

The Assembly met at 1:30 p.m.

Prayers

### ROUTINE PROCEEDINGS

#### PRESENTING REPORTS BY STANDING, SELECT, AND SPECIAL COMMITTEES

##### Standing Committee on Crown Corporations

**Acting Deputy Clerk:** -- Ms. Lorje, chair of the Standing Committee on the Crown Corporations, presents the fourth report of the said committee which is hereby tabled.

**Ms. Lorje:** -- Mr. Speaker, I will at the conclusion of my remarks be moving, seconded by the member from Moosomin, that the fourth report of the Standing Committee on Crown Corporations be now concurred in.

Mr. Speaker, I rise today to table the fourth report of the Standing Committee of the Crown Corporations Committee, a committee that I've had the privilege to chair for the past six months.

Mr. Speaker, during the past year the Standing Committee on Crown Corporations has completed its examination of the 1992 annual reports of Saskatchewan's commercial Crown corporations. We have found that these Crown corporations have properly reported their financial position to the legislature and to the public.

We also found that in general these Crown corporations are being well run. The employees of these corporations are working hard to deliver vital services to the people of Saskatchewan at the lowest possible cost and to contribute to the province's economic and fiscal recovery.

The tabling of the annual reports of these Crown corporations and their examination by the legislature was conducted in a timely fashion. This alone has increased the level of accountability in the Crown corporations sector over what has been provided during the past decade. It is a direct result of the reform initiatives implemented by this government and a specific outcome of the passage of The Crown Corporations Act, 1993.

Mr. Speaker, the members of the Standing Committee on Crown Corporations have not been content to stop there. We have worked hard and debated vigorously to develop new rules and procedures that will contribute to a meaningful reporting and examination of the operations of our Crown corporations.

During the past year several practices for improved accountability and openness have been implemented by the committee. For example, the salaries of senior Crown corporation management have been provided to the committee.

The ministers responsible for the various Crown

corporations have been allowed to designate corporate officials to directly address the committee or directly answer the committee's questions.

The auditors of the Crown corporations have appeared before the committee to comment on their audit findings and to respond to questions from committee members.

Mr. Speaker, these changes have greatly improved the ability of the committee to conduct a meaningful examination of the operations of our Crown corporations.

The committee, though, has not stopped with these changes. In this report the Standing Committee on Crown Corporations is proposing a number of other significant changes in its terms of reference and operating procedures. We are recommending that the Assembly implement the following changes in our terms of reference.

First, we are requesting that the Standing Committee on Crown Corporations be empowered to permit questions respecting operations outside of the year under review. In the past, committee members have been strictly limited in their examination to events that occurred in the year under review. We are proposing to change this practice so that the committee can examine long-term trends in indicators of corporate performance and can ask general questions about key challenges facing the various Crown corporations and about the strategies that are being planned to deal with these challenges.

Second, we are requesting that the reports and financial statements of Crown corporations provided to the Assembly stand permanently referred to the Standing Committee on Crown Corporations. This will streamline the committee's processes and will allow the committee to conduct its examination of these reports on a timely basis.

Finally, we are requesting that the Assembly mandate the convening of meetings of the Standing Committee of Crown Corporations within four weeks of the commencement of sessions of the Legislative Assembly. This will ensure that a government will not be able to avoid scrutiny of the operations of the commercial Crown corporations sector.

Mr. Speaker, the Standing Committee on Crown Corporations has also adopted other changes in operations. We will be fine-tuning our mandate by focusing our attention primarily on those government organizations, commissions, as well as commercial Crown corporations, which generate significant income from sources outside the General Revenue Fund. We will be assisted in this matter by the presence of the Provincial Auditor at committee meetings.

We are proposing to work with the Standing Committee on Public Accounts to eliminate the duplication in our respective committees' work. This

will enable both committees to better focus their attention. The Public Accounts Committee will continue its focus on past performance and review of administrative matters. The Crown Corporations Committee however, will now move to a much greater future orientation with an emphasis upon policy matters.

We are requesting that the Crown Investments Corporation give written notification to the committee of any significant transactions. This notification will outline the objectives of the transaction, the financial implications and change in taxpayers' liabilities, and the authority under which the transaction occurred. This notification is to be made within 90 days.

Mr. Speaker, this provision will ensure that the Crown Investments Corporation will disclose to members of the legislature any significant business deals that it makes on behalf of the citizens of Saskatchewan.

One very major and innovative reform that we will implement will be to have the Standing Committee on Crown Corporations ask the Crown Investments Corporation to provide the committee with an annual statement outlining the corporation's mandate, goals, objectives, and performance indicators. CIC (Crown Investments Corporation) will also be asked to outline the structure of its investments and the rationale for the retention or divestment of investments.

These initiatives, which are major initiatives, Mr. Speaker, will improve accountability and openness and will facilitate forward-looking financial planning, scrutinized by the members of the Legislative Assembly as represented by the members of the Standing Committee on Crown Corporations.

Mr. Speaker, these changes will allow the members of the Standing Committee on Crown Corporations to conduct a much more meaningful review of the operations of our Crown corporations sector.

In order to enable the citizens of Saskatchewan to learn of the results of this review, we are proposing that the Assembly grant the news media unrestricted access to make audio or audiovisual recordings at meetings of the Standing Committee on Crown Corporations, providing that the committee has not made an order to sit in camera.

Mr. Speaker, the members of the Standing Committee on Crown Corporations have worked hard. We have conducted an examination of the operations of our Crown corporations on a timely basis. We have also been working to establish a framework for the future so that the work of the standing committee can be improved and strengthened.

In the future, the Standing Committee on Crown Corporations will continue to provide the vital function of scrutinizing "where the money went." However we will also be able to provide another vital role, a forum for debate amongst elected representatives about the challenges facing our Crown corporations and what the future should be for

these important instruments of public policy.

I am very proud of the innovative reforms the committee has developed. At times, Mr. Speaker, we had lengthy and spirited debate on the government initiative motions for reform. At the end of the day, the report of the committee is unanimous. I thank all committee members for their diligence and conscientiousness.

Thank you, Mr. Speaker, for allowing me to present the fourth report of the Standing Committee on Crown Corporations.

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

**Ms. Lorje:** -- I do now move, seconded by the member from Moosomin, that the fourth report of the Standing Committee on Crown Corporations be now concurred in.

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

**Mr. Toth:** -- Thank you, Mr. Speaker. Mr. Speaker, just a few short comments regarding the report that has been submitted by our committee, and I would like to thank a number of the . . . well the government members for their involvement in the committee and some of the initiatives that have been brought forward.

I find it interesting, Mr. Speaker, that on a number of occasions government members talked about the initiative that had been taken and how the committee was working in a much more cooperative fashion. I would think, Mr. Speaker, that that just points to the fact that you had a more constructive, rather than obstructive, opposition in committee allowing for more open and appropriate debate.

Mr. Speaker, as well, I'm pleased that the committee was able to come up with recommendations that would allow the committee to operate with a little broader mandate. In view of the fact that the Premier, in debate on February 28, indicated that it maybe was appropriate for members to earn their keep and attend committee meetings, and at that time, we raised the problem that we were facing, that it was difficult to bring up some of the more pertinent issues. And the committee has certainly recognized that, and it appears in the report that is before you today; something that we discussed this morning and we were assured that the report did give that and the member from Saskatoon has indicated as well that we will have that broader purview. And we appreciate that.

I guess the one area that we weren't able to convince all members on the committee of and that was that fact that possibly the chair of the committee should be an opposition member. But, Mr. Speaker, I think at the end of the day the report we have tabled before you is one that's forthcoming and certainly we seek approval of the House for the report. I thank you.

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

**Ms. Haverstock:** -- Thank you, Mr. Speaker. I would like to add a few brief remarks to the concurrence motion.

The report that the committee presents to the legislature today is a significant advancement in the way the committee does its work, and accordingly, a significant amount of advancement in the accountability of Saskatchewan Crown corporations to us as legislators and to the public as shareholders.

Previously the monitoring and scrutiny of the Legislative Assembly over the activity of the Crowns has been purely a post-decision nature. Today's report contains some modest moves toward changing this tradition by requiring Crown Investments Corporation to file statements of mandate with the committee and notification of significant transactions.

This marks the first incursion of the Crown Corporations Committee into the domain of pre-decision monitoring and also the first significant change in its terms of reference since it was founded. I think that is to be commended, Mr. Speaker. For this accomplishment all members of the committee, past and present, should be commended as well.

However, the veil of secrecy cloaking government enterprise decision making has not been lifted in any significant way. We are still far short of the Provincial Auditor's call for a complete financial plan detailing anticipated revenues and expenditures of Crown corporations.

For their part in today's report, I want to thank the Provincial Auditor and his department who have participated in the committee's meetings and provided much well-meaning guidance on all the many issues the committee has tried to address. Their professionalism as well as the professionalism of the Clerk to the committee and the staff of **Hansard** on behalf of the people of this province are very much appreciated by me and by my caucus.

Some of the procedures which I as a former member of this committee found to be helpful, such as the designation of corporate officials to directly address the committee and answer our questions, have been continued. Among the notable measures that will provide the public with greater opportunity to examine the proceedings of this committee is through the ability of the media to make audio and visual recordings of the meetings.

On behalf of our caucus, I want to say that we look forward to future meetings of the Crown Corporations and Public Accounts committees and discussions of the two committees that will address overlap between the two. I am pleased to have been part of this process and I do look forward to further reforms in the near future.

