

April 11, 1989

EVENING SITTING

MOTIONS

Resolution No. 1 — Support for the Agricultural Community (continued)

Mr. Koskie: — Thank you, Mr. Speaker. This afternoon my colleague from Humboldt, constituency of Humboldt, moved a resolution that this Assembly condemns the government for its failure to protect farm families and rural communities which are suffering from short-sighted and inadequate federal and provincial agricultural policies, and from the combined effects of drought, low commodity prices, and high debt loads.

I spoke in respect to this motion, indeed I second that motion, and I want to re-emphasize, Mr. Speaker, that this is a very important motion, because as I indicate the problem is great and the solution has to be immediate or will have catastrophic effect in rural Saskatchewan.

I indicated, and I only want to in summary indicate the magnitude of the problem, I don't go to any source of research on our own, or from our caucus, but merely to use the statistics that were brought forward by a committee, the *Farm Finance for the Future*, an MLA committee made up exclusively of Tory cabinet ministers and back-benchers, paid for by the taxpayers, my colleague says.

And the problem . . . this report was done in 1987, Mr. Speaker, and since then we have had a drought. As I indicated, the like of which we have never had in the living memory of, I suspect, all people in this legislature. Out in Saskatchewan today, as indicated by the Angus Reid poll, a quarter of the farmers are indicating that in three years time, that they're not likely to be farming.

And now we've had the drought, and I say to the members opposite, the members of the government, I hope that you will realize the magnitude of the problem that exists there.

Not only do we have a massive debt load of \$6.5 billion on the backs of Saskatchewan farmers, we have in conjunction with that, high interest rates which drives that debt up even higher. We've had the drought, and now the financial institutions are laying on the backs of the farmer yet another problem, and that is cutting off operating loans.

I'm informed that in Laird, Saskatchewan, this coming week there's a meeting been organized in that constituency, in that town, by farmers and business men. They're bringing in the representatives of the financial institutions . . .

An Hon. Member: — What town?

Mr. Koskie: — Laird, Saskatchewan . . . representatives of political parties. The situation is that desperate. They're pleading for some consideration of the problem that is facing them. And there is no doubt, there is absolutely no doubt that the farmers in Saskatchewan feel deceived.

They fully expected to receive the drought payment in entirety in the first part of the year, which would provide revenue for helping them to put in the crop.

This was confirmed during the federal election. And as I indicate, the farmers have been deceived. Some of them are getting \$12 an acre, some are getting \$7, and some are getting nothing at this time. And I'll tell you, my friends across the way, there is something more important than privatization, this phoney excuse at pretending that there's economic development going on in this province. The truth of the matter is that you've run this province into the massiveness of debt that you have become inactive. Your hands are tied. Your waste and mismanagement have led us to a deficit that's unmanageable.

And as the Minister of Finance said last year in his budget, he said, our treasury can no longer afford to provide support programs to agriculture. Just imagine, after the Premier, the Minister of Agriculture, pledged to the farmers of this province that he would place the treasury behind them in their difficulty. The Premier of this province, the Minister of Agriculture, in conjunction with the federal government, indicated that they would bring in a long-term agricultural policy. That was initiated, stated in 1985, and not one single movement has been made in order to protect the farmers from the vagaries of the market-place and of the weather.

I want to say, the members opposite were yelling this afternoon at my colleague and at myself, where is the agricultural policy? Well I'll tell you, there was an agricultural policy during the last federal election enunciated by the New Democratic federal leader, Ed Broadbent. And out of that policy came 10 out of the 14 seats in Saskatchewan — 10 out of 14 seats in Saskatchewan, because there was a long-term policy. And I'll tell you, you can go ahead and introduce the federal New Democratic and provincial party's agricultural program.

We indicated that first of all, because of the seriousness of drought, the New Democratic Party promised to the people, the farmers of Saskatchewan, not \$400 million as coming out of Ottawa, if we get it; the New Democratic Party said that we would have a deficiency payment or a drought payment of \$800 million for Saskatchewan alone. And that is exactly the amount that was called for by the wheat pool, \$800 million to take them out of the crisis.

And what do we get? What do we get? Well maybe we get \$12 an acre, maybe we get \$7, maybe we get nothing, that's the first thing. The drought was so severe, and we said to the farmers of Saskatchewan, we'll help you — \$800 million, and we gave the formula. Not 80 per cent of the crop insurance; it was over 100 . . . it was 100 per cent payment on crop insurance formula, and it would amount to \$800 million distributed to Saskatchewan farmers.

The second thing we said is that on the first 8,000 bushels, on the first 8,000 bushels of production — base it on wheat — we said that we would guarantee to every farmer, for the first 8,000 bushels, \$5.27 a bushel, which

would give them the U.S. price on the 8,000 bushels. And not only that, we indicated that in the event of a disaster this program, the 8,000 at the guaranteed fixed price U.S., would click in and farmers would be guaranteed that in the case of a disaster.

Secondly . . . thirdly, rather, what we indicated is that because of the massiveness of the debt, the Farm Credit Corporation had to be restructured and there had to be a major restructuring of the debt of the farmers across Saskatchewan, indeed across Canada.

And what we indicated there — and we put this out and we tested it, my colleague and I and our agricultural critic from Ottawa, Vic Althouse. We went around; we talked to young farmers. They helped us enunciate a program of handling debt, and they said, well we don't want you to forgive it. People went forward and created debt; farmers want to be able to pay it, but we need assistance under this crisis.

And what we came up in respect to debt restructuring is that first \$125,000 would be . . . The first \$125,000 of debt would be restructured, and a low interest rate would be applied, somewhere around 7 or 8 per cent, so that it was manageable and that the farmer wouldn't be ruined by high interest rate. The next \$125,000 worth of debt would be set aside, that the farmer would have options: he could liquidate some of his assets and pay that off, or he could pay off the first \$125,000 and then start attacking the other \$125,000.

That's what we offered to the people of Saskatchewan, to the agricultural community of western Canada. And I'll you, the farmers responded. They responded by electing 10 New Democrats out of 14 ridings here in Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Koskie: — I guess I have a lot of respect for the legislature and the process, the democratic process, the debating and formulating as we do here in the House. But I've never been so disappointed with a Premier, and the Minister of Agriculture, who will have the audacity to outline that he has new creative programs in his budget. And it's now day 23, and they absolutely have not brought in any single bill to address the crisis that is upon us.

Do you know what we have as Bill 1? We have privatization. Do you think SaskPower is going to run away if we don't deal with it right away? Or do you think potash corporations are going to run out of the province if we don't deal with them right away? The problem that we should be dealing with, Mr. Speaker, and I know everyone over there agrees with me, we should be dealing with agriculture.

And I'll tell you, we'll sit here; we'll sit here. We'll put other business aside if you want to deal with agriculture, because you say you have a policy. But the fact is, they don't have a policy; they don't have a policy. They have more rhetoric; that's what they have enunciated in their budget.

The only concrete program that they're going to put into place, and this is part of their overall goal, is to change the whole map of Saskatchewan, or as the Minister of Justice said, we have to change the whole sociological thinking of Saskatchewan. We can't have these little family farms out there. We've got to go with the world class. We've got to have corporate farms.

And what are they going to do? They're going to set up equity financing. And I'll tell you, once equity financing is set up there'll be no looking back. Because who is going to get the benefits? This is privatization of Saskatchewan farm land, that's what it is, Mr. Speaker. Because they're going to get together with some of their major friends, they're going to give them tax concessions to invest, and they're going to bring in outside investors from Hong Kong, where the Premier was recently, and they're going to take over the farm land from the families who have worked and built and cleared that land. And that's the crisis that we have.

And I've indicated, in the budget address, I've asked the members opposite to take it upon themselves to encourage the Premier either to give up the portfolio or either come forward to deal with the crisis.

(1915)

I have said before that the crisis is not just one that I'm talking about, but as I said, the Roman Catholic bishops of Saskatchewan, in Muenster in 1987, in November, they put forward an agricultural statement, "Farming: A vanishing way of life."

And they saw what is happening, or the threat of what could happen, and they set up a committee during the past year and some of the things that the committee were to look at, and I just want to refer to a couple.

They were to go out, this committee. What follows is the committee's report to the bishops of Saskatchewan, and it's divided into three sections of this committee from all the dioceses across Saskatchewan, what was said. And this represents, you know, sort of the common threads of what people were saying as the study groups went around. What's missing, they were looking for, and they were looking for recommendations to give back to the bishops.

And on stewardship in respect to the family farm, and I want just to read a part from page 5. And this is the *Report and Recommendations to the Saskatchewan Roman Catholic Bishops from the Agriculture Coordinating Committee*, December, 1988, and it says in part:

Agriculture policies and farming practises that encourage increased yields and efficient production, at the expense of care for the land and concern for people, are encouraged by government, business and research. The concept of "efficiency" supports the transition from small and moderate sized farms to large, capital intensive forms of production.

That's what the study groups reported back to the bishops. What they see as the government's policy here in

Saskatchewan, and that's what they were talking about, is heading towards large intensive operations and away from the family farm, which is a tremendous way of life.

I remember talking to a farmer, Mr. Speaker, not long ago, who had serious financial problems with debt. And this man had come over here and built up a farm, and the only crime that he had committed is that he tried to establish his sons in farming as well. And they expanded from six quarters to 11 or 14, I forget the exact number. And then the consequences — bought it at a fairly high price, but then got caught into the low commodity prices and high interest rates.

He says the only crime I did is to help try to get my sons on that land. And he bought that land, and when he talked to us about his concern about the possibility of losing it, he said farming to me is not just a business — it is a business I know, because today you need to have a lot of cash flow as opposed to previously when my father was farming with horses and smaller equipment. The cash flow is much bigger, so it is a business.

But in Saskatchewan it's more than a business to the farmers. I remember him saying he couldn't conceive losing that land; how he went out there, and he said, I watched it grow; I manicured that summer fallow. It's a way of life. And he said, we cannot lose that; we must not. And he asked us to come back here, and farmers across this province, to talk to the government, to put politics aside, to try to save a way of life that is invaluable to this province, has made it unique. Where better can you raise your family, it has been said, than on the family farm? Where better to raise your family than in small, rural Saskatchewan? And out of rural Saskatchewan have come some outstanding people in various walks of life.

But that's what's at stake, a way of life known to Saskatchewan, cherished in Saskatchewan. And all that the Tories will bring forward is a privatization effort in respect to farm land equity financing. That's what it is. It's going to be large, corporate farmers, foreign-owned, and our people are going to be working it, dictated by foreigners rather than themselves.

We've got two extremes — we've got two extremes in the world. We've got unbridled capitalism that would turn family farms into the exploitation of the money men, or we have the state-owned farms of communist states of Russia, or we have what we had in Saskatchewan over the 40-some years that the CCF (Co-operative Commonwealth Federation) and the NDP were a very important part in developing, and that is the family farm and the very, very efficient family farm.

That — that is at stake. And I'll tell you, all that we can do is put forward the crisis that exists.

What we have here today and we've been going through it on question period, Mr. Speaker, and I don't want to repeat it over and over, but in 1988, over 600 actions were taken against farmers by the Agricultural (Credit) Corporation of Saskatchewan headed by the Premier. Two thousand more actions are turned over to the lawyers to take actions against the farmers. Drought payment, there's been a breach of promise; long-term

agricultural policy, none on the horizon, and here we sit in this legislature, the 23rd day, and not one Bill to introduce some aspect to save the farmer.

I want to say, Mr. Speaker, that the committee that came forward representing the bishops is called, as I said, the Christian Farm Crisis Action Committee, and they met with our caucus and they met with the government caucus. And what they have asked for is for a one-year moratorium, that's what they have asked for, for a minimum one year . . .

That the federal and provincial government immediately impose for a minimum one-year moratorium on all farm foreclosures and accruing interest to allow time to develop a satisfactory debt mediation policy or a land tenure system that will protect farmers from losing their farms.

That's what they've asked . . . (inaudible interjection) . . . Now the Roman Catholic bishops and all those that look for a solution are communists, that's what he's saying, the member from Weyburn.

An Hon. Member: — He's against the Catholics, just like the Ku Klux Klan . . .

Mr. Koskie: — Right. That's what they've asked for. That's one suggestion that came forward. I understand they didn't get much of a hearing. But I'll tell you, in 1986, going into the provincial election to help out the Premier, the Farm Credit Corporation put on the moratorium in 1986, for the election period, and foreclosures dropped. It's in their report. So why couldn't they do it? Why don't we take a run at the banks and the financial institutions and not at the farmers? That's the question that the farmers are asking.

Mr. Speaker, I feel strongly about this area. We have put forward our resolution, and with such disgust that, this being private members' day, we could move resolutions to address this very major problem, and we were informed that the opposition . . . what the government members wanted to talk about is whether or not we should be in NATO — whether or not we should be in NATO, as the farmers are leaving the farm. That's what they want to talk about.

I say to you, Mr. Speaker, in closing, that we certainly are supporting the agriculture community. We enunciated an agricultural policy in the federal election. We're talking to farmers each day, and I'll tell you that we're going to continue to raise the issue of the farm crisis until action is taken.

Mr. Speaker, thank you for the time.

Some Hon. Members: Hear, hear!

Mr. Martens: — Thank you, Mr. Speaker. I want to enter the debate here today on an issue that I feel is very important. I notice, Mr. Speaker, that the resolution here talks about that this Assembly condemns the government for its failure to protect farm families.

