to recognize that. You've got some kind of political axe to grind with city council.

And again I say to you, can't you transcend your own personal, petty, political fights with Regina city council and deal objectively with the situation; deal realistically with something that is perceived to be a need in Saskatchewan communities? And I would simply ask you: can you do that, Mr. Minister? Can you be realistic about transit? Just simply put aside your own fight with Regina and look at transit systems like Saskatoon who are struggling, struggling in the face of your actions. Can you transcend your own political, petty disagreements with Regina city council and square up to the problems that urban transit managers are facing in Saskatchewan; can you do that?

Hon. Mr. Klein: — Well I don't hear any of my voters in Regina saying that I've got petty arguments going with Regina city council, and if you feel that I have, I guess it's a figment of your imagination and you're entitled to feel that. It's fair to say some of my colleagues might have made some comments about the city of Regina elected officials, but I haven't. And so I think that you're off on an area that you're trying to do something, and you're wrong.

Now if you think that \$1.8 million is a paltry amount, then I guess that's what you're saying — \$1.8 million, by and large going mainly to the larger cities of Regina and Saskatoon — if \$1.8 million is nothing, well I guess we've got a disagreement; \$1.8 million is a lot of money, an awful lot of money. The cities of Regina and Saskatoon by far are enjoying most of that dollars.

Mr. Goulet: — Yes, a question to the minister under vote 24 in regards to the northern municipal budget. I noticed that the budget was cut from 507,400 to \$444,900 and that there is a loss of two positions. Could the minister tell me what positions those were, and which people those were?

Hon. Mr. Klein: — Mr. Chairman, I understand the question to be regarding the Northern Municipal Services and two person-years? I've been advised that one was transferred to Municipal Advisory Services here in Regina, because that was a position that had served its purpose and its function had been done with, and the other one was transferred to Parks and Renewable Resources in the North.

Mr. Chairman, Hudson Cowley was transferred to Regina and Jonas Bird was transferred to Parks in La Ronge.

Mr. Goulet: — Mr. Minister, Jonas Bird has spent many, many years of service in the municipal department. He was the only Cree-speaking person in the department who was able to explain the municipal services issue right at the local level, and also to get feedback from people in regards to all the municipal issues that were going on at the community level.

When I was first speaking here at the legislature, Mr. Minister, one of the times I raised the issue . . .

(The hon. member spoke for a time in Cree.)

When I did that, the first minister who spoke against me that very next day was yourself, Mr. Minister. You complained about me, saying something about your seat, or whatever. And how could you know what I was talking about if I spoke in Cree?

(2200)

I thought at that time that you were very concerned that I even spoke Cree in the legislature. Now we see, as a minister, once you get into being a minister in regards to the North, a Cree-speaking person who has spent a tremendous amount of time in servicing the people in the North, and explaining to them exactly what was going on in the municipal services, is a guy that gets knocked off by yourself as a minister. What do you say about that, minister? Do you feel that a person in the capacity of the North, especially when you recognize that Cree is a main language in the North, that you should have a person with Cree language capacity in that situation? And do you feel that what you did was a correct one, Mr. Minister?

Hon. Mr. Hodgins: — Mr. Chairman, I move that we rise, report progress and ask for leave to sit again.

The Assembly adjourned at 10:02 p.m.