**Mr. Trew:** -- Thank you, Mr. Speaker, and I thank my colleagues in the Legislative Assembly for their kind words about this report of the Crown Corporations

Committee. I want to acknowledge that the report was possible and these new, democratic reform initiatives that open up the Crown Corporations Committee in a way that has never been even contemplated in the past is very consistent with what my party talked about in terms of democratic reforms both before, leading, and through the election of '91. And this is the latest rose in the bouquet.

I want to give credit to the chair of the committee, the member for Saskatoon Wildwood, for her tremendous leadership in making this possible and leading us through this.

Mr. Speaker, the accomplishments of the report, and what we're proposing to do, have been spoken to at some length. I just want to end by saying how proud I am of the huge opening that this provides, and the accountability that Crown Corporations now have for evermore on behalf of the people of the province of Saskatchewan, and that's who we're here to serve.

This accountability has been enhanced beyond anything I would have dreamt possible a few short years ago. And I think it can best be summed up by a conversation with the Provincial Auditor where he has complimented the Crown Corporations Committee and the report for being so forward-looking and having made such significant changes.

I know that those words were not spoken lightly, and I know that the auditor's department is also looking forward to the coming year and years even beyond as we review Crown corporations, but I again want to congratulate the member for Saskatoon Wildwood and thank all for their involvement in the creation of this very future-looking, forward, progressive report. Thank you.

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

Motion agreed to.

**Ms. Lorje:** -- Mr. Speaker, with leave I would like to move a motion now.

Leave granted.

**Ms. Lorje:** -- Thank you. Mr. Speaker, I do now move:

That the **Rules and Procedures of the Legislative Assembly** of Saskatchewan be amended by incorporating a new standing order 94.1, as recommended under paragraph 24 of the fourth report of the Standing Committee on Crown Corporations and;

That the said committee be authorized to permit the news media to make audio or audio-visual recordings of hearings, provided the committee has not made an order to sit in camera.

I do so move, seconded by the member from Moosomin.

Motion agreed to.

### INTRODUCTION OF GUESTS

**Hon. Mr. Tchorzewski:** -- Thank you, Mr. Speaker. I am happy through you to introduce to the members of the House two students from Thom Collegiate here in Regina who are visiting the legislature today on a history project.

I had the privilege of spending a half hour with them before question period and hope that their visit here during some of the proceedings that have taken place and as long as they can stay will further enhance the kind of work that they're going to be doing in order that they can make sure that they impress their teacher before the end of June.

So I would like for them to stand as I introduce Andrea Murphy and Erin Shiplack in your gallery, Mr. Speaker, and ask you and the members of the House to join me in extending them a warm welcome and best wishes for every success in the project.

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

**Hon. Ms. Carson:** -- Mr. Speaker, I would like to introduce to you and through you to the members today two very good friends who are visiting us from Melfort who are in your gallery. Ken McGowan and Josh Storey are in to discuss items of interest with the caucus committee. And we met with them this morning and I hope they have a very good day in Regina. And I would ask all members to join with me in welcoming them here today.

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

**Mr. Swenson:** -- Thank you, Mr. Speaker. Mr. Speaker, today it's an honour and a privilege for me to introduce to you, sir, and through you to other members of the Assembly 27 grade 5 students from Lindale School which is located in Moose Jaw. They're in your gallery, Mr. Speaker. These children are all from the riding of Thunder Creek and are bussed in to Lindale.

This class is kind of special to me today, Mr. Speaker, because my oldest son, Andrew, is there and also my wife, Carol, is one of the chaperons today. They also have with them their teacher, Mr. Tom Findlay, and Ms. Terry Wendzina also chaperoning today. And they've been touring around Regina and are now in for a view of the Legislative Assembly and what goes on here in question period.

So I would ask all members to please join me in welcoming the Lindale students here, and we'll answer any questions you might have a little later.

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

**Mr. Carlson:** -- Thank you, Mr. Speaker. It's a great pleasure that I'm able to introduce to you, and through you to the rest of the members of the Assembly, 51

grade 8 students from St. Henry's Elementary School in Melville, sitting in the west gallery. And they're accompanied by Garth Gleisinger and Nick Rogalski, and bus drivers Al Schatz and Clarence Rathgaber.

I'll be meeting with them for a photo opportunity and some refreshments afterwards, and hopefully be able to answer some questions. And I'd like all members of the Assembly to welcome them here this afternoon.

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

**Mr. Britton:** -- Thank you, Mr. Speaker. Mr. Speaker, it gives me a lot of pleasure to, on behalf of our colleague Mr. Muirhead, the member from Arm River, introduce 48 grade 8 and 9 students on his behalf. Mr. Speaker, they are accompanied by teachers Mr. Barry Peters and Ms. Debbie Okrainetz.

And on behalf of the member from Arm River, I will be meeting with these students in the east gallery and try and answer any questions they might have in regards to what they've noticed in the building. We will also be taking photos and, I believe, having some drinks.

So I'd ask the Assembly to help me welcome, on behalf of the member from Arm River, the students.

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

**Mrs. Bergman:** -- Thank you, Mr. Speaker. Today I would like to introduce to you and through to the members of this Assembly someone who is very, very special to me. I'd ask her to stand along with her friend. This is my daughter Carey and her friend Anita Young.

They are both graduates of the UBC (University of British Columbia). Anita is now doing her master's in nursing. My daughter Carey is in her Ph.D. program. They are just passing through today on their way to the Northwest Territories where Carey will be supervising a bison study.

And I'd ask all of you to join with me today in welcoming them to the Assembly.

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

**Mr. Hagel:** -- Well, Mr. Speaker, I'd like to say how pleased I am that you recognized me. And I'd also like to join with the Leader of the Opposition in recognizing and welcoming the students and guides from Lindale School.

But, Mr. Speaker, I stood expressly to introduce six students from Central Collegiate in Moose Jaw who are seated in your galley, Mr. Speaker. These six students are members of the government club at Central Collegiate.

For the information of members, the government club meets weekly at noon hour to discuss current matters of political interest at all levels -- federal, provincial, municipal, and sometimes even school board. And their visit to the legislature has become an annual

event, which I'm very pleased to see them repeating again this year.

They're accompanied by a teacher at Central Collegiate who is also a city councillor at the city of Moose Jaw, Brian Swanson. Following question period they will be taking a tour of the building and I look forward to meeting with them after their tour for pictures and a visit and refreshments and to respond to their questions at that time.

Mr. Speaker, I'd ask all members of the Assembly to join in welcoming the members of the government club at Central Collegiate.

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

**Mr. Swenson:** -- Thank you, Mr. Speaker. I'd like to join with the member from Moose Jaw Palliser in welcoming the government club from Central Collegiate here. I had the opportunity to speak to one of their noon-hour meetings about a month or so ago; and Mr. Swanson is always very kind in extending invitations to people in public life -- whether they be civic, or provincial, or federal -- to go and speak to their club. And I can attest to the fact that his club are very well-rounded in their knowledge of political events in Saskatchewan and indeed Canada.

I particularly would like to recognize a constituent of mine, Miss Jenny Clothier today, who's been a very active member of that club and would ask all members to join with me in welcoming them here today.

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

#### STATEMENTS BY MEMBERS

##### Pork Exports to Cuba

**Mr. Roy:** -- Thank you very much, Mr. Speaker, and fellow colleagues. I want to make a comment today on some very good news for Saskatchewan agriculture, in particular, Saskatchewan pork producers.

Mr. Speaker, world consumption in pork is growing at a very dramatic rate and to meet that new consumption and demand, Saskatchewan export markets are also expanding. Worldwide, 44 per cent of all the meat consumed is pork. There has been since 1991, a 37 per cent increase in world exports of pork.

In Canada, hogs account for 30 per cent of all livestock and 10 per cent of all farm revenue. In 1992, Canada exported 275,000 metric tons of pork and pork products. Mr. Speaker, this is indeed big business. In Saskatchewan this great opportunity . . . great opportunities exist for Saskatchewan producers to expand new markets but also retain traditional markets. Some of these traditional markets are the U.S.A. (United States of America), Japan, and Mexico. But, Mr. Speaker, recently since 1992 we have gotten a new market and we are the central supplier or primary supplier to Cuba. 1992 pork exports to Cuba . . .

**The Speaker:** -- Order. The member's time has expired.

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

##### Meadow Lake Declared National Forestry Capital of Canada for 1995

**Mr. Sonntag:** -- Thank you, Mr. Speaker. I wonder if there should be a limit to the amount of good news one community can receive in a month. I've been on my feet with reports from Meadow Lake constituency pretty often lately, and today I would like to make one more announcement.

This is, as you know, National Forestry Week, so this announcement is very timely. Therefore not wanting to keep folks out on the limb, as it were, Mr. Speaker, the town of Meadow Lake has just been declared the national -- and I repeat the national -- forestry capital of Canada for 1995.

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

**Mr. Sonntag:** -- This is a title conferred by the Canadian Forestry Association and carries with it a great deal of prestige, and also a great deal of responsibility to promote sound forestry practices. With the world's first effluent-free pulp mill, the employee-owned saw mill, and the forests which contribute to tourism in our area in a large way, one can see that we were a natural choice.

Mr. Speaker, the campaign to win this designation was truly a cooperative one, involving representatives from the town, government, local business, and forestry people, the Meadow Lake Tribal Council, Saskatchewan Wildlife Federation, local Scouts, Minister of Environment, the Premier, myself, and many others.

I particularly congratulate Mayor Dave Bridger, and Councillor Donna Aldous, who deserve special recognition for getting the ball rolling. Now all the organization and preparation is being coordinated by Ernest Lorne through the Northwest tourism association, and he has done a marvellous job.