Some Hon. Members: Hear, hear!

Mr. Martens: — Mr. Speaker, I want to outline some of the things, just some of the things that those people opposite have voted against, in the time that I have been here, that those people have voted against. And I'll outline some of them for you, and as I go through what I have to say, I'm sure that you will understand that in our programs that we have involved ourselves with in agriculture, we have outlined a number of them to protect the family farm, to deal with a safety net for these farmers. And, Mr. Speaker, they voted against them; consistently and continually, they have voted against them.

And I believe, Mr. Speaker, that when we come in with our debt refinancing package in this session of the legislature, I would hazard a guess that they might even vote against that. They voted against the budget, and that's where the money is in to have the financing for agriculture in Saskatchewan. And chances are, Mr. Speaker, they'll vote against that too.

And I want to say to the people of Saskatchewan that that is consistently what they have done. All through the period of time that I have been in this legislature speaking about agriculture concerns and the dynamic of agriculture, those people have consistently voted against it.

I recall one time when they voted in favour, Mr. Speaker. They voted in favour of the home protection program that we put into place at thirteen and a quarter. I remember them standing up and voting for that. But consistently, in agriculture, they have voted against the kinds of policies that can save the family farm. And then they have the audacity to come here and tell us that we don't know what's going on there, we don't understand what's happening. They come here . . . You know, on my ranch — I ranch with my brother and my brother-in-law, and if my brother-in-law had to sit here and listen to this, he would say, Mr. Speaker, they're sucking slough water. And that, Mr. Speaker . . .

Some Hon. Members: Hear, hear!

The Speaker: — Order. I'm going to have to ask the hon. member to withdraw that remark; it's not parliamentary.

Mr. Martens: — Mr. Speaker, I withdraw that remark.

I will say to the members opposite that they have consistently voted against all of the policies that have been addressed by this government — they have consistently voted against them. And I'll say this too, Mr. Speaker, that they will consistently vote against projects that we bring forward in any way to help the communities.

It says here: . . . and rural communities which are impacted by drought, low commodity prices, and other things. And that, Mr. Speaker, they will vote against that, consistently. You watch, in this budget, they will vote against that.

And I want to point out some things that they have voted against, Mr. Speaker, things that have directly impacted on the member from Elphinstone, who used to be the

member of Shaunavon; the member from Humboldt who is supposedly a farmer; and any of the other people on that side of the House who have been farmers, or have farm land. And the member from Saskatoon South is one of those. And they have consistently — consistently, Mr. Speaker — voted against those policies. I want to outline some of them.

The issue here, Mr. Speaker, is: who has assisted agriculture in Saskatchewan? I want to outline one very important feature. In 1988, net farm cash receipts were up 2 per cent. Mr. Speaker, they were up 2 per cent in 1988 and 3 per cent over the five year average previous to that. And do you know where that money came from, Mr. Speaker? That came from this government and from the federal government.

The farmers in Saskatchewan didn't have to turn one wheel to get that money. They didn't have to invest one dollar in putting that combine out for any extra. In my constituency, Mr. Speaker, where there was no crop in a lot of the places; they didn't have to take their combine out. We paid \$480 million in crop insurance, and those farmers received that all across Saskatchewan. And that consistently has given us the opportunity, as producers, to pay our bills.

(1930)

Now, Mr. Speaker, they are saying to us that we have no agriculture policy. I want to outline some of them for you.

There is a program that we have outlined here in rural development, Mr. Speaker. It's called the rural service network. It's a part of placing into dynamic the opportunity that farmers have to monitor their crops, the crops they have to sell. That, Mr. Speaker, is going to put money into the hands of farmers, as a tool for marketing their commodities. And that, Mr. Speaker, is one of the programs that we have put into place.

An Hon. Member: — That was an exciting one.

Mr. Martens: — Second one — and the member from Elphinstone, who used to be from Shaunavon, is saying that was an exciting one. Well he should go to Leader, Saskatchewan, where those farmers are today putting into place some of the opportunities that we have put into place on the technological side of agriculture.

You go to Wolseley and you'll find another one. You go to the member from Humboldt's seat in Watrous, you'll find another one. And by the time we get done, Mr. Speaker, this year we'll have another 49 of them located throughout the province, delivering a service that has been asked for for years by the farmers.

In this budget, Mr. Speaker, these people are going to vote against the rat program. You watch. They're going to vote against it. Seventeen million dollars over five years, and they're going to vote against it. You watch it.

And that, Mr. Speaker . . .

The Speaker: — Order. Order. Order.

Mr. Martens: — Mr. Speaker, that program is going to, together with the Alberta government, eliminate the rats in this province. And that, Mr. Speaker . . . That, Mr. Speaker, has cost on an annual basis, that, Mr. Speaker, costs over \$8 million for the consumption of grain that the rats eat.

And that, Mr. Speaker, they carry disease, they carry all kinds of infestation from place to place, and that, Mr. Speaker, is what we are going to do to help the farmers of Saskatchewan. And chances are, Mr. Speaker, they are going to vote against it. Chances are very strong that they're going to vote against it.

We have negotiated, Mr. Speaker, together with the federal government, an opportunity for a soil and water report. Now, Mr. Speaker, we have dealt with two programs in Saskatchewan over the past three years: one is Save Our Soils, the other one is Conservation Districts. They, Mr. Speaker, together with the PFRA (Prairie Farm Rehabilitation Administration) and extension services, are going to provide the backdrop for a new soil and water agreement that we have with the federal government for \$27 million provided by this government over the next three years, and 27 million provided by the federal government. Chances are, Mr. Speaker, that that money is going to be voted against by those members opposite.

And that, Mr. Speaker, is what I want to point out today over the course of my speech. They're going to vote against it — a good program. Farmers are asking for that. In my constituency they're asking for it, and I know that in Shaunavon constituency, where the member from Elphinstone used to be, they still do. And the member from Saskatoon South, who has a farm up at Humboldt some place, he's going to be looking for that too. And that, Mr. Speaker, is exactly what they're going to vote against, every one of them.

Now development and diversification. We have taken and put into place, Mr. Speaker, the opportunity for municipalities to develop and diversify. We have asked them through the past year to put into place the kinds of ideas and opportunities that have been put together by the Saskatchewan Research Council, the opportunities to diversify and invest.

And that, Mr. Speaker, is exactly what they're going to vote against. They are going to vote against that, and I want the people of Saskatchewan to understand — they are going to vote against it, you watch.

Are they in favour of diversification? Aha, yes they are. They buy family . . . they buy land bank land; they go and invest in Canada . . . Intercontinental Packers in Saskatoon; they go and invest in PAPCO (Prince Albert Pulp Company) in P.A.; they go and invest in the potash mines. But do they invest any money in new development? You know what? Chances are, Mr. Speaker, they're going to be against Canada Packers' expansion; they're going to be against expansion in Intercontinental Packers.

And the other day when the minister responsible for development in Saskatchewan made the announcement

about the plant opening up in Saskatoon, they had the audacity to laugh at that, Mr. Speaker. They don't understand agriculture and they vote against it. They laugh at it and continually deride the kinds of things that we put into place. And, Mr. Speaker, agriculture in Saskatchewan understands that we know what we're talking about and they believe in what we're doing.

Do they believe in expanding feedlots? No. Do they believe in irrigation? No. I'll just tell you, Mr. Speaker, this, this is a very important feature in the south-west part of Saskatchewan. The people who have used irrigation over the past 40 years out of the Swift Current creek, and through the PFRA have irrigated land through that area, would have a very very serious problem finding out exactly what kind of opinion they had about irrigation.

But I want to describe some of that to you. They would vote against it, and they're going to vote against it — you watch. They're going to vote against the budget for development of irrigation at Riverhurst. They're going to vote against, they're going to vote against the irrigation development at Luck Lake. They're going to vote against irrigation development anywhere else in the province. You know what, Mr. Speaker? The farmers this past year put in wells, they put in dug-outs. And you know, those people over there voted against that.

And that, Mr. Speaker, is exactly why we have \$10 million in that program. For the member from Elphinstone, there's \$10 million in that program, and that, Mr. Speaker, is going to be paid out this year so that those people can take it and build dug-outs, they can dig wells. And that, Mr. Speaker, is why our Minister of Environment extended it until the end of 1989 to have those projects completed. That, Mr. Speaker, is a step forward, and I believe they're going to vote against it, Mr. Speaker; they're going to vote against it.

Some Hon. Members: Hear, hear!

Mr. Martens: — They're going to vote against it for the towns and villages that got water, too. They're going to vote against it, you just watch and see. You're against water every time . . . (inaudible interjection) . . . And you, sir, were the person that talked about the mud hole down at Estevan. Mr. Speaker, the mud hole down at Estevan is going to turn around to haunt you because you call it that, and I was appalled that you would call the people and the kinds of conditions down there a mud hole.

An Hon. Member: — The hole you're digging there might be a mud hole.

Mr. Martens: — No, Mr. Speaker, he exactly said that, and when he comes to see what he said in *Hansard* tomorrow, he will find out that he called that place a mud hole.

Mr. Speaker, I wouldn't have the . . . if I had done that, I wouldn't even have the courage to go down there and show my face in that place. And he is supposed to be the House Leader of that crew over there, and he calls that a mud hole. If he called my place a mud hole . . . His farm is just outside of my constituency, and, Mr. Speaker, if that's a mud hole, then his farm is a mud hole.

An Hon. Member: — It's in your constituency. It's in your riding.

Mr. Martens: — Well, now he says it's in my constituency; he's very fortunate.

Some Hon. Members: Hear, hear!

Mr. Martens: — Mr. Speaker, these people are going to vote against the wild rice development in northern Saskatchewan, you just watch them. They're going to vote against the budget, and in that budget is development for northern Saskatchewan, and they're going to vote against it. Not a single one of them is going to have the courage to support the kind of programs that we're putting in place in farming.

Mr. Speaker, I was proud of the way our Finance minister handled the budget on dealing with the kinds of things that we're going to be doing in agriculture as it relates to farm financing.

Mr. Speaker, the opportunity that we are going to place before the people of Saskatchewan in the next three months somewhat fits with what the member from Quill Lakes was talking about just earlier — hardly. And, Mr. Speaker, I would challenge the member from Quill Lakes; when we come to this decision making process in this Assembly, will he have the courage to vote in favour of it? I bet you he won't.

The Minister of Finance outlined five different programs in agriculture for financing that I believe that the member from . . . members opposite will vote against. And they, Mr. Speaker, are saying we don't have an agriculture policy, when they have continually, Mr. Speaker, voted against it. We will . . .

The Speaker: — Order. The hon. member is having a little difficulty, I believe . . . (inaudible) . . . It's accepted that the odd barb is allowed when a man is speaking; however, constant, continuous barbs disrupt proceedings, and I would ask the hon. members to refrain.

Mr. Martens: — Thank you, Mr. Speaker. Farm financing legislation will be expanding the mandate of the ag credit corporation. Okay? Are they going to vote in favour of that? Chances are, Mr. Speaker, that they're not. They're going to be against the farmers again. They're going to enhance the opportunity for young, beginning farmers starting out, for the home quarter, to buy the home quarter. Chances are they're going to vote against that.

And that, Mr. Speaker, is exactly the problem with those people opposite; they do not have the sensitivity to recognize the opportunity as it exists in rural Saskatchewan. They don't understand it. And that, Mr. Speaker, is why they vote against it. They have a convoluted opinion of what it is in rural Saskatchewan.

I want to outline one . . . I just remembered, Mr. Speaker, that I wanted to say one thing more about irrigation. This afternoon we had a question period here that was related to the discussion on Rafferty. And, Mr. Speaker, the development of that facility there on the Souris River

would provide roughly 11,000 acre feet of water on a mean average over the last 50 years — that's what's . . . that's what it would have provided.

They, Mr. Speaker, call that a mud hole, number one, that opportunity to irrigate 12,000 acres down there, giving all kinds of opportunity for the small community. That, Mr. Speaker, is a way we avoid the drought that they talk about in their resolution. That is how you do it. You don't do it any other way, Mr. Speaker. You save the snow and the rainfall in heavy periods of time to give yourself an advantage over the time when you can't.

And that, Mr. Speaker, is something they don't understand. And in the southern part of the province from Outlook south, you have to do that. And, Mr. Speaker, just adjacent to the farm where the member from Elphinstone farms near Shaunavon, is a dam that's called the Duncairn dam. And that, Mr. Speaker, was built in 1942. And that, Mr. Speaker, is giving thousands and thousands of acres of opportunity for farmers to raise their own feed and development. Why can't that be done down in the Souris River? I'm asking you that. They don't understand it, and that's why they're against it.

Mr. Speaker, if today you would say to those people opposite that you were going to pull the plug on Diefenbaker Lake and let all the water go and let it go continually, for ever, they would be against that, and so would I. But when that dam was being built by the prime minister, Mr. Diefenbaker, and the premier of the province, Mr. Douglas, were there people against it? Yes, there were.

And that, Mr. Speaker, is exactly opposite to what they are about today — exactly opposite. They're not builders, they're tearer-downers. And that, Mr. Speaker, is exactly why they will vote against the things that we have in our budget on refinancing. You mark my word, they will vote against it.

And that, Mr. Speaker, is why they are on that side and we are on this side. And I believe, Mr. Speaker, that that's absolutely accurate. They don't care about those families down there who want to have an opportunity.

Over there in Coronach — I recall this very distinctly, Mr. Speaker. I've been in politics quite a while, both rural, municipal, and provincial.

(1945)

And I had a meeting down at a little place called Bateman, Saskatchewan, where we met in the basement of one of the municipal councillors down there. There were three municipalities joined together to come and ask me to speak to them to find out what was going on with the kind of coal development that they were going to use to stop the water running into the Old Wives Lake. They were going to do that, set up a dam on that creek there, and then use that water to cool the coal-burning fire. That's what they were going to do.

An Hon. Member: — You're opposed to that now.

Mr. Martens: — No, they were going to do that. They

were going to do that, Mr. Speaker, but the farmers there said no.

Those people today say that we're not delivering water to Old Wives Lake. Well if they would have been there, they'd have less water than there is today, and they would've been in a drier condition than it is today.

They are, Mr. Speaker, talking out of both sides of their mouth and not making sense with either one. That, Mr. Speaker, is exactly very likely what he would have done, the member from Elphinstone. Mr. Speaker, that is almost exactly what the member from Elphinstone would've done with the project that he was proposing down in Shaunavon, a coal electrical plant down there.

An Hon. Member: — Air-cooled.

Mr. Martens: — Air-cooled, he says. Yes, sir. Mr. Speaker, he probably would have taken the water out of the Duncain dam that I just spoke about to use that for the cooling, and nobody else would have got to use it. He would have taken the water away from all those people, just like he wants to take the water away from the people at Rafferty and Alameda.

Mr. Speaker — going back to the financing part, Mr. Speaker, we have had to have a definite placement of farm debt in a very precarious position through the last eight years. And Mr. Speaker, that has been brought about mainly by the kinds of policies that were followed from 1978 to '82.

I want to outline for them, Mr. Speaker, because they don't understand a lot of this. In 1973-74, the grain prices were going up, cattle prices were going down; 1975, Mr. Speaker, the worst prices in the history of the livestock industry. They talk about the good times. That, Mr. Speaker, was not what happened. In 1975 probably the lowest prices and the highest costs were in existence at that period of time.

And that, Mr. Speaker, is why, when it came to 1978 to '82, with high interest rates that drove those people to capitalize their interest from that period of time. And that's what they did, Mr. Speaker, they took their interest and put it against their mortgage to mortgage more land. That's what a lot of them did, and that's why they're in trouble today because they're paying interest on their interest. And that, Mr. Speaker, is what has driven them into this kind of a problem.

And that, Mr. Speaker, is now the time to come to the . . . or the time to come to the place where we do something about it. And we will, Mr. Speaker. In the next three months — watch it. And do you know what's going to happen? They're going to vote against it.

One of the things that we're going to be doing, Mr. Speaker, on this, and I believe that we need to clearly identify, that one of the things that we need to do is have financing come from many, many different sectors. We need to have it come, Mr. Speaker, from the banks, the credit unions. We need to have it — financing — come from individual farmers who are prepared to finance other farmers.

And what is stopping this from happening, Mr. Speaker, is the fact that farmers were feeling a little insecure about allowing their neighbour, or of financing their neighbour. So what we're going to do, Mr. Speaker, is venture finance that for them so they will be able to leave their money in Ag Credit Corporation, and they'll be able to finance their neighbours just like they would have done before. And this time, Mr. Speaker, they will have the security of knowing that the government is going to guarantee that. That's going to be a very important feature for them.

Mr. Speaker, I want to touch on one thing that I talked about, a little bit about in my budget speech, the ag development fund. These people over here say we have no plan; we don't know where we're going. Four years ago we decided to put in the agriculture development fund, and we're still in the process of using that fund.

This year it's anticipated \$29 million is going to go into that fund. And that, Mr. Speaker, is going to provide funding for the college of agriculture, funding for development projects throughout Saskatchewan, funding projects for innovative farming, funding projects for new kinds of crops — cereal crops, grasses, and all those kinds of things. That, Mr. Speaker, is going to provide dollars into the hands of farmers. And, Mr. Speaker, they vote against it. Each time they vote against it. And that, Mr. Speaker, is exactly why they are where they are.

We had a safety net for farmers, Mr. Speaker, a safety net for farmers who were having trouble, and we recognize that they're having trouble. That, Mr. Speaker, is the kind of thing that we go out and try and help people. There's a program that's called "Counselling and assistance for farmers" that takes three other farmers — and you have your pick — three farmers that come and help you and talk to you about the kinds of problems you have: how do I resolve the position I'm in; how do I come to a conclusion of the things that I have that aren't paid for; how do I handle the bank; how do I handle the credit union; how do I handle Farm Credit Corporation, all of these agencies.

Mr. Speaker, these people go there and visit with them, farmer to farmer, in a very respective way. And that, Mr. Speaker, is an excellent opportunity for farmers to put together the kinds of policies that they need to have, the kind of background they need to have to go to talk to their financial institutions. That, Mr. Speaker, is what we are doing. We know what's out there, and we care for what's out there.

And, Mr. Speaker, do you know what? They haven't voted for that yet, and that, Mr. Speaker, is why I think they are where they are, and where we are where we are.

Another thing, Mr. Speaker . . . they talk to us about the negative of the production loan program. And, Mr. Speaker, in 1986, when we put that into place, there probably isn't one program that got more compliments than that. Do you know what they complimented us on? No red tape. The second thing they complimented us, the speed at which they could get their cheques delivered. The third thing they commented on was the fact that it

was universal.

Mr. Speaker, over and over and over again I talk to people who like to have that there. And do you know what? They vote against it, Mr. Speaker. They vote against the rebate on interest on that program. Every one of them, they vote against it.

Now let's talk about another one. That dealt with the grain side, now let's deal with the livestock side. \$200 million at zero per cent interest is being provided to the livestock producers — the cows, the sheep, the hogs in this province, and, Mr. Speaker, they're going to vote against the interest rebate on that program. On that side of the House they vote against it. And I want everyone in this province to understand they're going to vote against it in this budget again.

Mr. Speaker, I listened to the member from Humboldt just before supper, and he said that we were taking out the farm purchase program. Well Mr. Speaker, I was checking the budget over and there's between \$12 and \$15 million in that program. I don't think we're cutting it out. Those farmers are still using it, and they're taking advantage of that. And you know, Mr. Speaker, they voted against that, too. That, Mr. Speaker, is the kind of things that they're always talking about.

Mr. Speaker, the motion says this: that this Assembly condemns the Government of Saskatchewan for its failure to protect farm families. That, Mr. Speaker, is exactly as little as they know about what goes on in farm family.

The second thing it says: they condemn the province for the kinds of policies we've had against rural communities. Mr. Speaker, the well program that we put into place — the kind of infrastructure program — the Minister of Urban Affairs dealt with this at length. And he is going to put in a program that deals with the infrastructure in communities. That, Mr. Speaker, is exactly what those communities want, and that's what they need.

Short-sighted, inadequate federal and provincial funding, Mr. Speaker — they are really, seriously out of touch with what's going on out there.

And then I want to just conclude by saying that from . . . It goes on to say that the drought, low commodity prices, and high debts have contributed to this. Well nowhere, Mr. Speaker, have we ever said that those things didn't cause a problem. And I want to go back, Mr. Speaker, to where I started.

In 1988, agriculture income is going to be 2 per cent higher than it was in '87 — 2 per cent higher; Mr. Speaker, 3 per cent higher than the five-year average previous to that. And do you know what that means, Mr. Speaker? That many, many, many people in this province have had the opportunity to gain valuable assistance from the province of Saskatchewan.

And, Mr. Speaker, I have a whole lot more I'm going to say on this when this debate continues. And, Mr. Speaker, I want to ask you now to adjourn debate.

Debate adjourned.

Resolution No. 15 — Opportunities for Development in Rural Communities

Mr. Trew: — Thank you, Mr. Speaker. For a few moments there it looked like we were never going to get to this resolution which will be dealing in general terms, Mr. Speaker, with our regrets that the Government of Saskatchewan has failed to provide adequate and effective support and opportunity for economic development and job creation in rural communities.

That is the crux of what this motion is about.

I want to start by outlining some of the problems, just so that members opposite might have a little better idea just how serious their lack of job creation and lack of economic diversification and economic initiatives — just how serious it really is for the people, particularly in rural Saskatchewan.

I've got the figures of net migration for Saskatchewan for the year 1987, listed off by month, and as well I have it for 1988 and for the month of January 1989. In 1987 the net loss of Saskatchewan citizens, Mr. Speaker, was 10,050 - 10,050 more Saskatchewan people gave up on the members opposite, gave up because they were desperate, they couldn't find jobs, they couldn't find a means to support themselves and their family. So in 1987, 10,050 Saskatchewan people fled the province. In 1988, did they turn it around? Not likely. It got worse, Mr. Speaker: 12,626 more Saskatchewan people fled the province than came in.

To give you some perspective now, because I've only got January's figures for 1989 where we had a net loss, but I want to read into the record, the January 1988 net loss was a mere 908 people in one month — 908 people net loss, January 1988. That pales in comparison to the 1989 loss of 1,552 Saskatchewan people that have given up because of this government. There is no hope and there is no chance of that turning around until after the next election when the member for Saskatoon Riversdale will become premier and we will get this province going again.

(2000)

Members opposite may think, well, so what; it's just the cities that's losing the population, but it's just not so. And I want to refer — the member for Morse may be somewhat interested in this, as he was just speaking. Rush Lake, Rush Lake, what do we have happen in Rush Lake? In 1982 the village of Rush Lake had 107 inhabitants — 107 for a population. What has happened in Rush Lake now? It has 83 — 83.

The member asks what's happened in Waldeck, which is very close to Swift Current and something of a bedroom community. Well let's have a look at it. He holds Waldeck up as a great, great boom town, you have us believe. In 1981 the village of Waldeck had 333 people residing in it. By 1988 that had blossomed up a whole two people, to 335. And that's the success story; that's the

success story the member from Morse has got to talk about. Meanwhile Rush Lake goes from 107 all the way down to 83 people. A tragic loss for that town.

What's happened in Hodgeville? Mr. Speaker, 1981 Hodgeville had 347 people residing in it; down to 288 in 1988. And what's happened to your own . . . the town for which your constituency is named after, that of Morse? In 1981 we had 418 residents, 418; down now to 359 — 359.

The question is, where are they going? That's not what I'm dealing with here tonight, Mr. Speaker. What I'm dealing with is why are they going. Why is it that all of the best of Saskatchewan that we have to offer has to flee? Why is it the young people will complete their education to the best of their ability and then find no opportunity, no hope, no choice but to flee our province. And that's a tragedy, and it's a tragedy that we can ill afford. As you are aware, Mr. Speaker, Saskatchewan has dropped below the 1,000,000 person mark for the first time since, I believe it was 1982, it had just peaked over a million people.

We've had a net loss of citizens now for a number of years. It simply cannot continue or else we'll have to ask the last person to leave to turn out the lights, and not very many years from now.

What else are we dealing with in this province of lost hope, particularly in, as I'm speaking tonight to this motion, Mr. Speaker, in rural Saskatchewan? What's the situation? We have got a province now that has the second highest poverty rate in all of Canada.

As I was growing up on the farm, and we had a kind of a nice operation, I and my four other brothers and my parents lived in a two-bedroom basement, because as was the custom for some people in those days, they built the basement first, and then when the money became . . . when the farm became able to support it, they built the upstairs in the house.

So there was five boys and mom and dad in the two-bedroom basement. I wondered how the poor people lived, and I say that sincerely. I know, particularly younger people who may take an interest in the proceedings here will find that hard to believe. But you don't need to be a genius to look at me and realize that I've always had three square meals a day. We always had a vehicle that would get us to town; we were always able to participate in whatever sporting events and so on that there were.

As I was growing up, Mr. Speaker, I would see reports on the national news dealing with Newfoundland having a 20 per cent unemployment rate, and I was thinking: how terrible, how awful that a province could be so devoid of hope, where one in five is without work. I still feel that way. We haven't yet slipped to that depth of despair.

But for the one in 11 Saskatchewan people in the working force that . . . or that wish they were in the working force, but do not have a job, it's that bad. You can't convince the one in 11 people who is unemployed and willing, able, and looking for work — you can't convince them that they're one iota better off being unemployed in

Saskatchewan than they would be if they were unemployed in Newfoundland.

The second worst level of poverty in all of Canada. It is a disgrace, Mr. Speaker. That is what prompts this resolution. That's why we're dealing with it here tonight.

Some Hon. Members: Hear, hear!

Mr. Trew: — And what can we do in a positive manner? I know I've heard government members saying well, you know, those horrible socialists just don't have a decent idea.

Well there are a few ideas, Mr. Speaker. We have got a highway system that is so sadly neglected that you daren't speed any more. I suspect the number of speeding tickets has gone sharply in decline since the government opposite took office in 1982, and for a simple reason: the highways are so incredibly rough, you just daren't speed. In fact, you hope you can get to the posted speed limit without jarring your bones right free from the flesh.

Good roads and good highways are absolutely essential and vital to economic development. They're essential to allow our Saskatchewan citizens to live in rural Saskatchewan, knowing full well that in an emergency they have a highway system that can take them to the core hospitals if their local hospital is unable to cope with whatever — perhaps major surgery is required. You'd need a good highway system for that.