I invite all of you to plan to visit Meadow Lake -- forestry capital of Canada for 1995.

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

##### Shared Family Farms

**Ms. Murray:** -- Thank you, Mr. Speaker. Mr. Speaker, recently there was an article in the **Leader-Post** about a group of farmers who deserve even more attention than a front-page story provides.

Last year the HOH shared family farm near Lipton pioneered the concept of community-shared agriculture. Under this plan the farm owners sell shares in the farm's harvest to urban dwellers who

then are provided with a portion of the season's produce -- vegetables, fruits, and chickens, in the case of HOH.

The share owners also have the opportunity to visit the farm and perhaps help out with the chores, such as seeding, weeding, and harvesting. This may sound a bit like Tom Sawyer selling shares in the opportunity to whitewash his fence, but for city people the chance to be in the country and truly sense the rhythm of farm life can be a valuable experience.

This year three farms in my constituency are joining the community-shared agricultural experiment. The member from Meadow Lake won't mind me mentioning that his twin sister, Maureen, and her family and her partner, Clara Ferner, are involved in one of the two shared farms near the town of Kronau.

The other, Harvest Community of the Prairies, deserves special mention because it combines the shared-farm plan with its sheltered workshop on site.

Sam Bogdan of Edgeley with his organic market garden wants to forge a closer link with the people who eat his food.

Mr. Speaker, the share farm idea is a good one, sharing scarce dollars and, more importantly, sharing the experience of our basic Saskatchewan industry. Thank you.

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

#### Social Safety Net

**Mr. Cline:** -- Thank you, Mr. Speaker. I want to report to the Assembly that last night I travelled to Saskatoon where I attended a public meeting at Mayfair United Church in my constituency. And hundreds of people were there, Mr. Speaker, to hear about the federal Liberal government's plan to change our social safety net in Canada. Among the speakers was Linda McQuaig, who is a noted journalist and social commentator.

And seeing the people there, Mr. Speaker, I realize that more and more people in our province and in our country and certainly in my community are very concerned about the emerging agenda of the government in Ottawa, which appears to be to continue the Conservative policies of gutting unemployment insurance, old age security, Canada Pension Plan, Canada Assistance Act, and the Canada Health Act.

And the point was made at the meeting, Mr. Speaker, that our deficit problem is not going to be resolved by attacking social spending. It wasn't caused by social spending; it's not going to be resolved by attacking social spending.

And I want to say to the Liberal government that a lot of people in our communities are starting to look at your agenda as it emerges, and they're watching and they're starting to speak up. And so should we, Mr.

Speaker. Thank you.

### ORAL QUESTIONS

#### Trade Union Act Amendments

**Mr. Neudorf:** -- Thank you, Mr. Speaker. This afternoon I want to direct my questions to the Minister of Labour. Mr. Minister, yesterday you announced -- and with a great deal of fanfare, I might add -- that you would be making some amendments to your ill-advised Trade Union Act. But as usual and is your practice, you have refused to table those amendments in this legislature so that we could look at them before the Committee of the Whole.

Mr. Minister, if you are prepared like you did yesterday to issue a news release on the matter, you obviously have those amendments on paper. So the question is very simply this: will you table them this afternoon so that the opposition, the official opposition, and the business community can have a look at those amendments before you try to ram them down our throats?

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

**Hon. Mr. Shillington:** -- Well, Mr. Speaker, they certainly won't be rammed down the opposition's throats; you'll have lots of opportunity to discuss them in Committee of the Whole where they're normally presented. When we get to Committee of the Whole, we'll present the amendments and you can then debate them.

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

**Mr. Neudorf:** -- Thank you, Mr. Speaker. Mr. Minister, there are a lot of people disappointed in your answer because I would submit to you that your intentions are painfully obvious, painfully obvious. You intend to release them clause by clause as we go through them in this legislature. You're going to be using those amendments as a club over the heads of the business community that if they dare have the audacity to complain about any one of them, you are quite prepared to withdraw the rest, Mr. Minister. And that is simply not acceptable.

The most appropriate time for you, Mr. Minister, is to table them in the legislature now so that we'll have opportunity to look at them and to assess whether or not they are appropriate. So, Mr. Minister, on behalf of the business community, on behalf of the employers in this province, I ask you once more, would you do the fair and just thing and table those amendments to show that you have nothing to hide?

**Hon. Mr. Shillington:** -- The process which we used in labour standards was when the Committee of the Whole was called, all of the amendments were then presented to the Clerk and I assume the Clerk made them available to the opposition.

When we begin Committee of the Whole I would anticipate we'll follow the same procedure. We can

get to it this afternoon if the opposition are anxious to get the amendments.

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

**Mr. Neudorf:** -- That won't do, Mr. Minister, that simply cannot do, Mr. Speaker. So much for open, honest, accountable government, Mr. Speaker.

Mr. Minister, your excuses are simply inexcusable and they're an embarrassment to this institution, Mr. Minister.

There's absolutely no reason why you cannot table those amendments right now, like the business community and the employers of this province are asking you to do. But you are going to use them as a club to browbeat them to your submission so that they have no opportunity to object to the amendments, the so-called amendments that you are proposing, Mr. Minister.

The business community, Mr. Minister, the employer community have told you in spades that if The Trade Union Act and The Labour Relations Act are passed, those are going to be counter-productive to your wishes and to the wishes of many of the people in this province.

So why won't you show them? Why won't you release them right now, to show that you have fixed the problem, Mr. Minister? Or is it that you continue to believe that these people in the business community are ruthless extremists -- in your words -- and yet they don't have a shred of proof of what your Bill will do to the economy of this province, Mr. Minister?

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

**Hon. Mr. Shillington:** -- I must say, Mr. Speaker, as generous as I try to be to the member from Rosthern, it's not obvious to me how not tabling in the House enables us to use them as a club to beat them into some sort of a pulp. I do not follow your comments.

I've said to the member -- if you were listening to the response instead of preparing your next question -- I said to the member, I would anticipate we'll follow the same procedure we did in labour standards. They will be tabled as a group. That's what we did in labour standards and I anticipate when we start in Committee of the Whole, that's what we'll do.

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

**Mr. Neudorf:** -- Mr. Speaker, Mr. Minister, that's exactly the problem. For the people who are listening and don't know how this operation works in here, when that clause by clause comes forward we have only that specific moment in time to react to an amendment that is going to be tabled just at that particular time and then we must continue on. There's no opportunity for the business community to react, to try to change your mind, to show you the error of your ways, Mr. Minister.

That is why the people of this province are demanding to see those amendments ahead of time -- ahead of time. You have a secret agenda, Mr. Minister, and that's the whole problem. You have that kind of a problem.

Mr. Minister, another train has left the station. And I think now, Mr. Minister, that the faxes that we are receiving in our office on a daily basis from businesses throughout the community of Saskatchewan are indicative of what you are trying to do.

I am going to give you, Mr. Speaker, just one short example of one of those letters that we get, and I quote:

If your new legislation passes and becomes law, I can assure you, Mr. Romanow, that as an ND supporter in the past, my family business will be closed and we will move to Medicine Hat. Unless you people choose to make some positive changes in this province, starting with listening instead of dictating, Moose Jaw will suffer another business closure of 10 lost jobs.

Mr. Minister, unquote. That's just one example of hundreds of letters that are coming in.

**The Speaker:** -- Will the member please put his question.

**Mr. Neudorf:** -- Mr. Minister, show the province that you have nothing to hide, that your amendments are what you claim them to be. Be upfront, be honest, table those amendments so that we can take a little bit of time with the business community to assess them and then we will go through clause by clause, as is normal procedure, so that we know indeed what we are facing. Would you do that, Mr. Minister?

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

**Hon. Mr. Shillington:** -- I simply want to remind the very indignant member from Rosthern that we are using the procedure, same procedure in this Bill as is used in every other Bill, as is used I think in every other legislature in the country. Nothing unusual about the procedure.

Indeed, by giving you all of the amendments when we start Committee of the Whole, we're giving you an extra break. And there'll be all the opportunity you want in Committee of the Whole to discuss the amendments.

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

#### **No-fault Insurance**

**Mr. D'Autremont:** -- Thank you, Mr. Speaker. My question is to the minister responsible for SGI (Saskatchewan Government Insurance).

Mr. Minister, our office has been contacted by Mrs. Judy McBride of Eston who is very concerned about your no-fault insurance scheme. A few months ago

Judy and her husband, Blain, lost their son, Shawn, a 20-year old university student. Shawn was killed in a car accident in which the other driver was impaired. The compensation package she received from SGI was quite small so the McBrides are suing for additional damages. They are very concerned that your no-fault insurance will take effect before their case is heard and they will lose their right to go to court.

Mr. Minister, when your no-fault insurance plan is passed, what effect will it have on cases that are currently before the courts, and can you give us the assurance that the McBrides and others who are in a similar situation have the right to continue their court action?

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

**Hon. Mr. Goulet:** -- Mr. Speaker, on all cases that are proceeding right now, there will be no effect. It is only for accidents that are happening after January 1, '95.

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

**Mr. D'Autremont:** -- Mr. Minister, Judy McBride wanted her case brought to your attention because she feels the insurance system is unjust in its handling of such cases, and it will get even worse under the no-fault insurance.