You need a good highway system to visit the sons and daughters of many of the people that live in rural Saskatchewan. The sons and daughters who, like me, fled the farm, fled the farm because there wasn't the economic opportunity. Fled the farm for the city, not because in those days I had some visions of grandeur or some great desire to live in Saskatoon or Regina or any other city, but rather I fled, Mr. Speaker, simply because there was nothing, nothing in the local community for me.

I want to deal with, I mentioned, highways. Using 1981 constant dollars — just so that we have taken out the effects of inflation, Mr. Speaker. In 1981-82 the total Highways budget would have totalled \$191,474,000. The 1989-90 total Highways budget, which is \$245 million, but expressed in 1981 dollars is a mere \$153,668,025, or a shortfall of nearly \$40 million in constant dollars.

So we hear the member from Melfort espousing grandiose plans, talking about Highways projects when in fact we're nearly \$40 million less in constant dollars being spent now than before.

That 40 million, Mr. Speaker, could be used to employ a goodly number of people from rural Saskatchewan where the roads need to be built. Indeed it might go a fair ways to re-employing the 400 people that the previous minister of Highways so-called transferred to the private sector.

Now many of those people who were transferred to the private sector by the government opposite, many of those people have never found employment in the road building industry, never found it. Some of them have not

found employment at all. Indeed, as my colleague for Regina Elphinstone points out, now under the privatization schemes some of them are cutting the grass in the ditches.

What do we see, Mr. Speaker, in this list of Highways projects that was tabled in this House a few short days ago. We see 11 road grading projects that are nothing more than reannouncements of projects announced last year — reannounced.

Two of the projects have not just been reannounced from last year, but they are now running in their third year of reannouncement — third year of reannouncements for Highways projects.

I stood in the legislature last year, had a similar tale, similar tale. It is so close you could almost take my speech on the Highways projects and it would be as correct today as it was a year ago. Eleven reannouncements, two reannounced three years in a row, 12 servicing projects that are reannounced from last year. And it does not help rural Saskatchewan, Mr. Speaker. They need the highway system, and more importantly, or as importantly, they need the jobs that are created in building and maintaining an effective highway system.

One of the other things that is hurting economic development and job creation in rural Saskatchewan, Mr. Speaker, is the issue of high interest rates. And it's interesting that twice now, we in the opposition have brought forward a motion, as is the requirement in this Legislative Assembly, we brought it to the floor, asked for all-party agreement to it so that we could send a simple motion to the federal government saying, abandon your high interest rate policy.

We're not arguing that you may need something to cool the overheated Ontario economy, or we're not even arguing that maybe even B.C. is a little overheated. But, Mr. Speaker, any- and everybody in Saskatchewan knows that our economy is not overheated. We don't have to have high interest rates to cool our economy; indeed, in Saskatchewan we could make an argument for 5 per cent interest rates just so we could get something going — some hope, some jobs.

Some Hon. Members: Hear, hear!

Mr. Trew: — So not only has the government opposite refused us on two separate occasions to introduce a motion to the federal government, but twice now they have promised to introduce their own — twice they've promised to introduce their own — and yet, when push came to shove they didn't have the guts to introduce it here in the legislature. They didn't have the courage to follow through in what they had promised they would be doing, so we have no motion.

And we see farmers paying higher and higher and higher interest rates. We see potential businesses saying, well you know, maybe I could make a go of it at 9 per cent; I might even make a go of it at 10 per cent, but while interest rates are on the way up, now is clearly not the time for me to go out and borrow any significant amount of money to start up a new business.

So economic growth is come to a standstill, if indeed there was any. One could argue it has come to a screeching halt because of the high interest rate policies of the Brian Mulroney government condoned by the PC government opposite.

Mr. Speaker, as I was preparing for this motion I wanted to research, reasonably broadly, what was going on, and I came upon something of a startling statistic to me, and it deals with rural women.

Mr. Speaker, I find in my research that in 1981 there was a total of 53 per cent of the farm women reported working either off the farm or directly working on the farm, contributing in a regular daily basis. Fifty-three per cent in 1981 found it necessary to have off-farm employment or on-farm employment, and yet by 1988 that 53 per cent had jumped to 79 per cent; 79 per cent of the farm women have now had to resort to working off job to try and maintain the farm and . . . (inaudible interjection) . . .

I've just had a member opposite say, what would I do, have them barefoot and pregnant in the kitchen? — the member for Kelvington-Wadena, to be even a little more precise. And that may be your answer. But I don't think that having no hope, having . . . this is another thing I found out, Mr. Member from Kelvington-Wadena. For every job that is available for farm women, there are three women lined up, ready, willing, and able, and qualified in most cases to handle that job. Now you know that that just falls into your Premier's and your government's policy of cheap labour — cheap land and cheap labour.

(2015)

We've seen land drop 40 per cent in value in the last six years and we have seen real wages do nothing but plummet under your government — cheap land and cheap labour. Of course I don't advocate what you were suggesting. We advocate choice and real meaningful jobs. And you are doing well to pay a little bit of attention to it now. Shocking — from 53 to 79 per cent of the women now forced to take off-farm employment just to keep the farm going.

I mentioned already, Mr. Speaker, that farm land has dropped by 40 per cent in value in the last four years. That's a 10 per cent higher drop in farm value, farm land value than anywhere else in Canada — 10 per cent higher drop here than anywhere else. I don't know how the government members, where they get off with saying, oh, we're the guys and gals that are looking out for farmers. Everything, everything, all the economic indicators point that that is not happening.

I talked about the out-migration. I used some examples of villages — if you like I'll go back to that list and pick some other villages I didn't talk about before. I suspect I could find the same thing in the member for Kelvington-Wadena's constituency and virtually every other rural constituency in Canada.

We have, in addition to seeing farm land decrease by 40 per cent in value in the last four years, we have witnessed 1,000 farmers a year, 1,000 family farms a year

disappearing since 1982 under this PC government. A thousand family farms a year, Mr. Speaker. That is why we are standing here saying, it is time to get on with job creation; time to get on with meaningful economic opportunities for rural Saskatchewan; time to give the people of Saskatchewan an opportunity.

If you're devoid of ideas, get over; get out of the way; call an election. Make the member for Riversdale the Premier, and then you're going to see three engines of growth: you're going to see the private sector growing; the co-operative sector, which the members opposite have hugely ignored; and we're going to see public enterprise used as the third engine of growth, Mr. Speaker.

And we're not ashamed of putting Saskatchewan people to work when private enterprise or the co-operative enterprise is unable or unwilling. We're not prepared to sit back and let an economic opportunity slip away. We're not prepared to sit back and see 9, 10, 11 per cent unemployment. We're not going to allow that. We're going to put people to work to meaningful jobs, building up our province and building up our future for us and our children.

Some Hon. Members: Hear, hear!

Mr. Trew: — I was talking about farmers disappearing, family farms disappearing. I want to deal with pure farm bankruptcies because of the thousand family farms that disappear a year. A few are because the farmer simply reached retirement age, sold the farm, and obviously by the out-migration figures, they've left Saskatchewan, or many of them have.

But I want to deal with farm bankruptcies for just a minute. In 1988, Mr. Speaker, there was six times the number of bankruptcies that there was in 1981 — six times the number of farm bankruptcies. I remind the member for Kelvington-Wadena, in 1981 Al Blakeney and the New Democrats were in office that complete year. In 1988 six times the number of family farms have declared bankruptcy, and you have the audacity to say, we're the people for the farmer; we're protecting the farmers. Tell that to the six times the number of bankruptcies . . . of family farms that went bankrupt in 1988. You tell that to those families. You tell that to their friends and their relatives. You tell that in the communities all across Saskatchewan, and I wish you luck, because you're going to need more than just a little bit of luck to try and fool the people on this one. You can fool all of the people some of the time, but you sure can't fool all of the people all of the time, and they are getting wise to you cats.

The member for Weyburn was talking a little bit earlier this evening, Mr. Speaker, about . . . he said, well let's talk about land bank; let's talk about land bank, he says. Well, let's talk about bank land; let's talk about bank land for a minute.

Royal Bank owns 120,000 acres of land — 120,000 acres. Farm Credit has 420,000 acres of land. In fact, to put it in another way, in the last five years, Mr. Speaker, two and a half million Saskatchewan acres, farm land acres, two and a half million have gone from ownership

basis to a rented basis. Previously owned by the farmers, two and a half million acres more now are being rented. And yet they say, we're the government that supports the farmers. Trust us; we'll look after the farmers. Well farmers have had it; they've given up hope too. A thousand family farms a year — gone.

Rhetoric does not pay the bills. Rhetoric does not produce a single job. Open for business or hoping for business, whatever you want to call it, simply does not work. The people of the province know it. In urban Saskatchewan they know it and they've shown it. I think quite well they've shown it in the last general election.

And just call an election. If you don't believe me, call an election, and we'll see what happens in Morse, and we'll see what happens in the various rural . . . in Saltcoats and the various other rural seats. Call the election. Watch the member for Riversdale turn this province right side up; watch the unemployment level plummet; watch the money start to flow; watch people spend; and watch the small businesses of Saskatchewan prosper. Watch it. If you don't believe me, call the election; let's find out. Obviously your tired, worn-out solutions are simply not working.

There's one other thing while I'm talking about economic development and job creation in rural Saskatchewan, Mr. Speaker, and I just learned this earlier today. Last year, in 1988, 24 hotels in rural Saskatchewan either closed or went bankrupt. Closed their doors for the final time or went bankrupt — either closed them . . . well if they closed their doors, obviously there was no buyer and there was no hope. Twenty-four hotels which, if you figure out the population in the small towns, if you were to translate that into some meaningful measure, it would be something the equivalent of the city of Saskatoon or the city of Regina losing 2,700 jobs, like that! — 2,700 jobs. That's the equivalent.

Government members opposite have claimed repeatedly that they support rural Saskatchewan. Then I have this question for them: why is it that while 404 miles of railway branch lines were abandoned throughout this province, we did not hear one peep? We didn't hear any objection — 404 miles abandoned. We see freight rates going up every year. We've seen the closure of 36 rural post offices — 36 rural post offices. And what do we have from the members opposite?

An Hon. Member: — Herky-jerky government and lots of hot air.

Mr. Trew: — Herky-jerky government and lots of hot air . . . Well, that's . . . I don't know if you'll get the quote of the week or not for that one but . . .

Mr. Speaker, of course we have to smile occasionally in this place or we'd go insane because . . . I think of a fellow I'm going to refer to as Bob. Bob is on the other end of the migration scale, but I had the opportunity of talking with Bob earlier today.

Bob has moved in from Ontario and brought all his worldly possessions with him; thought he had a job lined up. His friend assured him, yes, I got you a job. Well after

Bob got here, that job had disappeared — not because of the friends having done anything wrong, but the company had ended that job. Nobody had that job. So Bob was here, spent virtually all of his money to come here from Ontario because he thought Saskatchewan was a land of opportunity.

Well now he's got the line on another job, but the problem is, he's got to wait for one of the eight people who work there to quit. So he's into a waiting game. He's also got a part-time janitorial job in the meantime.

But Bob was forced for the first time in his life to apply for social services, and Social Services just as flat turned him down. They said no, you can't come here like that and expect to collect social services. We don't care that you have less than \$100; we don't care that you have no job, because when he first applied he didn't even have his part-time job; we don't care about all of that. The fact is, you should have, from your last pay cheque, you should still have some money.

Now I don't whether he was supposed to twitch his nose and get to Saskatchewan, or what. But we hear government members opposite talking about bringing the young people home, and if I hear it one more time I think I'm going to become physically ill. Here we have a young person trying to come home and getting nothing for help.

I talked with Bob this morning. Bob had gone to the food bank. Bob had gone to the food bank, Mr. Speaker, in desperation. And he was asking me, how can I get social services to turn their decision around? He says, my friend has been helping me but the cupboard's now bare. I need some social services, need a little bit of help to tide me over until I can land this job. Not asking for the world — just so he doesn't hear his ribs when he runs his hand up and down.

But that's sort of the legacy. And I see the member opposite laughing. In fact, there's a number of them laughing about it. They think that hunger is a joke. They think that unemployment is a joke. They think . . . I don't know, Alice-in-Wonderland. They think if you see no evil, hear no evil, speak no evil, there is no evil. And nothing could be farther from the truth. The people know that, and that's why they want this tired government to move, get out of the way.

Some Hon. Members: Hear, hear!

Mr. Trew: — Mr. Speaker, I have talked at some length about some of the problems in rural Saskatchewan. There is more that I would like to say, but in the interests of allowing my colleague, the member for Saskatoon Sutherland, to join this, I will be moving the resolution, seconded by the member for Saskatoon Sutherland.

The motion reads:

That this Assembly regrets that the Government of Saskatchewan has failed to provide adequate and effective support and opportunity for economic development and job creation in rural communities.

(2030)

Mr. Koenker: — Thank you, Mr. Speaker. I think the first thing that I'd like to say this evening in relation to this motion that regrets that the Government of Saskatchewan has failed to provide adequate and effective support and opportunity for rural people, is that there's scarcely a person in Saskatchewan nowadays who doesn't have some relationship to rural Saskatchewan.

Most of us were either born and raised on a farm in rural Saskatchewan or in a small town; or even if we were born and raised in the city, we have friends and relatives who live in rural Saskatchewan. We have friends who live there, and it hurts us, then, to see what's happening to our province, and our relatives and our friends in the rural parts of the province, for the lack of economic activity going on there. And it really effects all of us, urban and rural alike. That's the first point that I'd like to make tonight.