Mr. Minister, under no-fault the McBrides would receive at most \$15,000 for the loss of their son's life -- \$5,000 for funeral expenses, and \$10,000 for the estate, for a total of 15,000. These figure were confirmed by SGI officials at your 800 information line. The McBrides would receive \$15,000, less any amount received from any other insurance coverage, and they would have no right to sue for further damages. Meanwhile the impaired driver who caused the accident could receive significantly more compensation for loss of income.

Mr. Minister, the other day you said you would bring forward an amendment to address this fundamental inequity in the handling of impaired drivers. What specifically is that amendment going to do to address this situation?

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

**Hon. Mr. Goulet:** -- Mr. Speaker, in regards to the issue on youth, and I will say that again for the member just in case he didn't understand yesterday, we are looking at \$13,000. Right now the no-fault section of the insurance provides absolutely nothing in regards to the youth on the part II benefits.

When we look at this new plan we will be looking at up to \$13,000. And as well, and for the member, it's \$13,000 a year. As well, the youth, after training, when they're at the university and they're trained in different fields, whether they're in law, they will get the average industrial salary of the law at the introductory level when that person continues on in life and that injury continues on in life.

So we're looking at not only for the time that they're at school, but also for life, in regards to loss of income. I think that's a lot better than the discriminatory way that exists at the present time.

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

### Costs of Labour Legislation

**Ms. Haverstock:** -- Thank you, Mr. Speaker. My question is for the Minister of Finance. The top 10 companies of Saskatchewan based on revenues, Madam Minister, include co-ops like the Saskatchewan Wheat Pool and Federated Co-op; private sector firms like Cameco and IPSCO; and public sector agencies such as SaskPower and SaskTel. Increased labour costs will affect their bottom line and yours.

As Finance minister, have you requested an analysis from them as to what their proposed labour legislation will cost them -- both government agencies and private sector employers -- so that you can assess the impact on the provincial government as its Minister of Finance.

**Hon. Ms. MacKinnon:** -- Mr. Speaker, the answer is no.

**Ms. Haverstock:** -- Thank you, Mr. Speaker. Well, Madam Minister, I have. We contacted some of the largest businesses in Saskatchewan to ask whether they had been able to work out the costs of The Labour Standards Act, and without exception, they indicated that they had not been able to. They had started, but they haven't had time to complete an examination of the costs.

It is an incredible burden that has been placed on business in this province, Madam Minister. Will you commit today to show us the calculations done by your department as the Minister of Finance, the calculations done by the Department of Economic Development, as well as the calculations by the Department of Labour to assess the cost of The Labour Standards Act and The Trade Union Act on the top 10 employers of the private and public sectors in Saskatchewan.

**Hon. Mr. Shillington:** -- Thank you very much. As I had explained previously to members opposite, we did do a professional, scientific study of the costs. The costs in the macro are minimal, and therefore the costs upon the Department of Finance will be minuscule.

Now with every respect to the member from Greystone's survey, I think the survey done by Price Waterhouse is more reliable. It's available to all members. It suggests, in the macro, that the costs are minuscule. Therefore, the effect on the Department of Finance will be minuscule. The member might want to refer to the Price Waterhouse study.

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

**Ms. Haverstock:** -- Thank you, Mr. Speaker. Mr. Minister, and Madam Minister, surely you don't expect me to believe that this study is still valid after you've changed the legislation since the study was even done. The variables have changed. Surely you know basic validity and reliability of research, which obviously you do not.

It is obvious that none of your government departments have done their homework. The Minister of Finance has now 'fessed up to that. Representatives from every sector of the economy are scrambling to do a costing analysis. Every single time you make a change, Mr. Minister, they have to start all over again to try to estimate the costs.

Now, Mr. Minister, and Madam Minister, will you guarantee that this legislation will not be put to a vote until a complete costing analysis has been done to the satisfaction of the affected public and private sector employers?

**Hon. Mr. Shillington:** -- On every conceivable occasion the members opposite want to throw the legislation out. Why? Not because you have evinced any concern at all about working people. I've never heard the words cross your lips. All you are concerned about is to destroy what we are trying to do for working people. The member opposite cares nothing for that. She's trying to score cheap political points.

I suggest, instead of doing your survey, you address the Price Waterhouse study. The Minister of Finance was accurate. They didn't do the study; we did. We did the study through Price Waterhouse. It suggests the effect is minuscule. Nothing has changed that.

I recognize that you don't want to deal with that because that's facts, and you want to deal with rhetoric. Well I suggest to the member, try the facts and leave the rhetoric behind.

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

**Ms. Haverstock:** -- Thank you, Mr. Speaker. Mr. Minister, that's precisely what we want, are facts. The employers of this province employ people. We are concerned about employees. We want them to have jobs. Employers want to be able to be in a position to provide them with jobs, Mr. Minister.

The Liberal Party and the employers of this province are asking you not to pass the Bill until you have added up the bill. That's what we're asking. And I'll ask you again, sir: will you guarantee a satisfactory cost analysis will be done and made public by the Department of Finance, by the Department of Economic Development, as well as the Department of Labour, before you put this to a vote?

**Hon. Mr. Shillington:** -- If the people we hired had divine powers, they couldn't produce a study which would satisfy the member from Greystone, because you don't want the facts. That gets in the way of scaremongering. And what the member from Greystone is doing and members opposite are doing,

is scaremongering.

Well I want to tell members opposite that this legislation will go through, and that I think will rebound to the benefit of this government, because this legislation is going to work well.

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

### Compensation for Hepatitis C Victims

**Mr. Boyd:** -- Thank you, Mr. Speaker. Mr. Speaker, my question today is for the Minister of Health. Madam Minister, yesterday we brought forward the concerns of Vicki Lissel and 58 other individuals who have contracted hepatitis C through contaminated blood. After question period, you met with Vicki and apparently told her you would look into her situation and the issue as a whole.

Madam Minister, could you elaborate on just what commitments you gave in that meeting yesterday? And as well, Madam Minister, keep in mind that Vicki and many other families need assurances now. They don't have much time to spare. Will you give them a definite commitment today what your government will do for those people?

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

**Hon. Ms. Simard:** -- Thank you very much, Mr. Speaker. First of all, I did meet with the individual referred to. And my commitment is to look into, to have the Department of Health look into, her own personal circumstances and situation, and also to look into the broader issue. That is the commitment I gave yesterday and it's the extent of the commitment I gave yesterday.

As to the larger issue, I simply want to say that it's not as straightforward as the member opposite points out. I am waiting to hear from the Department of Health, and I expect I will be hearing from them fairly soon.

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

**Mr. Boyd:** -- Thank you, Mr. Speaker. Madam Minister, Vicki said this morning, that with all due respect, for you to say that you will look into the situation isn't good enough. She's been hearing that line for the past two years and is understandably a bit sceptical.

Madam Minister, you have stated in this House that you would see to it that individuals will not face hardship as a result of high drug costs. Could you then explain why Vicki was covered for two six-month periods under the drug plan and then dropped? Why she and her husband carried the majority of almost \$13,000 in medical expenses last year and further, why you told her yesterday that you couldn't do anything about her Intron A being covered under medicare?

Madam Minister, the time lines here are very, very important, particularly to these people. Can you give

some kind of commitment to these people today that you will indeed do something on behalf of the Government of Saskatchewan?

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

**Hon. Ms. Simard:** -- First of all, Mr. Speaker, I cannot speak to the individual's circumstances and start dealing with an individual case on a point-by-point matter in the Legislative Assembly, so I will not do that. I can say that if there is any drug coverage that's available under the present plan that it will be made available for the individual in question.

On the larger question of the Interferon that the member opposite raised, it's my understanding that there is funding for a period of time for the use of that drug. After that the funding ceases, and the reason for that is because it has not been demonstrated that the drug is effective after than point. In fact it is considered to be ineffective.

I have asked the Department of Health to look into the entire issue, to look at whether or not there is any help available either in Health or Social Services for the individual in question, and they are in the process of doing that.

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

#### Indian Celebration Debts

**Mr. Toth:** -- Thank you, Mr. Speaker. Mr. Speaker, my question is to the minister responsible for Indian and Metis Affairs.

Mr. Minister, back on April 11, I asked you a couple of questions regarding the powwow held last summer at Moose Jaw. At that time, Mr. Minister, you gave us the assurances that you would have your officials look into this matter and clarify to who the bill should be sent and who was responsible for payment.

Mr. Minister, has this taken place? Could you provide us with that information so that we can pass it along to the people in Moose Jaw who have \$200,000 in unpaid bills on their hands?

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

**Hon. Mr. Mitchell:** -- Yes, I had inquired of the federal Minister of Indian Affairs, Ron Irwin, as I had told the member I would, as to whether the . . . what was the position of the federal government. He had received similar representations and had inquired into the matter fully and confirmed his position that the federal government is in no sense responsible, including of course his own department.

I went through the matter with officials in the provincial government and there is no basis upon which we're responsible for the payment of any of those bills at all. So it's a tough situation, I sympathize with the creditors; but they're going to have to look for payment to the organizers of the powwow.

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

**Mr. Toth:** -- Mr. Minister, for the individuals and businesses in Moose Jaw that have outstanding bills on their account and are wondering . . . they're wondering who do they look forward to, especially if the organizers are not in a position to make payment or if the organizers are . . . or if some of the people are not even available.

Mr. Minister, who do these people look to if they don't look to your department and the federal minister? I think if there's provincial or federal funding involved, the government should have some responsibility as well regarding the program.

**Hon. Mr. Mitchell:** -- We didn't provide any funding for the powwow nor did the federal government. And I just can't think of any basis upon which we would now step forward and volunteer to pay the bills for a function in which we played no part. We didn't hold out in any way that we would be responsible for these bills and we simply . . . there's no legal basis on which we could.

If I may say so without offending them, the creditors really ought to have taken steps to ensure that the organizers were creditworthy before they got too far into this.

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

#### MINISTERIAL STATEMENTS

##### Deadline Extended for Partnerships '94 Program

**Hon. Ms. Atkinson:** -- Thank you very much, Mr. Speaker. Mr. Speaker, today I rise to inform the House that effective today, in our ongoing effort to create jobs for students, the Government of Saskatchewan has extended the application deadline for the Partnerships '94 program to May 18.

When this program was first announced in February, the intent was to create 2,000 summer jobs for students. Mr. Speaker, that original target has been met. By extending the deadline and through the approval of applications already received, we hope to approve a total of 3,200 positions.

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

(1430)

**Hon. Ms. Atkinson:** -- Job creation, Mr. Speaker, is a top priority of our government, and the extension of this program confirms our government's commitment. Partnerships '94 will allow students the opportunity to gain work experience and skilled training in addition to earning money for continuing their education.

Employers such as businesses, farms, municipal governments, and non-profit organizations who create jobs for students this summer will be eligible to receive a wage assistance from the Department of

Education, Training and Employment. Interested employers, Mr. Speaker, who would like to apply should contact the Partnerships '94 office in Regina.

Mr. Speaker, it is this government's intention through our **Partnership for Renewal** plan to create new employment opportunities for the citizens of our province. The Partnerships '94 program is one such example of how our government is partnering with employers to create employment opportunities for our young people in Saskatchewan. By working together, in cooperation with employers and communities, in this way we can stimulate local employment which contributes to the overall well-being of our society and the economy and creates jobs for students. Thank you.

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

**Mr. D'Autremont:** -- Thank you, Mr. Speaker. The minister's comments were quite interesting and it would have been even more interesting, Mr. Speaker, if the minister had had the courtesy to send over a copy of her statement as she presented it.

Mr. Minister, when we look at this new program that the minister has presented we have to think about another program that is in place dealing with students being hired by local businesses and the government's providing some assistance for that. But what the government did in this particular case is they had the cut-off date fairly early and a lot of businesses didn't even know that this was happening, and therefore missed out on these opportunities that they had had in the past.

Now the minister is saying businesses that are interested in this program can contact her now about this. Well that's very well, Mr. Speaker, but who is she notifying about this? Who is going to be given this information? Where is it going to be advertised? Is it just a selected few that receive this information? Or will the businesses, who in the past have utilized a program such as this and hired students with government assistance on wages, be also notified that this program is going to be available, Mr. Speaker?

This kind of program is very important for a lot of students because they have difficulty in finding jobs in the summertime. Monies from those jobs aid those students in carrying out their education. And it's very important that this continue.

And it's also very important that the students take advantage of these opportunities because it gives them experience in a field. And when you go and apply to an employer for a position they ask very often, what do you have for experience? For a lot of students that means they do not have that experience, but this type of program does give them that opportunity. But it's important, Mr. Speaker, that everyone be given the opportunity to find out that these programs are available. And I would advise the minister to make this information known to those people who have used this type of program before. Thank you.

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

## ORDERS OF THE DAY

### GOVERNMENT ORDERS

#### SECOND READINGS

#### **Bill No. 63 -- An Act to amend The Saskatchewan Farm Security Act (No. 2)**

**Hon. Mr. Cunningham:** -- Mr. Speaker, I'm pleased to rise today to move second reading of The Saskatchewan Farm Security Amendment Act, 1994 (No. 2). Mr. Speaker, this amending legislation is brought forward in an effort to guarantee the security of tenure of all Saskatchewan farmers under this government's six-year leaseback program.

It does this in two important ways: number one, by fulfilling the government's commitment in its agreement with FCC (Farm Credit Corporation) through which FCC's farm clients will be provided equal or improved leaseback protection to that provided under the legislation; and number two, by adding a farmer's right to leaseback and the right of first refusal on sale to the list of exempt property under the Act.

Mr. Speaker, in 1992 this government moved to introduce a six-year leaseback program to protect Saskatchewan farmers who were experiencing financial difficulties by providing them with some security of tenure in their family farm while they sought to address their financial problems. Since its inception, this program has seen more than 1,200 farm families enter into leases with Saskatchewan lenders for in excess of 500,000 acres of farm land.

Mr. Speaker, these farmers have truly earned a new lease on their lives and have, through this program, been provided an opportunity to regain a sound financial footing and hopefully to repurchase their property at the end of the leaseback period.

Unfortunately, Mr. Speaker, at the time of introducing this program the Farm Credit Corporation could not see its way clear to cooperate with the Saskatchewan government or even comply with the Saskatchewan legislation. This led to a protracted legal battle between the Farm Credit Corporation and the Government of Saskatchewan, as the Government of Saskatchewan fought to enforce the legislation while Saskatchewan FCC clients watched with concern.

Mr. Speaker, I'm pleased to advise the Assembly that in this amending legislation, the Government of Saskatchewan is completing its requirements under an agreement with FCC and the federal government, which will see FCC provide its Saskatchewan farm clients leaseback protection not less than equivalent to that provided under the six-year leaseback program.

In general terms, this agreement provides for

equivalent six-year leaseback protection, equivalent eligibility criteria for the program, and a parallel independent dispute-resolution board process for eligibility and rental rates disputes, which will see provincial representatives serving on the FCC dispute-resolution board.

Mr. Speaker, this agreement will see leaseback protection extended to some 2,100 additional farm families -- over 1 million acres of farm land. I strongly believe that this agreement is a reflection of this government's commitment to Saskatchewan's agriculture and to its farm families.

I am pleased to note that FCC has indicated that they will be adopting the Saskatchewan approach of extended leaseback protection nationwide. It was FCC's change in philosophy which allowed this agreement to be made and which allows the Saskatchewan government to make this amendment to complete the agreement.

Mr. Speaker, this amending legislation also provides that a farmer's right of first refusal and right to leaseback under the Act are property exempt from seizure by creditors. This amendment became necessary as a result of a recent adverse ruling by the Court of Appeal for Saskatchewan in which the statutory rights were determined to constitute property in the eyes of the court. By adding these two important rights to the list of farmers' exempt property, we will ensure that farmers who undergo bankruptcy proceedings will not be denied this important protection for their security of tenure.

I would note more specifically, Mr. Speaker, that this amendment will address both the right to lease and the right of first refusal and will also protect those rights when assigned to a family member under terms of the Act.

With these amendments, Mr. Speaker, this government is ensuring that the important security of tenure which it has provided under the Act will apply to all Saskatchewan farmers. As the agreement to adopt this program by FCC reveals, this government's six-year leaseback protection policy is a program that works for Saskatchewan because it allows Saskatchewan farmers to work for themselves and for the future of their families.

Saskatchewan farmers are the best farmers in the world, and enabling them to continue to farm can only benefit all the people of Saskatchewan.

Mr. Speaker, I move second reading of An Act to amend The Saskatchewan Farm Security Act.

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

Motion agreed to, the Bill read a second time and, by leave of the Assembly, referred to a Committee of the Whole later this day.

#### COMMITTEE OF FINANCE

#### General Revenue Fund

#### Finance

#### Vote 18

**The Chair:** -- At this time, I would ask the minister, before we proceed with consideration of estimates, to introduce the officials who have joined us here this afternoon.

**Hon. Ms. MacKinnon:** -- Thank you, Mr. Chairman. On my right is the deputy minister of Finance, John Wright. On my left is the associate deputy minister, Bill Jones. Next to Mr. Wright is the Provincial Comptroller, Gerry Kraus. Behind Mr. Wright is the associate deputy minister, Craig Dotson. Behind me is Jim Marshall, who's executive director of the economic and fiscal policy branch. And seated at the back are Bill Van Sickle, who's executive director, administration division; Brian Smith, who's the executive director of PEBA (Public Employees Benefits Agency) and Annette Vandonk, who's an analyst in taxation and intergovernmental affairs.

#### Item 1

**Mr. Martens:** -- Thank you, Mr. Chairman. I have a number of questions that I want to ask you about Saskatchewan's economic growth, and I want to lead off with those kinds of questions.

Madam Minister, the Canadian real economic growth in 1993 was 2.5, according to your budget book. Would you be able to tell us what the department's estimate for that real economic growth in Saskatchewan was last year as compared to what your forecast was? And would you be able to provide for us the added benefit that came into the Department of Finance because of that increased economic growth?

**Hon. Ms. MacKinnon:** -- Mr. Chairman, we projected last year that the Saskatchewan economy would grow by 2.8 per cent and we, like everyone in Saskatchewan, was pleased that the economy in fact grew probably by about 3.5 per cent. I say probably, because the final statistics aren't in, but the growth was significant. We believe that Saskatchewan in 1993 had the third highest growth of all provinces in Canada.

And you can see some of the areas in which this growth affected our finances. If you look in the area of oil and gas, the mid-year financial report outlined that we did much better in oil and gas than we had anticipated. Also corporate capital tax would be increased.

The one caution I would add when you look at revenues is some of the increase in areas like retail trade would be in areas that are not directly taxable such as agricultural . . . supplies in agricultural-related purchases.

**Mr. Martens:** -- So that those are the items that had the most economic growth in the province. Is that what I am led to assume? And could you give me a list of those that led the way in providing economic

growth in the province?