One of the myths that the Premier of this province has perpetrated the last number of years is that there is a real difference between rural Saskatchewan and urban Saskatchewan. No one really believes that at heart, and it's heartening to note that people don't buy that line from the Premier.

But still he would have us believe that they are really two different worlds out there — the world of the city and the world of the country. I think that Saskatchewan people realize that there's really a lot that ties them together beyond their attachments to the rural farm or rural communities, rural families. This government really ties them together in the problems that they face.

I think, for example, of the way that the Shand-Rafferty project affects not only people in rural Saskatchewan but people in urban Saskatchewan as well. When we have a Premier, and a Minister of Agriculture, who will put a billion dollars into his own riding to ensure his own re-election at the expense of the public welfare, then that billion dollars taken away from education and health and highways begins to affect all Saskatchewan people, rural and urban alike.

And it begins to erode the quality of life here in Saskatchewan and robs Saskatchewan people of a decent future. A billion dollar development in the Premier's own constituency at Shand-Rafferty does nothing to provide real economic benefits across the province of Saskatchewan. And it's for precisely this reason, Mr. Speaker, that we condemn this government for the lack of economic activity and opportunity in rural Saskatchewan. Sure there are megaprojects like Shand-Rafferty, but that's a boom and a bust cycle and really represent false economies.

I think it's important for many of the urban people who are watching these debates tonight to realize that the kinds of broken promises that they've experienced are also experienced by rural people.

And I think of the promises made for the drought payments to farmers in the last federal election. What do farmers have now? Not the \$40 an acre that were

promised by the Premier — and this is important to understand that \$40 was promised. Some of them have \$12 an acre, some of them \$7 an acre, and some have none. And this really begins to affect the whole ability of the rural community to go out and engage in their farming operation. Operating loans are not easily come by in rural Saskatchewan these days. Farmers are cut off by the lending institutions; they can't get their crops in the ground if they don't have operating loans.

And this begins to affect fertilizer dealers and bulk dealers. I was out in the community of Laird in the last several weeks, and over lunch in a farmhouse the farm couple was telling me that the bulk fertilizer dealer is going to have to tighten his line of credit to long-time customers because he just can't be assured of their ability to pay. And so he will have to deprive many of his valued, long-term customers of credit this spring, because he can't afford the risk of making a bad investment in lending them credit.

And the same goes for all sorts of businesses across rural Saskatchewan. And it's problems like this, in terms of financing, money for farming operations, that begin to affect the business community and begin to result in people leaving the province of Saskatchewan. Because not only can't they find operating capital to put their crop in the ground, they can't find jobs to earn a decent livelihood.

Saskatchewan is now a net exporter, not of potash or of wheat or of coal or petroleum alone, but also of people. And it's important for the people of Saskatchewan who are left here to understand that in the first two months of this year alone, some 8,000 people have left the province of Saskatchewan. In the month of February alone, Mr. Speaker, there were 6,261 people who left Saskatchewan — a net loss of 6,261 people who left Saskatchewan for other provinces.

You can translate this into 250 people a day, or another way of looking at it is that every six minutes, Saskatchewan experiences the net loss of one person. In the last 14 months alone, there were 21,000 people who left the province of Saskatchewan. And this is from a Premier who likes to talk about "keep on building Saskatchewan." But you can't build a province when you have people leaving it. You can't build a province when you have the brightest and best of Saskatchewan's young people leaving it because they can't find employment, when you have farm families leaving the farm because they can't get operating loans.

And I think it's important for the people of Saskatchewan to realize that in this most recent budget that the spending allocations for the Department of Agriculture, which I have in front of me here tonight, are actually less for this year than they were last year.

This year the government projects or estimates that it will spend \$107 million on the Department of Agriculture. And would you believe, Mr. Speaker, that this is \$32 million less than they estimated they would spend last year — \$32 million less spent on the backbone of this province's economy at a time when the need has never been greater. From the Premier and the Minister of

Agriculture, it is really quite unbelievable.

And people might expect that it was just some kind of anomaly were it not for the fact that if we go to the Department of Rural Development, in these same budgetary estimates, we find that spending, again, for rural Saskatchewan is down over the spending estimates or projections of last year — almost \$10 million less for the Department of Rural Development this year than last year, or a total of about \$42 million less for the Departments of Agriculture and Rural Development in this year's provincial budget. And that's a tragedy, not just for rural people but for urban people as well.

Now, Mr. Speaker, I mentioned the community of Laird, and the fact that people there are experiencing trouble getting operating loans. I happened to serve a congregation — a Lutheran congregation in that community, and I have some familiarity with the problems that this community has experienced over the past in keeping their rail line to the community. Laird, for those people who don't know about it, is located north of Waldheim, a little bit west of Rosthern. It's basically at the end of the blacktop and it's at the end of the railroad. The blacktop stops in Laird. You go north of town, it isn't there, it's gravel. The railroad stops in Laird at the elevator. The line continues. You can see bush where it used to be, but it is no more.

And we have in the province of Saskatchewan, in the last five years, lost 404 miles of railway branch lines. And what has this government done but sit on its hands and allow this to happen. Now what this means for the farmers of Laird, if their rail line goes, the Carlton line, is that they will have to truck their grain from Laird to Rosthern or to the 13-mile corner, which is north of Saskatoon, where there is a new Pool elevator.

And this means for them, at a time when they can't get operating loans and when they can't get proper drought payments from their government and when the Department of Agriculture is cutting back on its spending plans and the Department of Rural Development is spending back . . . cutting back on its spending plans and the Department of Highways is putting less real money into the highway system than was put in six years ago, that they will have to drive the highways and haul their grain to Rosthern or to north of Saskatoon. This hardly does anything to help the rural economy of these people in Laird.

This government ought to be standing up for rural people and fighting to maintain rural branch lines, the lifeline to rural communities.

Some Hon. Members: Hear, hear!

Mr. Koenker: — And the people of Laird have consistently stood up for themselves — stood up alone, in large measure — to plead their case, because they know that the end of the branch line means, in all practical purposes, the end of their business community, the end of their school, the end of their churches, the end of the community itself.

And then this isn't just an isolated example. If we look at

what's happened with the closure of rural post offices, perpetrated by the Mulroney government federally, the provincial government here in Saskatchewan has done nothing to stand up to Mr. Mulroney and to protest the closure of rural post offices.

Thirty-six rural post offices have closed here in Saskatchewan in the last year, and this government has said not a word about these closures; another 22 rural post offices have been downgraded to the status of franchises, something like McDonald's or Kentucky Fried Chicken — a wonderful kind of venture for rural people to have retail postal outlets that are franchised — and this government doesn't care, it does nothing. And another 46 rural post offices are presently being reviewed, are under review with a view to closing them. And what does this Premier and this government have to say about the situation — not a word. Not one word.

Now for the people of Laird — to come back to them again — it means that they really are at the mercy of people, friends and neighbours in the community, if their post office in Laird closes, who are willing to drive to Waldheim to pick up the mail for them, or the neighbour family who might have a kid going to school in Waldheim that during the school year could pick up the mail for them.

But other than that, if that post office closes it's going to pose a lot of problems, especially for the elderly. And it isn't just for communities like Laird. There are communities like Hoey that are also facing the closure of their rural post office. And the postmaster there pointed out to me recently, in the last year or so, that the R.M. office alone generates enough mail to keep that rural post office in Hoey a viable operation. And yet the federal government would want to close it.

(2045)

Mr. Speaker, recently a group of rural Saskatchewan people have gotten together to try to do something about this crisis facing rural Saskatchewan. A group of people called the Christian Farm (Crisis) Action Committee that have come together in the area around Humboldt and the Muenster abbacy under the auspices of the Roman Catholic Church, and now involving other churches such as the United and Lutheran churches, are beginning to try to address some of these problems faced by the rural community, and have submitted a brief to the Premier, the Minister of Agriculture, and the PC Government caucus, on the subject of a moratorium for farm foreclosures. And as part of this submission they include a study they did on the effects on a small Saskatchewan community of 15 families, 15 farm families leaving that community.

And they point out, and I won't go into all of the details of this study, but they point out that if 15 families were to leave a community there would be very definite effects felt throughout that rural community. Our off-farm income from wages earned outside the community, they calculate, would have amounted to \$172,000. And they point out that if these people left the community, it's very unlikely that this \$172,000 would find its way back into the community for purchases in community stores.

They also go on to point out the effect that something such as spousal earnings, even family allowances, would have on a community. Another \$72,000; \$15,000 worth of family allowances in this case would be pulled out of that rural community, out of the rural economy, and in all likelihood would go into an urban area or out of province altogether.

Another thing to consider are the crop expenses that these 15 farms would have — expenses for items such as cars and trucks, insurance, accounting, buildings, equipment maintenance and the like. All of these bills paid to local businesses would no longer be paid. Projected cost of farm buildings and machinery replacement would also be gone. The amount of interest paid to local institutions would be gone. None of these funds would be available to local businesses.

And so what we see, and the point that they make in this submission, is that there are very serious spin-off effects, or ripple effects throughout the rural economy if the livelihood of the farm community is threatened or eroded if people pull out of the rural economy.

It has spin-off effects in the school system, where they estimate some 32 children of school age would leave the school. And that would mean a loss of payroll, of course, to the local school — some \$60,000, basically two teachers. That's \$60,000 worth of purchasing power gone from the community.

They talk about it being safe to say that these 15 families leaving the community likely would never retire there, not if they've left it, and that would have ripple effects as well. Pension revenue of somewhere down the line would eventually be lost to the community. It would mean that there would likely be nine to 15 different empty houses in the community. There would be a loss of potential tax base if that happened. There would be a lack of demand for hospital or nursing home services. There would be a corresponding lack of demand for local recreational services. Support for local churches, financially and otherwise, would go down the drain. And I even point out that you wouldn't have people coming into the community, relatives who come home at Christmas and Easter, Thanksgiving, and do some spending there.

So it really begins to be a very serious matter when we have people leaving rural Saskatchewan; when we have a government that isn't doing anything to diversify and strengthen the rural economy, but only puts a billion dollars into a project like Shand-Rafferty.

The farmers are forced off the land. It doesn't matter whether you have a Shand-Rafferty project or not; small town Saskatchewan's demise is assured. If the farmers aren't there, rural Saskatchewan won't be there in the future. And what we have, if farmers are leaving the land and leaving for B.C. or Ontario or other places where there's work opportunity, we also have some who are leaving for the city.

And, Mr. Speaker, I'd like to tell you about an episode I had this Monday morning, just yesterday morning, prior

to coming down here to Regina. I dropped a box of food from the Lutheran church in Laird off at the food bank in Saskatoon. It wasn't very much, it was one box of food, sixteen kilograms, from a handful of five or six of the ladies in the local congregation who had donated it to the food bank. But I was appalled when the director of the Saskatoon Food Bank shared some statistics with me about the need there in Saskatoon.

Mr. Speaker, would you believe that in the city of Saskatoon last month there were 2,830 families who used the Saskatoon Food Bank, an all-time record high? Mr. Speaker, this is hard to understand if we don't have this figure in some kind of perspective — 2,830 families last month using the Saskatoon Food Bank compares for the average in all of 1988 of 2,007. That's an 823 family increase over 1988's average. And if you go back to 1987, Mr. Speaker, the figure is 1,502 families. That's the average number of families per month using the Saskatoon food bank — 1,502. That's an increase this last month in Saskatoon of 1,328, almost a doubling in the number of families using the Saskatoon Food Bank.

And why is that? It's because of this government's failure to address the problems of rural Saskatchewan and the rural economy. And this is at a time, Mr. Speaker, sad to say, when the average allocation of food made by the Saskatoon food bank is dropping down to an all-time low of 3.9 kilograms of food per family from a high of 6.1 kilograms as recently as 1987. And again, almost twice the number of people using the food bank, and because of those numbers and the amount of food available, almost half the amount of food available.

And what's even more appalling, Mr. Speaker, is at a time when the need is all the greater, when the need is all the greater, what do the food bank people experience but a diminishing of the number of volunteers who come in to help and package the food — 751 volunteer hours last month at the Saskatoon food bank when they had record use.

Now, Mr. Speaker, this is symptomatic, I say — and I point this out — this is symptomatic of the problems facing this province right here and right now. And these are problems that impinge on both rural and urban Saskatchewan people. And they impinge on both rural and urban because Saskatchewan has the second-highest rate of family poverty in this country of Canada, second only to Newfoundland. Forty-three thousand Saskatchewan families now live in poverty, according to the National Council of Welfare — 43,000 Saskatchewan families. And so it shouldn't surprise us when welfare rates haven't been increased in the last eight years, and when there's record numbers of people coming to the Saskatoon food bank, that the poverty rate in Saskatchewan is the second-highest in the country.

Here, in the bread-basket of the world, food banks are a booming business. And they're supported by the goodness of Saskatchewan people. And I say it's time for Saskatchewan to have a government that's as good as its people.

Some Hon. Members: Hear, hear!

Mr. Koenker: — A government that is as good as the six or seven Lutheran ladies out in the community of Laird who give food to the food bank; a government that is good as the Shop Rite store owner in the community of Laird, Don Regier, who brings bones, soup bones into the Saskatoon food bank at his own expense because he realizes that there are people who are hungry right here in the bread-basket of the world. It's time that we had a government that was as good as Don Regier.