**Hon. Ms. MacKinnon:** -- Well, Mr. Chairman, I can give you some more specific details if you'd like. Consumer spending increased by 4.2 per cent in 1993; we had anticipated an increase of that magnitude. Consumption growth was led by durable goods, which increased by 7.1 per cent; non-durable goods, which increased by 6.3 per cent; semi-durables, which increased by 4.8 per cent; and services, which increased by 2.2 per cent.

Farm inventories also increased to 497 million, compared to -- and this is probably a key number . . . because 497 million for 1993; if you compare that to 1992, 1992 was negative 238 million. Residential construction increased, or investment increased by 3.9 per cent.

So I think what we're saying is that those are the main areas in which there was a growth in consumption and a growth in the economy. It doesn't always translate directly to money for the government because, as I say, there's the caution that a significant number of purchases are, for a variety of reasons, tax exempt.

(1445)

**Mr. Martens:** -- You mentioned, Madam Minister, that agriculture had moved from a minus 238 to a positive 497. Was that in consumer spending that that related to, or was that inventory growth, or would you describe that volume or the value and how it was calculated?

**Hon. Ms. MacKinnon:** -- Mr. Chairman, what that means is because there was a record crop in the province in 1993, the inventories that are being held by farmers increased by that amount. But it's directly related to the size of the crop; in fact that farmers were increasing their levels of inventory because of that.

**Mr. Martens:** -- Does this include the volume of agriculture equipment purchased as a part of the overall impact that this had? Is this included in this number?

**Hon. Ms. MacKinnon:** -- Mr. Chairman, no, I think to the member opposite, the distinction is this: inventories is basically crops in the bin. So what we're saying is because the crop was a record crop, what is in the bin has increased dramatically.

Increases in purchases of farm equipment would be included in increases in retail sales. And I keep coming back to that caution. An increase in retail sales doesn't necessarily mean a corresponding increase in revenue to the government because a lot of those agricultural purchases are tax exempt.

**Mr. Martens:** -- Okay. And the retail sales in the area of that volume of increase you said, I think, was 2.2 per cent. Is that correct?

**Hon. Ms. MacKinnon:** -- Mr. Chairman, I'm not sure

that I understand the question, but let me give you this answer and we can go back at it if we're not on the same wavelength.

Last year retail trade increased 6.2 per cent. What we had projected in the budget last year was an increase in retail trade of 4.2 per cent.

**Mr. Martens:** -- How much of that was assignable to agriculture equipment being purchased in '93?

**Hon. Ms. MacKinnon:** -- Mr. Chairman, unfortunately we don't break it down that finely. We understand that there was a significant level of purchases of that kind, but we do not have those breakdowns. We do not automatically do those sorts of breakdowns.

**Mr. Martens:** -- A couple of points I want to make, Madam Minister, on that issue. Last December 31 was the last year where the 10 per cent tax credit was a part of the federal budget, and that significantly contributed to that retail sales. And I know that it has some significant impact in '93 tax year for revenue for the government. So it has a significant negative impact in that dynamic.

I would also say, by asking you a question, what proportion of the 3.5 per cent real growth did those two factors . . . And I will say that a fair-sized volume of that positive on the 6.2 per cent in retail sales came from agriculture purchases. How much of that and the impact of the 497 million-plus on the plus side of agriculture and inventory, how much did that contribute to the 3.5 over the 2.8 that you estimated?

**Hon. Ms. MacKinnon:** -- Mr. Chairman, to the member opposite, yes I agree with you that certainly the federal tax credit, especially with the December deadline, did have an impact. We can't give you the number though, because Statistics Canada doesn't break that aggregate number down finely enough.

I think we have an estimate though with respect to your other question. You asked the effect of inventories. It would be less than .5 per cent. It would be not quite .5 per cent, just below that.

**Mr. Martens:** -- So on the 3.5 per cent, it would be the 5 per cent -- not 5 per cent of the 3.5 per cent?

**Hon. Ms. MacKinnon:** -- Mr. Chairman, I think what we're saying -- and this is a rough estimate, this is not something you'd want to go to the bank on -- the rough estimate is this: if you took out inventories, instead of the growth being 3.5 per cent, it would have been in the neighbourhood of 3.1, 3.2, something like that, that range.

**Mr. Martens:** -- Thank you. I want to talk a little bit about the debt and its relationship to the volume of dollars cost in interest. You have estimated the dollar to be moving at about 77 cents U.S. And you did that last year, and it might have been pretty close last year, but this year it's down quite a bit from that.

There are some unusual circumstances developing in the Canadian dollar and the Canadian economy or political climate that have to do with the election in Quebec, have to do with the likelihood of the Québécois winning in the election in Quebec. Can you tell me what the average has been in the dollar up to this point?

And then can you also tell me what you project the dollar to do if we have a serious step taken by the Parti Québécois in Quebec as it relates to the turn-down in the dollar? Because it will seriously impact on interest rates, and it will seriously impact on the payments that we need to make to other currencies not only the U.S., but also to the Germans and to various European payments that we have to make, and also to the Japanese. And would you be able to tell us what kind of an impact that would have in light of what we have to plan for?

**Hon. Ms. MacKinnon:** -- Mr. Chairman, I'll give you a general answer first and then we can go back to some of the specifics.

With respect to the dollar, our estimate was just below 77 cents; it's now at 72. This is not a major problem for the province of Saskatchewan for two reasons. First of all, as an exporting economy, although we have problems because some of our money that we borrowed has to be repaid in American dollars, this is offset by the benefits we receive because as an exporting economy our exports have a higher value. So for that reason it is not a major concern.

The other reason it isn't a major concern is relative to other jurisdictions in Canada, we have a very low percentage of our debt in foreign dollars. It would be well under 20 per cent. If you look at the federal government, it's in the neighbourhood of, say, 40. So we're not as exposed as other jurisdictions.

But the member does raise a point which is a problem. So as far as we're concerned, for a province like Saskatchewan, when the Government of Saskatchewan goes in June to meet with the Governor of the Bank of Canada, we're going to be saying to him, let the dollar slip.

Because what we really do not want in Saskatchewan are high interest rates. High interest rates affect all Canadian governments -- not the Government of Saskatchewan as much as the Government of Canada, because we in our interest rate assumptions have been very conservative. The Government of Canada has not been as conservative; they're much more exposed.

But all governments are affected by high interest rates because we pay more in interest. But . . . (inaudible) . . . that one can have in a country.

So the dollar, my general answer is, the dollar is not a major concern of ours; high interest rates would be a major concern. And we're very concerned about what the federal government's agenda is with respect to the deficit, the debt, and interest rates.

**Mr. Martens:** -- So your projected dollar for 1994 is 77.3. If the dollar slides, it doesn't slide free-wheeling I don't think, Madam Minister. And if it were to do as you I think suggested, that the Bank of Canada should move to put less dollars against the Canadian dollar against . . . for supply on the U.S. side so it stays fairly stable, that's going to cost us jobs because of we selling a lot of our products to the United States. I understand that.

However, what the Bank of Canada generally does is it buys dollars and then it tries to prevent the dollar from sliding, and that drives up interest rates. And that is what I'm concerned about. It's not that the dollar goes down to any kind of a level -- being reasonable of course -- but it has to have that slide on the basis of delivering it on its market value, not on what the Bank of Canada is prepared to support it.

And if I have anything to suggest to you, Madam Minister, it is that the dollar slide on its own rather than on a bought-up dollar and preventing it from moving to where it's supposed to be. And I would encourage you to tell the Bank of Canada that that is in our best interests and I believe in western Canada; I also believe in Ontario -- it is in their best interests to have it do that. And there it is consumer goods that move into the United States, and here it is raw products and consumer goods.

And I think that we need to be fairly firm on that; that we have to have the federal government not interfere in the market-place as to make a significant difference on the interest rates. And the interest is going to cost us more jobs and more decline and more inflation and all of that just keeps on growing. And traditional Liberal policy has always done that.

And so I would suggest that, not only with the Bank of Canada, that you speak with Mr. Martin and ask him to consider that same point. And when you're doing that in June, would you be prepared to do that?

**Hon. Ms. MacKinnon:** -- Mr. Chairman, to the member opposite. Yes, thank you very much for that position. Essentially it's exactly the same as the government's position.

What we're saying to the Governor of the Bank of Canada and to the federal government is: stop buying dollars to try to prop the dollar up at the expense of interest rates, because it hurts a region like ours. And so we're saying the same thing.

But I think the other thing that we all have to be clear about is that until the federal Liberal government develops a plan for the fiscal problems and an economic development strategy for this country, we're in for more of these bumpy rides.

We can blame it on Quebec or we can blame it on the Americans, but I think we have to be absolutely honest with each other. Until there is in place adequate fiscal and economic plans in Ottawa, we will be into these bumpy rides. And it's just a matter of

when the bumps are coming.

(1500)

**Mr. Martens:** -- I believe . . . I'm going to lay out a scenario that I think is fairly straightforward. I've talked to a number of people about this and they probably fall in line somewhere along the line. I believe we're going to have an election in Quebec. I believe the PQ (Parti Québécois) are going to win. Immediately after they're going to win, they're going to come to the place where they say, we want to set a motion before this Assembly that we negotiate with the federal government to deal with how we split this country up.

And in those cases, Madam Minister, we are in very serious problems as it relates to international confidence in our markets, in our ability to meet the export market and import markets that we have, not only because of the dollar in but the dollar out. We have to be very conscious of that.

Have you put in place or have the Department of Finance, through the various examinations that you have done, have you taken and made any contingency or put into place any plans or contingency plans in view of that happening? There is a very strong likelihood that this is going to be a part of . . . and I'm not trying to be a prophet; I'm just trying to analyse the political system in Canada the way it is. Have we put into place in Saskatchewan a means to cope with that situation when it comes up?

**Mr. Flavel:** -- Mr. Chairman, leave to introduce guests?

Leave granted.

#### INTRODUCTION OF GUESTS

**Mr. Flavel:** -- Thank you, Mr. Chairman. Mr. Chairman, this afternoon I want to introduce in the Speaker's gallery, Mr. Sheldon Senft and six of his students. Sheldon has been over in Japan for some three years, I believe it is, teaching English over there, and he's been back into Saskatchewan for a year now. He comes from Lipton originally, and six of his students have come over here to visit with him. And I want to introduce Sheldon and the six students to you today and ask the members to please welcome them to the Assembly.

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

#### COMMITTEE OF FINANCE

##### General Revenue Fund Finance Vote 18

##### Item 1

**Hon. Ms. MacKinnon:** -- Yes, just to answer your question, first of all generally and then more specifically, I think with respect to the situation we're in, perhaps it's best to quote Helen Sinclair, who was

in the province yesterday, the president of the Canadian Bankers' Association, because I think she said it very well.

She said, "The Saskatchewan government is doing an excellent job with controlling spending and debt." Sinclair says, "While some of the Romanow government's recent decisions were unpopular, they're on the right track." But she says, "This province has shown tremendous leadership. Unfortunately, that alone will not do it for us." She said, "Until Ontario and the federal government get their finances in order, Canada's economic growth will be held back."

So I think what we're saying is that nationally, you have to make the same difficult choices. You have to come out with a plan, as we did in Saskatchewan, and you have to make some choices that are not going to have the political appeal that doing nothing has.

But with respect to our strategies to protect ourselves -- because I agree with you; we should be thinking of how we are going to protect the people of Saskatchewan from some of the uncertainties that may be in store for us because of the problems at the national level -- we've done a number of things.

First of all, we continue to have very little money invested in the short term. We are going for long-term investments in excess of 10 years, up to 20, 25 years, so that you're not exposed on a regular basis to any dramatic increases in interest rates. And as I mentioned before, the other thing that we're doing . . . I guess there's two other things we're doing. One is to limit our foreign exposure so that we have, of all jurisdictions in Canada, we would have among the lowest amounts of dollars which we've borrowed and owe to people outside of the country.

And the final thing we're doing is we're being very conservative in our assumptions. For example, if you compare our recent budget to the recent federal Liberal budget, one of the differences is we do not feel quite as concerned about the dollar and interest rates, because our assumptions were very conservative. The federal government wasn't as conservative in its assumptions and therefore is much more exposed.

So those are our three basic strategies: be careful about foreign borrowings, do long-term borrowing instead of short-term, and be very cautious in what your assumptions are.

**Mr. Martens:** -- The federal government have, I believe, initiated at least 20 studies; I think it's 26 studies on various aspects of finance and finance-related items in its budget. And I know that they are seriously looking at changes in the social structure of the country and how to handle that. And how it's impacting into Saskatchewan is going to be very significant if some of those things are done. I know that that is a concern of ours.

I realize too that in the '80s that this province was in a position where, I think four out of the seven or ten

years, maybe even five, that this province did not receive any money from the federal government in equalization payments because they had become, on the balance, a have province. And that was . . . those are significant dollars that flow into Saskatchewan because of that.

And if the federal government decides to cut third-party funding, which we in the province are, we are going to have a significant loss in many of those areas. Not only in equalization; we're going to have a loss in the social network, we're going to have a loss probably in many of the other things.

In that decision that they take as it relates to negotiating with Quebec and as it comes back into Saskatchewan, that volume of dollars, have you calculated that volume of dollars that Mr. Martin is talking about and Mr. Axworthy is talking about? On that volume of dollars, have you calculated any volume of that so that we could be prepared for that when it comes?

And if there is anything that has threatened this province over the years, it's that funding that has come from Ottawa and it being reduced over the years, in the '80s as well as in the '90s. And that, Madam Minister, is very serious to the province of Saskatchewan. And I believe that we need to be very aware that in order for the federal government to reduce its spending, to hold itself accountable to the taxpayer and not increase the taxes, it is going to have to cut our funding.

And do you know what that would be? Do you have an estimate of what that would be? And if you do, we would like to hear it. And I know that you do projections; you do monthly assessments of where we are. Does that also include in projecting where we will be a year from now when we talk about this very same thing?

**Hon. Ms. MacKinnon:** -- Mr. Chairman, to the member opposite. First of all, I want to be very clear about what the commitments of the federal government are, the commitments. They've signed a five-year agreement for equalization which, from the point of view of the provinces, is like a contract. That's one of the main transfers.

The other main transfers are EPF (established programs financing) and CAP (Canada Assistance Plan). They have assured the provinces in their budget, and the Minister of Finance again publicly assured us, that there is a freeze for two years; there will be no cuts this year, there will be no cuts next year, and in '96-97 they will take out \$1.5 billion.

Let me first of all be very clear from the point of view of the province of Saskatchewan -- and I will tell also we have consulted with other provinces in terms of their general position -- there will be major problems in this country if the federal government tries to renege on those commitments to the provinces. It would be the same as us saying to Education, by the way next year you're going to have a zero and then coming

along and saying oops, I'm sorry, when we said that to you we had no plan in place and now we're going to have to reduce that to minus five.

There would be major problems in having an ongoing working relationship with the provinces of Canada if the federal government were to renege on their existing commitments to the provinces. They've made these commitments, they made them publicly many times, and there is no scope here for renegeing on those commitments.

Now you ask me what, in '96-97, the impact on the province of Saskatchewan would be. We're not sure because what they're saying is in '96-97 they're taking \$1.5 billion out of two areas, post-secondary education and social programs.

What we've said . . . I've met with the presidents of the two universities and I've said go to the federal government, don't talk to us about post-secondary funding. We've given you our commitment. We're not going to cut you any more. It's the federal government which is talking about cutting you. Go to them, and assume that if they cut, we pass the cut on to you and tell you to direct your complaints to the party doing the cutting.

With respect to social programs, as one of our members said today, the member from Saskatoon Idylwyld -- I thought put it quite well -- we approach the reform of the social safety net in a very open-minded way. Sure, social programs need to be reformed. Unemployment insurance, welfare, these systems aren't working as effectively as they should.

Sure, we believe that they should be reformed in the interests of being affordable and effective. But it has to be done in consultation with the provinces.

What we're hearing, not from our government but from other agencies in this province, is that they are losing faith in the commitment of the federal government to actually carry out this reform, first, in consultation with other people. The Prime Minister of Canada said publicly they're willing to do it on their own. And we have to remember what that means.

If that were the case, the federal Government of Canada would be reforming the province's welfare system without our consultation and input. And there is a growing concern by social activists in the province that this is just a money grab. We're not sure.

But I'll tell you, we are putting the federal government on notice that if they plan to do the reform unilaterally and if they plan to do it just as a way to yank money out without some broader vision, they're going to have problems with us.

We still think it is possible to have a reform modelled on the health care reform in this province, which the goal is long-term sustainability, and that there are savings because there is excess administration and there are better ways of doing this.

So we're still open, but we're becoming much more concerned.

(1515)

**Mr. Martens:** -- Have you been given a list of those studies taken by Paul Martin and the Department of Finance and the various agencies that he's suggested that they're going to study? Have you been given a list of those in order to realize what impact they could have as a part of redoing the Department of Finance in Ottawa? Have you been given any idea of what they are?

**Hon. Ms. MacKinnon:** -- Mr. Chairman, no. Those are entirely internal.

**Mr. Martens:** -- I realize that they're internal, and we've heard of them on the news. But I think it would be in our best interests in the province that you find out for us what they would be so that we can know with some degree of certainty what they're talking about.

Also with some degree of certainty how they are going to impact on our volume of dollars that are going to flow into this province -- the volume of dollars that are going to increase because of taxation because they change a few things, and the volume of dollars that are going to be reduced as a part of grants to the provinces or in any way. I think we need to take a real serious look at what those various studies are going to do.

I would also say that at some point in time the people in Saskatchewan should make representation in those areas to the federal government indicating our position in each of those studies. And I would think that it was an important part of your department's responsibility on behalf of the people of Saskatchewan to do that.

**Hon. Ms. MacKinnon:** -- Mr. Chairman, to the member opposite, I think that's a very helpful suggestion. I think that's a good idea. We haven't met with the federal minister since the federal budget. We'll be meeting in June. And I think that I will ask the federal minister for information of that kind. And I will make the commitment to the member opposite that if we do get that information we will share it with you as well.

**Mr. Martens:** -- There are another group of questions that I have regarding the price of oil. I know that is a major part of discussion usually. And it has been estimated that the average oil price last year was 18.50. Was that close to what it was, or was that under or over?

And then your assumption for 1994 at 16.50; I have noticed that it's trading somewhat less than that. And I also know that this is an average. And I don't believe we have any indication that it's going to move any higher. Now that is going to seriously reduce the volume of dollars flowing into the treasury. You've got a significant volume coming from non-renewable resources. And I think that we need to take a look at oil contributing the most and what that impact is going to be if it stays less than the 16.50.

**Hon. Ms. MacKinnon:** -- Mr. Chairman, with respect to last year, the actual price was 17.40, so the price was less than estimated but the volume was greater. So we estimated the volume at about 80 million; in fact it was 95 million. So there's a balancing mechanism there.