Rural people are doing their part. Urban people are doing their part to address some of these problems, but the government is doing nothing. This government . . . well I shouldn't say it's doing nothing; it's doing the wrong thing. It's got the wrong priorities, and that's the problem with the government's strategy for economic development. It's doing the wrong thing.

At a time when there's record need, there's \$9 million for a provincial birthday party next year — \$9 million on a birthday party. This government has \$2 million to introduce a new plastic health card. And the people of the province should realize that, that it cost \$2 million for that piece of plastic that they carry around in their wallet and purse.

This is the government that has \$46.6 million for political advertising over the last four years. And I want the people of Saskatchewan to ask themselves how much they thought they might think that SaskTel would have advertised with the firm Roberts & Poole, or Dome Advertising in the last four years. What would the figure be for SaskTel? Would it be 2 million, 3 million, 4 million? Hardly. You'd have to go up to \$6 million to get the total advertising just in SaskTel alone in the last four years — \$6 million.

Or SGI, the total there rings up to \$5 million — \$5 million for SGI. Four and a half million dollars worth of advertising in the last four years from Tourism and small business; two and a half million by SaskPower; two and a half million dollars from Economic Development and trade; two and a half million dollars in Health advertising in the last four years.

And in fact, in this most recent provincial budget, Mr. Speaker, the people of Saskatchewan ought to know just how warped this government's priorities are, that in this most recent budget projections from the PC government, the total for information services for the Department of Health — information services is a nice little cushy code term for PR, or advertising — that that figure goes up from \$2.8 million to \$4.8 million in this most recent budget. That's money to buy votes, Mr. Speaker, that's all it is. That's \$4.8 million that isn't being put into rural Saskatchewan to diversify the rural economy.

And I say that's wrong, and that's immoral, Mr. Speaker, at a time when people are having to leave the province because they can't find work, or they're having to come into the cities and go on welfare and line up at the food bank because they don't have any opportunity in rural Saskatchewan.

I'd say it's also wrong, Mr. Speaker, and it's immoral for this government to impose a tax on lotteries and bingos to

fund health care — that this province should have to stoop to that low level. That is just patently absurd and is even immoral.

What is even more disturbing, Mr. Speaker, and what really cripples this government's ability to do anything good for its people, is what it's done with the provincial debt.

I want to close on this note, Mr. Speaker, and it isn't a very happy note to close on. In this most recent spending estimates for '89-90 from the Minister of Finance, on page 44 we have the figures for servicing the public debt, and the total allocation by the Minister of Finance for financing or servicing the public debt is \$380 million this year alone.

Mr. Speaker, put that figure into perspective for people: that \$380 million goes to pay interest on the public debt. That doesn't pay the principal on the debt; that \$380 million, not a cent of it goes to pay the interest on the debt.

(2100)

That \$380 million is three times the entire provincial budget for Agriculture, would you believe? That \$380 million, Mr. Speaker, in fact is more than this government spends on its Department of Social Services, its welfare. Mr. Speaker, \$380 million going for nothing, to service the provincial debt; to the banks, and that's why rural Saskatchewan goes begging. I say that's criminal.

People in Saskatchewan should know that if we have a provincial debt where we're paying interest of \$380 million a year, that that translates pretty clearly, or simply, into a million dollars a day plus, for nothing — for absolutely nothing. That doesn't even tackle the provincial debt, the principal. That's just on interest charges — a million dollars a day that can't go into rural Saskatchewan, that can't go into health, that can't go into highways or education or economic diversification for rural Saskatchewan, that can't go into jobs.

Another way of looking at it is, if this province has basically a million people, and it does, that's a dollar a day to pay the interest alone on the provincial debt for every man, woman, and child in this province of Saskatchewan. For a family of four that means that they would have to set aside \$4 on Monday, and four on Tuesday, and four on Wednesday, and four on Thursday and Friday and Saturday and Sunday — \$28 a week, just to pay the interest on the provincial debt, for every family of four in the province of Saskatchewan.

And I say, Mr. Speaker, we can't afford that kind of government.

Some Hon. Members: Hear, hear!

Mr. Koenker: — We can't afford that kind of bankrupt government. We can't afford the kind of morally bankrupt government that allows its people to go begging for food in the city streets — literally begging for food. And so for that reason, Mr. Speaker, I am very proud to second the motion that regrets that the government of Saskatchewan has failed to provide adequate and effective support and

opportunity for economic development and job creation in rural communities. Thank you very much.

Some Hon. Members: Hear, hear!

Mr. Britton: — Thank you, Mr. Speaker. Mr. Speaker, I appreciate the opportunity to debate this motion introduced by the member from Regina North.

Mr. Speaker, in case it has escaped the notice of the members opposite, rural Saskatchewan has been decimated by a drought the last couple of years. Regardless, regardless of any government program that could be initiated, the best support in any rural business is a prosperous agricultural economy. Every rural community is based on agriculture, Mr. Speaker, and everyone in this province knows that no government has supported agriculture the way this government has. Their record is there, Mr. Speaker.

We are the government that established a counselling and assistance program for farmers in 1984, and we extended it through the end of 1989. This program provides financial and management counselling and offers operating and consolidation loan guarantees to eligible farmers.

In 1984 this government enacted The Farm (Land) Security Act, Mr. Speaker, to restrict foreclosure actions against farm land. This Act, Mr. Speaker, established the Farm Land Security Board to investigate foreclosure cases and to mediate settlements between farmers, lenders, where mediation has failed. And it will provide a report to court. It was extended, Mr. Speaker, with the introduction of The Saskatchewan Farm Security Act in 1988, to provide farm families further protection in debt recovery actions.

The Act includes a three-year stay of proceedings with respect to actions against home quarters, a strengthened system of mediation, and a right to first refusal for farmers who lost their land to creditors.

In 1988, Mr. Speaker, we announced the new investment loans program to provide long-term subsidized loans of up to \$8 million for farmers investing in joint livestock operations.

And I'd like to talk in specifics, Mr. Speaker, about how this government helped farmers deal with last year's drought. We employed the 39 million Canada-Saskatchewan livestock program; we participated in the \$25 million Canada-Saskatchewan green feed program; we committed 8.5 million to the Saskatchewan water supply and enrichment program, Mr. Speaker, and we organized the PFRA emergency water supply program. These initiatives were in addition to the \$12 million of the federal program to develop new water supplies, and 850 million Canadian crop drought assistance program of which 427 million will come to Saskatchewan.

Our commitment is continuing, Mr. Speaker. This year we have several new programs to add to the list. And, Mr. Speaker, when you read what the motion says, and if you have listened to what I have just quoted, you would

wonder how the members opposite could advance a motion like this with a straight face.

It says:

That this Assembly regrets that the Government of Saskatchewan has failed to provide adequate and effective support and opportunity for economic development and job creation in rural communities.

Now, Mr. Speaker, these are just some of the things that we have done, and just part of the money that's been out there. And I have much more to say on this subject, Mr. Speaker, but at this time I beg leave to adjourn debate.

I move adjournment of the debate.

Debate adjourned.

Hon. Mr. Hodgins: — Mr. Speaker, I would ask leave to move down the order paper to government orders.

Leave granted.

GOVERNMENT ORDERS

COMMITTEE OF FINANCE

Consolidated Fund Budgetary Expenditure Urban Affairs Ordinary Expenditure — Vote 24

Item 1 (continued)

Mr. Thompson: — Thank you, Mr. Chairman. Just a couple of questions, Mr. Minister. I want to pick up where my colleague from Cumberland left off last night. He had asked you a question about, I believe, the assistant director of municipal affairs through the northern branch, and I wonder, Mr. Minister, could you indicate if this position has been filled by anyone else?

Hon. Mr. Klein: — Mr. Chairman, the name of the position, if you're talking about one Jonas Bird, who I was not familiar with until the question came up last evening — since then I have had an opportunity to talk to my officials — his position was the former education extension co-ordinator, and that has not been filled. And there's a whole lot of reasons to what happened to his transfer of Parks. But basically, Mr. Bird did not want to leave the North, and through a search made in government, because of his knowledge of the North and the Cree language, we found a position for him in the Department of Parks and Recreation.

I might mention, Mr. Chairman, too, that one other piece of unfinished business from last night my critic asked me for the 1989 revenue-sharing grant distribution to the urban centres. It's the only piece that's unfinished. I have that available. I'll ask the page to deliver it to the member from Regina Victoria.

Mr. Thompson: — Mr. Minister, are you indicating that the position that one Jonas Bird held in municipal affairs, that that position was done away with by your

department?

Hon. Mr. Klein: — The position just simply doesn't exist any more. What we had up there was a couple of people working as co-ordinators in the North. And what happened was that as the work got caught up, there was no more need for that particular position so we moved one into Regina, and Mr. Bird we found a position for in Parks. So that there is no vacant position; it's just that that position doesn't exist any more.

Mr. Thompson: — Thank you very much, Mr. Minister. I just want to touch on a couple other items in the estimates. And I see in subvote 5 that there has been \$112,000 reduction over last year's expenditures in northern municipal services. I wonder, Mr. Minister, if you could explain why the large reduction in that subvote.

Hon. Mr. Klein: — Yes, Mr. Chairman. Basically it has to do with the reduction of those two positions. There was 62,500 decreased in salaries, along with 18,000 associated travel. And also there was just a straight reduction of \$20,000 in the number of miscellaneous professional services that have been contracted out that are no longer required now.

Mr. Van Mulligen: — Thank you, Mr. Chairman. Mr. Minister, I have a number of standard questions that are asked every year, questions as to your staff, travel, advertising, polling, and the like. And I wonder if I might send these questions over to you and have you indicate before we adjourn tonight whether or not you are in a position to answer these questions, and if so, then fine, I'll accept that you'll get the information to us at an early opportunity.

If you have problems with these questions, then let us know tonight and we may want to reword them or want to have some further discussion on those.

(2115)

Hon. Mr. Klein: — Mr. Chairman, when I see the questions, we might have all the information here. I'd rather put it on record now and wind up the business rather than have anything outstanding if I could. But I'll have my officials check these questions while you're continuing.

Mr. Van Mulligen: — Thank you, Mr. Minister. I want to go back, too, to an item that we were discussing last night. You will recall that we were discussing the question of shopping hours, store hours in Saskatchewan. And at one point during the discussion you alluded to a resolution that had come to the province, to the provincial government, from the city of Regina. And that particular resolution called upon the government of the day to consider turning over responsibilities for the regulation of shopping hours, to turn that over to municipalities.

You left the impression, Mr. Minister, that somehow that I, as a member of the Regina city council at the time, had played a role in that, and that somehow that I was a party to this motion, that somehow I supported that motion. You left that impression. I asked you to table any

documents that you might have in that regard that would back up your claim; you declined to do so.

I want to give you one further opportunity, Mr. Minister, to set the record straight and to tell the people of Saskatchewan that you have no information which suggests that I supported that motion or any way encouraged that motion. Can you do that tonight, Mr. Minister, and clear that up?

Hon. Mr. Klein: — Mr. Chairman, there's an old letter on file . . . a copy of an old, torn copy of which I'm looking at, of November '81 that indicates that:

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

And that Regina city council, a meeting held on September 14, 1981, considered and adopted that motion.

Now you served on city council in 1981. If you were not present at that meeting, then you may not have been part of that resolution. So I could stand to be corrected if you were not present at that September 14th council meeting.

Mr. Van Mulligen: — Well, Mr. Minister, you know that I wasn't present at that meeting; you know that I played no role in that motion. Somehow you tried to convey the impression last night that I had a role to play in that motion.

I want to make it clear that my stand then, my stand now, is that I think that there's a role to play for the provincial government in so far as it comes to regulating shopping hours on Sundays in this province. And although I'm a strong believer in local autonomy, I believe too that there's a role for the provincial government to play, especially in matters of shopping hours where the decisions of one municipality may have an impact on other municipalities. And I think, therefore, that there is a role for the province, as there has always been in Saskatchewan — something that you do not choose to believe.

I want to make it clear, Mr. Minister, that the motion that evening in Regina city council — and again, I wasn't present — was put forward by a PC colleague of yours, one Tim Embury. And the first person to offer his support for the motion is another PC colleague of yours, one Larry Schneider. And the next person to vote for it was one Irwin Strass, another PC colleague of yours.

So it's clear then, that even then . . . And of course there was Ted Cholod . . . It was clear then that the PCs wanted to not have any provincial involvement in so far as shopping hours was concerned; wanted to throw it wide open; that it was the PCs on Regina city council that took that stand, and it wasn't myself.

And again, sir, I want to invite you to stand up and make it clear for all concerned that I was not a party to that motion, as you know now, that I was not a party to that motion, and that anything that you might have tried to

convey last night about my having some responsibility was simply false. Can you stand up now and just make that clear for the public who might have been misled? Can you do that, Mr. Minister?

Hon. Mr. Klein: — Mr. Chairman, I have before me the information, or some information that indicates that on September 14, 1981, Regina city council considered and adopted that motion. If the member was not at that meeting, I don't have that information before me. And if he indicates that he wasn't at that meeting and did not vote on that resolution, then I will have to accept his word for it.

But none the less, I will still say that Regina city council in September of 1981 passed that resolution, and that member at the time was indeed a member of the Regina city council.

Mr. Van Mulligen: — Well I know the facts of the matter and the minister is relating the facts now. It's unfortunate that last night he tried to relate a little bit more than the facts, Mr. Chairman. He also tried to convey some impression that somehow I was responsible for that motion, had a part to play in that. The record will show that I was not a party to that motion, had no involvement with it, and that he somehow tried to leave a different impression of that yesterday evening.

He says that based on the information that he had, and now he says that might be some of the information, that he may have been wrong yesterday evening. I would suggest to him that, as a minister of the Crown, that he has a responsibility to make sure that he has all the facts before he opens up his mouth and tries to leave some impression about what it is that other people are doing. That's something that I would encourage you to do, Mr. Minister; that is, to check out all the facts before you open up your mouth.

With reference to the question that I sent over earlier, Mr. Minister, there is one thing I wanted to clear up. And that is that . . . It's my understanding — and I want you to correct me if I'm wrong — it's my understanding that you attended the annual convention of the Saskatchewan Urban Municipalities Association this year in late January, early February. And this is the custom of the Minister of Urban Affairs to always attend the annual convention of the Saskatchewan Urban Municipalities Association, SUMA. I can't think of a minister of Urban Affairs who has not been present in the province to attend the convention — that is a given that the minister attends. And generally ministers try not to be away from Saskatchewan so that they can make it their business to be readily available to attend the convention. Can you confirm for me, Mr. Minister, that in attending this year's convention that you had to fly in, at government expense, from Hawaii?

Hon. Mr. Klein: — Mr. Chairman, surely the member jests. Surely that's not a legitimate question. That the government brought me to the convention from Hawaii is an absolutely absurd statement.

Mr. Van Mulligen: — Well answer the question, Mr. Minister.

Hon. Mr. Klein: — Mr. Chairman, I think I answered it very clearly. No, the government did not bring me to the convention from Hawaii, definitely not.

Mr. Van Mulligen: — Thank you, Mr. Minister for clearing that up.

I want to turn to the area of student employment and the Opportunities '89 program. And the people of Saskatchewan will know, and the members of the Assembly will know, that the Opportunities '89 program is a recurring program, takes place every year. It's a program that the government has used over the years to encourage employers to hire a post-secondary student for 12 weeks, or high school students for a period of eight weeks.

The grants are calculated to provide half the minimum wage. The intent is to provide student employment, and the government has played a very significant role in that over the years.

One of the groups that was always assisted prior to 1987 was urban municipalities, and if urban municipalities had students that they wanted to engage for summer employment, then the government would assist them. And this made a lot of sense to urban municipalities as it did to students. Because urban municipalities, given some of the seasonal nature of their activities, always needed extra people during the summer months, extra people to help with things like recreation programs, extra people to help with things like public works programs; and especially, I would emphasize, in the area of recreation, where it was not possible to keep skilled people around for a full year, for activities that would simply only take place during the summer months. So that this was a partnership between the province and the municipalities that made a lot of sense to a lot of people.

But the government started to discontinue the system of encouraging urban municipalities to hire students during the summer months. Beginning in 1987, assistance was still being made to businesses and to farmers in Saskatchewan, but the assistance was discontinued in 1987 for urban municipalities. In 1987, Mr. Minister, I asked you concerning this matter, and I said at that time, and I want to quote from *Hansard*:

This year you know that the Opportunities '87 program was not available to municipalities. I wonder if you can assure municipalities that you will be making every effort to convince your colleagues in cabinet that they, in fact, made an unwise decision, and that next year there will be a summer student employment program that again municipalities can take advantage of.

You then said, and I quote you, sir:

Mr. Chairman, the member does bring up a good point.

Then you go on to say — and you refer to municipalities:

They have, in no uncertain terms, indicated their

displeasure with that to me. And as the member points out again now, I can say that yes, again, when and if that program should ever be put in place, I will surely make representation on behalf of the municipalities to see if they could participate in it.

Well, Mr. Minister, you weren't very successful in 1988, and I see that the Opportunities '89 program has even less money for 1989 than it did in '88, and again urban municipalities cannot take advantage of the program. Can you tell us what happened in the cabinet table; can you tell us why you were unsuccessful in restoring this program for urban municipalities?

You will know that more than 90 per cent of municipalities, when they were surveyed, said that this program makes a lot of sense to us; this is something that should be continued. Can you tell us what happened; can you tell us what happened to your good intentions of two years ago to argue for a restoration of that program with your cabinet colleagues? What happened, Mr. Minister?

(2130)

Hon. Mr. Klein: — Well, Mr. Chairman, obviously I can't discuss what occurs around the cabinet table; I think the member is aware of that. The question is better suited to the Minister of Human Resources because he indeed is responsible for that program. And there are other areas that that minister has satisfied different municipalities, coupled with the fact that New Careers is also active in some areas of employment in the municipal area.

Regarding the information that the member asked for, Mr. Chairman, the name, title, and salary of my personal staff, I have two gentlemen — one Steven Hurlburt, and one Warne Rhoades, both ministerial assistant 3's, both earning \$2,894 a month; and one Caroline Hudyma, a ministerial assistant C, at \$2,003 a month.

For 1988-89, the number of out-of-province trips taken by the minister — I took one. My destination was the municipal affairs conference in Quebec in the summer of 1988. The total amount spent by myself was \$1,130.60, and I was accompanied by my deputy and assistant deputy ministers.

For 1989-90, there is no amount budgeted for out-of-province travel.

For 1988-89, the total amount spent by our department on advertising amounted to \$122,250. Next year's budget includes an estimate of \$100,000.

For polling and market research we spent zero, and we are budgeting zero for next year.

And for charter aircraft last year, our costs were \$51,140; for this year we are budgeting \$63,520.

Mr. Van Mulligen: — I thank the minister for that information.

Just getting back to student employment, am I to understand then that if urban municipalities have a

concern in this area, that is to say with the shortcomings in the Opportunities '89 program, that rather than asking you as the Minister of Urban Affairs, that you want to shuffle them off to your colleague, the member from Melville, the Minister of Human Resources; that you no longer care what it is that municipalities have to say to you about this program? Is that my understanding? Am I interpreting your remarks correctly?

Hon. Mr. Klein: — I think, Mr. Chairman, that it's fair to say that all ministers have different areas of responsibility. It's not unlike our capital funding, our revenue-sharing pool. There's no question that the Minister of Finance has an awful lot to say with what is spent in the budget, and as much as we argue for our respective positions around the cabinet table, each minister has his own area of responsibility.

The area that you're talking about, about student employment, comes under the area of Human Resources. There are several programs that that minister operates under, and municipalities may take advantage of some and not take advantage of others. He is in the position to answer those questions much better than I. All I can do is encourage my colleague to try to include in his budget as much funding as he can for different areas that he's looking at. And ultimately that's his responsibility, and he has to be the judge.

Mr. Van Mulligen: — Well, Mr. Minister, might I suggest, respectfully, going back to your remarks of two years ago, that you went to bat for municipalities around the cabinet table, that you struck out. And now you're saying that if municipalities have any more pitches to make that they should throw them at the Minister of Human Resources because you want to back out of this one.

I just want to tell, sir, that in case you've forgotten, that this program benefitted local governments, urban municipalities in Saskatchewan. They saw a lot of sense in this program, and frankly, a lot of young people who were helped through this program also saw a lot of sense in the program.

A survey that we undertook less than a year ago suggests to us that municipalities very much want to see them participating in the summer student employment program. We asked them the question: do you agree with the government's refusal to allow municipalities to participate in the opportunity summer student employment program? Two said yes, we agree. One hundred and seventeen said no. And when you break out the percentages it works out that 1.5 per cent agreed with your government's position; 85 per cent said that they did not support what it is that you're doing.

We then asked them: would you hire more students if the Opportunities program were reinstated for municipalities? sixty-nine per cent said yes, 17 per cent said no, 14 per cent weren't certain at that point. Again, I think you've blown an excellent opportunity to not only help urban municipalities but also to help young people in this province — a group of people, I would submit to you, sir, are in real desperate straits for employment opportunities because the employment opportunities simply aren't there. They need the employment

opportunities if they are to be able to have some chance of paying the heavy load, the heavy burden that's for them there in our universities, or to be able to continue on in universities.

And I submit to you that you struck out, you struck out on behalf of urban municipalities, and that now you're passing the buck, and that, frankly, urban municipalities expected a lot more of you, sir, when you said two years ago that you were going to go to bat for them and that you were going to try and do whatever you could to restore the opportunities for urban municipalities to hire summer students under the Opportunities program.

I want to turn to the question of hospital funding, if I might briefly. And that is to emphasize something that I think that you know, based on representations from the city of Regina. And they point out that in 1988 the city of Regina, pursuant to The Hospital Revenue (Tax) Act, is expected to pay in excess of \$2 million, \$2.182 million towards the hospitals in the city of Regina. They point out that Saskatoon, on the other hand, budgeted to pay about \$1 million as a voluntary levy towards the City Hospital, and Saskatoon and Prince Albert had smaller numbers. The cost per capita worked out to \$12 in Regina, \$5.45 in Saskatoon, \$6.98 and \$6.99 in Moose Jaw and Prince Albert, respectively.

They simply make the case that the people of Regina are expected to pay almost twice as much as what the other large cities — the people in the other large cities — are expected to pay towards hospitals. They perceive this to be an inequity.

Mr. Minister, I ask you: does this budget begin in any way to address this inequity?

Hon. Mr. Klein: — Well, Mr. Chairman, I . . . There's no way, that as much as I'd like to help the member with that, that I can respond to that. That's totally in the Health budget. I think that I would advise my critic, the member from Regina Victoria, to bring up that question in the Health estimates, because there may be some mitigating circumstances that the Minister of Health can clarify that I can't.

I should point out as well, Mr. Chairman, that when I responded a few moments ago concerning the information that the member had sent over in his letter, that just for clarification purposes, those numbers were supplied to me by my officials. And I'd just like that to be in the record so that at some future point we can't argue about who made them up, or whatever, but that was the information supplied by me by my officials tonight.

Mr. Van Mulligen: — I just might say, Mr. Minister, and this is not an issue that necessarily affects other municipalities, but it's a matter of some significance, you can appreciate, to Regina city council, the matter of a million dollars — of some significance — and to the taxpayers, I would submit, in your own constituency of Regina South. I think it's some disappointment to Regina city council, and after having raised this matter with you on occasion, to now have you say that . . . to not ask you, but to ask other ministers. Don't you have any concern in this matter? Don't you understand the implications for

taxpayers in Regina? Can you not go to bat for them with the Minister of Health, or are you now also, in addition to being the Minister of Urban Affairs, the minister for buck passing?

Hon. Mr. Klein: — Now that was brought up between myself and the minister, and I can report to you that my Minister of Health did indeed meet with the respective parties about that concern. And whether there is offsetting situations that he can explain, I am as deeply concerned for the taxpayers of my constituency as you are for those of your constituency, and indeed for those of the province. I think the Minister of Health has the adequate answers, and that's where they should be addressed, Mr. Chairman.

Mr. Van Mulligen: — Well I'll certainly convey that message back to the city of Regina that to not ask you about any assistance in this matter and that they should go to the Minister of Health; that you don't care much for their problem, which is a substantial one.

Mr. Minister, last year in your amendments to The Urban Municipalities Act, among the more interesting provisions was a provision that henceforth, commencing in 1989, Saskatchewan cities would be required to publish public accounts. You require them by law to publish on or before September 1 of a year, eight months after the close of the fiscal year, public accounts for that past fiscal year.

Now I find it passing strange that a government such as yours, which has taken twice as long to table its own public accounts, would now be requiring urban municipalities to table public accounts in a period of eight months. Now my discussions with urban municipal officials suggest that they don't have any real problem with the requirement that's there in legislation and are anxious to comply, and have held discussions with your officials about how they might do that. And they want to, they want to fulfil the requirements of the legislation. But they do ask me, they say: can you explain to us why it is that in our city we're being required to publish our public accounts by September 1 of the year; therefore, to publish our public accounts eight months after the close of the fiscal year, when the Minister of Finance for the province of Saskatchewan will take 16 months to do the same thing.

I wonder, do you have any explanation in this matter for them, Mr. Minister?

Hon. Mr. Klein: — Well, Mr. Chairman, I guess all I can tell you is that as is the norm with our department, we believe in consultation, and my officials sat down with the officials of the cities. And on discussion with what we were trying to accomplish, the format and the timetable were agreed to, no problem.

Mr. Van Mulligen: — Well, I've made that clear, that they agree with the legislation and that they want to fulfil the requirements of the legislation. That's not the question in dispute here. I guess I might word it differently, and that is, can you take the message from urban municipalities, Mr. Minister, can you take the message to the Minister of Finance and tell him that urban municipalities want to do

the very best job they can in terms of publishing the public accounts, but frankly do not appreciate a double standard in Saskatchewan. Can you take that message to the Minister of Finance for them?

Hon. Mr. Klein: — I believe that your request will be on the record, and I will point it out to my colleague.

(2145)

Mr. Van Mulligen: — And while you're doing that, Mr. Minister, can you also point out another little double standard? Now one of the things that you've asked municipalities to do is to publish a supplementary public accounts, which will show the aggregate of all moneys going to an individual from all departments.

Now the province's **Public Accounts** will list the moneys going to an individual from a particular department. The province used to also publish the aggregate amount going to individuals; for example, **Public Accounts** now list payees, money going to individuals where the pay-out is more than, I believe, \$10,000. But anyone who is getting less than \$10,000, say \$9,000, that wouldn't be published. You could have an individual who might be getting \$9,000 from 15 different departments and we wouldn't know about it. That information wouldn't be published.

Now it used to be published, something that the NDP government brought in at the request of the PC opposition of the day. It is something that used to be published, but your government decided that it no longer wanted to publish that information. You are asking municipalities to publish that kind of information, and again I wonder if you might also point out this little double standard to the Minister of Finance.

Hon. Mr. Klein: — Mr. Chairman, I believe that that's up to the committee to establish how they choose to operate and the information that they choose to get, but again, I will point out the member's opinion to my colleague.

Mr. Van Mulligen: — Well I thank the minister for that, in his recognition that there is, in fact, a double standard existing in Saskatchewan. It's taken quite a while to get any admission from your government that it is, in fact, in place.

Mr. Minister, I don't have a great number more questions, just one on a personal note. I note that you've quit smoking, sir. This is something that's known to members of the House, and I congratulate you on that. I know that from personal experience that this is a tough, a difficult thing to do, and I congratulate you on your courage and in doing that.

And in this vein I want to ask you, would it be possible to encourage your officials to draft model by-laws for municipalities that might want to encourage — or discourage smoking in public places in Saskatchewan, to make available to them model by-laws? Not to tell municipalities you have to put a by-law into place, or force them to do anything like that, but simply to point out to them that, if you're interested in doing this, because many larger municipalities have done so, we have for you

a number of model by-laws that you may want to look at, that you may want to implement in your own municipality as one way again of discouraging smoking in public places, and hopefully, more importantly, to encourage more people to kick the habit.

And Mr. Minister, I wonder if you've had any discussions on that with your officials, if that's something that you might entertain and undertake to do?

Hon. Mr. Klein: — Well, I'm not sure yet, I don't know that if I've made it yet or not. I don't think that I really quit smoking so much as that I haven't had a cigarette for 25 days.

But part of our regular service to municipalities is to provide that kind of service. I don't think that it's fair for us to impose or suggest to any municipality what they choose to do. But certainly, if they require any help in by-laws, we're willing to provide that service, and it's not unlike the earlier conversation that we had regarding other ones.

We can't take it upon ourselves to indicate that that by-law is accurate. We would help them draft it up and still recommend that they see their own legal advisers to ensure that it indeed is a by-law that they can defend. But it's part of our regular service, and we would have no trouble doing that at all if the municipality asked for it.

Mr. Van Mulligen: — Well I thank the minister for that. Mr. Chairman, at the outset yesterday when we started these deliberations, I said that urban municipalities, the people of Saskatchewan, simply were not impressed with the kind of stewardship that this government has shown in the area of urban affairs; that people were less than impressed with a situation in which they saw property taxes increasing, net property taxes increasing in Saskatchewan.

I don't want to take a great deal of time, Mr. Chairman, but I think the public and the people of Saskatchewan, especially those in urban government, want to have some yardstick with which to measure this government on how well it has done in so far as Urban Affairs is concerned.

And I want to turn the attention of the Assembly and that of the public back to 1982, and more particularly to April of '82, during a provincial election campaign that saw the election, for the first time, of a PC government — in modern times — saw the election of that government at that time.

And part of their program of that time, part of their program of that time was the following declaration, something that they'd made to the Saskatchewan Urban Municipalities Association. And they said to the (Saskatchewan) Urban Municipalities Association — and after years in opposition, and after years of studying the whole question of urban affairs, after becoming thoroughly familiar with the area of urban affairs — we want to declare the following to you urban municipalities. Because these are the objectives, these are the principles that will guide us in our years as government.

And I quote to you from the letter that was sent on April 19 to the Saskatchewan Urban Municipalities Association.

We are in favour of unconditional grants as opposed to conditional grants. We feel that unconditional grants allow municipalities to establish their own priorities. In view of this, we favour ongoing capital grants assistance with appropriate annual adjustments similar to the operating grant program.

Well, Mr. Minister, we certainly have gone a long way in the opposite direction, haven't we? Here you are proudly proclaiming in 1982 that capital grants were to be adjusted on an annual basis, that grants should be made to the extent that it was possible on an unconditional basis; that is to say, to encourage municipalities to make their own decisions.

Now you're taking the point of view that it's your priorities that should prevail, not the local priorities. At least that's the message that you've been giving us.

When you talked about "we favour ongoing capital grants assistance with appropriate annual adjustments," I don't think there was one municipality in Saskatchewan that interpreted your phrase "appropriate annual adjustments" to mean that you were going to discontinue the program for a period of two years. When you said appropriate annual adjustments, they thought that you meant that you would be making inflationary increases or appropriate increases to the capital grants program, not to cut it out entirely for a period of two years. And then when you do bring it back, it's less than when . . . it's less of a program than when you assumed power in 1982.

Now there's another commitment that you made in 1982 in this letter to SUMA, and that is, and I quote your letter:

It is our view that the Crown should pay full grants in lieu of taxes on all of its property in the same manner and to the extent as an ordinary taxpayer of the province.

Well we know that that's been an empty promise. You said that you believed that government departments should pay their fair share, and it's something that you said about the NDP, about the NDP administration, that they weren't doing that and you were going to right that wrong.

Well here we are, Mr. Minister, seven years later, seven years later. You said this on April 19, 1982. Here it is April 11 of 1989, seven years later — seven years later, and you're still not paying full grants in lieu of taxes on all the properties that you own in the province of Saskatchewan. This matter has been repeatedly brought to your attention by municipalities. This is a matter that was fully researched by your own Local Government Finance Commission who also strongly recommended that you do this. You still haven't done it.

You also said in your letter that:

We believe that the burden of education costs and the property tax should be reduced. Some

members of our party are on the record in favour of the elimination of this tax from property, period.

Now anyone reading that, or anyone hearing that, would assume that you're in favour of reducing property taxes.

There was a program in place called the property improvement grant which was intended, intended to ease the property tax burden for property taxpayers in Saskatchewan, a program that especially benefitted those with the least ability to pay. You've had seven years, seven years to fulfil that promise, but you've gone in the opposite direction.

We've gone from a situation where the net property tax load in Saskatchewan was a reasonable one compared to other provinces, to one where it's now the third highest in all of Canada. And those are not my figures, Mr. Minister, and Mr. Chairman, those are the figures of your own Local Government Finance Commission — your own commission, your own people.

And so I ask, I ask the public of Saskatchewan that if they want to judge the government's record, the record of the PC government in so far as urban affairs is concerned, I ask them to judge this government by the promises that they made in 1982 when they were elected.

And they promised to do a number of things that, simply, they have not lived up to; they've gone in the opposite direction. They will offer any number of excuses about why they haven't been able to live up to their promises, but the bottom line remains that you made those promises. You thought you could fulfil them. You didn't do it. You don't deserve to be re-elected as a government in this province.

Some Hon. Members: Hear, hear!

Item 1 agreed to.

Items 2 to 11 inclusive agreed to.

Item 12

Mr. Koenker: — Yes, Mr. Minister, I'd like to ask if you've given any consideration to changes to The Planning and Development Act with respect to redevelopment charges, so that the urban municipalities would be allowed to collect off-site service charges, rather than just the direct service charges?

Hon. Mr. Klein: — Mr. Chairman, that was a new resolution passed at SUMA, and it's under consideration at this time.

Mr. Koenker: — Mr. Minister, my understanding is that SUMA has been asking for that change for quite a number of years, that it's not just a new resolution. And I'm wondering why you haven't taken steps to act on that kind of resolution from SUMA and are still studying it. What's the problem?

Hon. Mr. Klein: — Mr. Chairman, my officials advise me that it's a complicated issue that requires some study, and it's under consideration at this time.

Mr. Koenker: — Well perhaps the minister could just simply enlighten us very briefly as to what the problem is. If it's complicated, what's the sticking point?

(2200)

Hon. Mr. Klein: — Mr. Chairman, basically what it does is put extra charges on new developments, and while the municipalities may be interested in that, I can tell you that home builders and developers are not. So it's a delicate balance. It requires discussion with several interest groups because, you know, we don't want to do one thing on one hand and do something on the other hand.

As everybody knows, we're having a great deal of difficulty in our province right now with home starts. And I think that everything that we can do at the present time to encourage keeping that price of homes down is what we should be looking at. So it's fair to say that if there was more pressures put on the home builders than we presently have, that would just complicate the situation more.

Mr. Koenker: — Mr. Minister, what you're really saying is that you don't trust urban municipalities. I'd like to ask you another question relative to the sales tax applying to the municipalities, particularly as it pertains to major projects and the sales tax being levied or charged to municipalities for that. Have you given any consideration to amending that and giving urban municipalities a break in the sales tax for major projects?

Hon. Mr. Klein: — Mr. Chairman, first of all I want to clarify something that . . . Don't put words in my mouth. I didn't say that I don't trust municipalities at all. I said it's a matter of consultation between municipalities, home builders, and developers. There's a whole lot of difference between that and trust, so don't be quite so loose with what you're saying that I've said, because I never said that I don't trust municipalities.

The other thing, as it relates to taxes, Mr. Chairman, obviously that's a question for the Minister of Finance.

Mr. Prebble: — Mr. Minister, I wonder if you could tell us whether your department is planning any steps with respect to the promotion of the use of passive solar energy in new subdivisions? Are you encouraging municipalities around this province to design their subdivisions in such a way that the streets will be laid out so as to afford homes good access to sunlight, so that home owners who want to build energy-conserving houses, and who want to design them in such a way that they could take maximum use of sunlight in this province are able to do that?

Because at this point in time, Mr. Minister, street designs and subdivision designs make it very difficult for a lot of new home owners to integrate solar technology into the design of their buildings, and I'm wondering what steps you are contemplating to rectify this difficulty?

Hon. Mr. Klein: — Mr. Chairman, our regulations presently permit some of what the member asked about. I'm not sure that the minimum standards for solar use might be included in that, but certainly it would be the

municipality's decision in any event, and if a municipality were to ask for that, and we could put it into the regulation, I don't suppose that we'd have much difficulty with it.

Mr. Prebble: — Mr. Minister, what you should be looking at is legislation in the area of — for instance, many U.S. states have passed right-to-sunlight legislation in their states, that guarantees home owners access to sunlight; ensures that, for instance, construction will not take place adjacent to the home that will cut off their access to solar energy.

You, Mr. Minister, should be encouraging municipalities across this province to implement subdivision designs that will specifically enhance the ability of home owners to make maximum use of sunlight in this province. Many U.S. states have been doing that as well, Mr. Minister. We've got municipalities in Ontario — Brampton is a good example — that are now starting to lay out their subdivisions so that home owners can make use of one of the best and most natural resources that we have in Canada, and that is access to sunlight.

And this province, Mr. Minister, has better access to sunlight than any other province in Canada, and yet your government, Mr. Minister, has cut back on all the energy conservation programs that used to be in place under the NDP in the late 1970s and early 1980s, and has done nothing at all to encourage and support municipalities in making use of solar energy.

And I ask you again, Mr. Minister, when is your government going to take the obvious step to promote solar energy and to support municipalities in doing that, and to develop model by-laws that municipalities across this province could put into effect that would begin to encourage the use of solar energy in subdivisions?

Hon. Mr. Klein: — Mr. Chairman, I have been advised that our regulations do permit and encourage exactly that. As far as it relates to the larger municipalities, however, they control their own regulations.

Item 12 agreed to.

Items 13 and 14 agreed to.

Item 15 — Statutory.

Vote 24 agreed to.

**Consolidated Fund Budgetary Expenditure
Economic Diversification and Investment Fund
Rural Development/Urban Affairs
Vote 66**

Item 7 agreed to.

**Consolidated Fund Loans, Advances and Investments
Urban Affairs
Vote 162**

Item 1 agreed to.

Vote 162 agreed to.

**Consolidated Fund Budgetary Expenditure
Saskatchewan Municipal Board
Ordinary Expenditure — Vote 22**

Items 1 to 3 inclusive agreed to.

Vote 22 agreed to.

**Supplementary Estimates 1989
Consolidated Fund Budgetary Expenditure
Saskatchewan Municipal Board
Ordinary Expenditure — Vote 22**

Items 1 and 2 agreed to.

Vote 22 agreed to.

Mr. Chairman: — I'd like to thank the minister's officials.

Hon. Mr. Klein: — Mr. Chairman, I'd like to thank my officials. I think that they were able to supply us with the technical questions and the numbers that the opposition asked for. And I'd like to thank the opposition members for the questions and for dealing with my departments in an efficient manner.

Mr. Van Mulligen: — Thank you, Mr. Chairman. I think the Assembly and the public will know that our side of the House and that side of the House will have a very strong difference of opinion in so far as Urban Affairs is concerned in Saskatchewan.

We believe that that government simply has not fulfilled the mandate that they set out for themselves in 1982. We appreciate that the . . . and I think urban municipalities appreciate that the minister is doing the very best that he can. Frankly . . .

Mr. Chairman: — Order. Order. The estimates for Urban Affairs are finished. There's certainly opportunity to thank the officials. There's no opportunity for a wrap-up.

Mr. Van Mulligen: — Thank you, Mr. Chairman. I was just getting around to that, but I wanted to say that both sides of the House will agree that the minister's officials have done a good job for urban government and for the people of Saskatchewan over the years, and we thank their participation in these estimates.

The committee reported progress.

The Assembly adjourned at 10:12 p.m.