With respect to the estimate for the price of oil this year, I have to say that that was a very difficult budget number to come up with because there was no real certainty as to what the price of oil would be. It was almost . . . very difficult, if not impossible, to predict.

We estimated 16.50. We talked with Alberta and looked at where they're at; they are in that range as well. Somewhat less, but very close to that. So our estimate is that the price would be 16.50. Today it's at 16.85.

**Mr. Martens:** -- The potash, I'd like to have the last year's average price and what you anticipate the . . . or what the price is today in 1994. Did it generate -- and give me those same numbers -- did it generate more income last year over what it was forecast? And what's your view as to whether it will meet that demand this year?

**Hon. Ms. MacKinnon:** -- With respect to the revenue estimate, we estimated revenue of 58.6. In fact the actual, we estimate now it will be about 51.7 -- so less than what we had estimated.

In terms of volume, the volume was down some. We had estimated a volume of 6.1; it was in fact 5.8. With respect to price, we had estimated a price of 139; in fact it was 134.

Now with looking forward to this year, we're estimating revenue at 49.1, which is less than in the previous year. And the price that we're estimating is 138.

**Mr. Martens:** -- When you did your assumptions on volumes of dollars, revenue in individual income taxes, did you include in that projection of dollars the expected revenue increase that you anticipated in the growth of the economy to be included in that volume of dollars that you have of \$1.104 billion? Did you use the anticipated growth in the province to be included in that volume of dollars?

**Hon. Ms. MacKinnon:** -- Mr. Chairman, to the member opposite, when we do our estimates for 1994, we base it primarily on receipts from 1993. So it's more based on the economic performance in '93 than in '94. So in that sense you could say there's reason to believe those estimates may be more optimistic than could be justified, because last year was a year of tremendous growth relative to other parts of Canada and relative to other years in Saskatchewan.

But to look forward to a question the member opposite

may be asking me later, there's a balancing mechanism there because although we did not know where the measures would be exactly, we knew the federal budget would probably affect our income tax numbers as well. So in terms of growth in the economy, perhaps a little bit optimistic but balanced out because we did not take into the numbers federal tax increases; but because we knew they were there, they were generally assumed . . . we assumed there was some cushioning.

**Mr. Martens:** -- I will be asking that question but not yet. And did you use the same projections in sales for taxes -- sales taxes, fuel taxes, corporation taxes, tobacco taxes, and others? Did you use that same assumption when you dealt with the others?

**Hon. Ms. MacKinnon:** -- Mr. Chairman, to the member opposite. No, those taxes are based on the economic assumptions in the budget for 1994.

**Mr. Martens:** -- Have you noticed a decline in the tobacco taxes -- month to month, year to year? Have you noticed a decline in any way? And I noticed travelling home not this past week but the week before, that the police had a barricade on the No. 1 Highway, and I would assume that that's the reason they had it. They had semi-trailers pulled over to the side and were doing a check.

I was wondering whether you had noticed any changes in the volume of tobacco moving into this province that was not having taxes collected on it?

**Hon. Ms. MacKinnon:** -- Mr. Chairman, to the member opposite. No, we have seen no significant decline in tobacco tax revenue. I think a large part of the credit for that goes to the Government of Manitoba. We have been helping the Government of Manitoba in terms of financial help, resources, and sharing of information, that sort of thing.

But they have done really quite a spectacular job in ensuring that the problem stops at their border. So that they have been very, very diligent in ensuring that the Trans-Canada, as it comes from Ontario to Manitoba, is not becoming a major transport line for tobacco products coming in.

There is an issue though that we still have in this area outstanding with the federal government, and perhaps at some point we will seek the cooperation of the members opposite in pressing the federal government. All western provinces have written to the federal government and said one of the outstanding problems we have is tobacco products coming into the Prairies or into western Canada through the mail. The federal government can take action to deal with that problem, and we're kind of disappointed because the federal government has been very slow to react.

I guess what we're concerned about is when there was a smuggling problem in Quebec, the federal government was quick to act. Now that in western Canada we have this problem of products coming in by mail, we expect the federal government to give

more serious and fast attention to our problem as well.

**Mr. Martens:** -- I noticed in the papers an article about a gentleman, I think in British Columbia, that was making significant inroads into this very thing, Madam Minister, and that raised a lot of concerns on my part.

And I guess I don't have the same connections with the federal government that I used to have, but I think that it would be of some interest to us if, on a private members' day, that we could provide some direction in this to the Assembly and to the minister. It would be of significant interest and it probably would be of assistance.

The other area that I wanted . . . or another area I want to talk about is the liabilities of the province. And I'm going to talk about it from the aspect of some information that the auditor has provided.

The auditor states that in general programs the assets of the province are 3 billion, the user-fee enterprises which he classifies as Crown corporations and those Crown corporations providing services for remuneration, those total assets are in the neighbourhood of \$10 billion.

The liabilities, on the other hand, are, in general programs, 14, almost 15 billion; the user-fee enterprises, a little over five and a half; for total liabilities of \$20.471 billion. And year to year, Madam Minister, we have had a significant change. Even though your deficit and your budget has gone down, the deficit in the province has gone up. And that is, I believe, significantly more than the 5.7 . . . or .57 billion dollars that you projected in your -- or 5.9, I believe it was last year -- it is significantly more than that. And so the liabilities in the Crown corporations have gone up considerably, and that is of some concern to the people of the province of Saskatchewan.

And that is relative to another graph that the auditor provided to us. And that one I thought -- and it's on page 19 of the auditor's report -- that raised some very significant issues in my mind. If you take the revenue from the general programs, you have 55 per cent of the revenue is raised from general programs; the user-fee enterprises raise 45. When you come to the expenditures under those programs, you have general programs spending 64 per cent when they generate only 55 per cent. When you come to the user-fee enterprises, they raise 45 per cent of the revenue and they use 36 per cent of the revenue.

And that, Madam Minister, says one thing: the money is flowing from the Crown corporations into the payments for general programs in the province. That's traditionally been done; I don't argue with that. That volume of dollars however, in my opinion, is even going to be significantly different next year. As we go through this year, those user-fee enterprises are going to significantly increase the volume of dollars that they're going to contribute to general programs.

And that, Madam Minister, has a lot of people in this province very concerned about how they are going to be able to do business in this province and in a substantial way be able to contribute to the pay-down of debt in this province.

And those are very fundamental questions that people in the business community are raising with me. They are concerned that telephone, power, natural gas, increased costs in insurance, are all driving the dollars into user-fee programs which they may or may not be participating in. And they say: don't do that any more, we can't afford that; allow me to earn an income that is going to generate a revenue on the sales tax and on the income tax rather than have it come directly as a part of a utility rate increase. And that, Madam Minister, is very significant in my view.

In fact, the Crown corporations are not only reducing their own debt, but those Crown corporations -- and I'm using the four main ones as an example; some of the others are not -- using the four main ones: Power, Tel, Energy, and SGI . . . I'll leave SGI out because it isn't really doing that any more either, according to your statements. But those three are reducing their debt load, increasing their utility rates, and at the same time, Madam Minister, are contributing to the tax revenue of the province of Saskatchewan.

And I say that people in this province are concerned. Why not let them have lower utility rates, compete on the international markets because we are an exporting country, compete with our products in a market-place that will deliver a relatively cheap -- not cheap -- reasonably priced product. And then in turn, from the income generated, allow the people to spend it and sales and have the sales tax and the revenue come in through the sales tax side. That is far more legitimate -- far more reasonable -- to consider that than to raise the utility prices and utility rates.

And that, Madam Minister, is clearly what is outlined. And this, Madam Minister, is 1993. And it is going to be significantly higher in 1994. And that has raised very serious concerns, not only by us, but by the business community in this province. And I'd like to have you respond to that.

(1530)

**Hon. Ms. MacKinnon:** -- Mr. Chairman, first of all, it is impossible for money to be taken from the Crowns and from any profits of the Crowns to subsidize the government without it showing up in our financial statements. And if you look at our financial statements for last year, in fact the opposite occurred. The government was still subsidizing the Crown sector. So money did flow between the Crown sector and the government, but it flew . . . it went the other way; it went from the government. We subsidized them to the tune of \$4.9 million.

So it's quite inaccurate to say that we're raising utility rates and we're using that money in the General Revenue Fund or for expenses of the government. We're not. They were subsidized last year.

With respect to utility rates, you'll want to get into that in more detail probably with the Crowns, but I will make one point. Saskatchewan has the cheapest package of utility rates of any jurisdiction in Canada. And with respect to what that means, I don't ask you to even take alone our budget numbers.

Let me refer you to the budget of the province of Manitoba, which was just recently released. What that budget shows . . . because there's a table in the budget which they go through exactly what we go through. They say, well let's take an average family. The family that they're talking about, that I'm talking about, is a family of four with an income of \$60,000 a year. Manitoba looks at all the taxes and the utility rates that that particular family pays and they come to an interesting conclusion. What the Manitoba budget says is that the cheapest place to live in Canada, in terms of taxes and basic utility charges, is Saskatchewan.

So rather than going out and saying, my gosh we can't take any increase at all, why don't you look at the positive side of this? Other governments in their own budgets are saying, if you want to look at an inexpensive place to live in terms of taxes and basic charges, look to Regina. That's where families are being treated most fairly of any place in Canada.

**Mr. Martens:** -- Manitoba at 60,000 to the average, in this province isn't \$60,000 on an average family. And so they maybe did conclude that a family with 60,000 annual income did have it cheaper to live than in Saskatchewan, but that's not what I'm saying. People are saying this to me, Madam Minister: they don't believe that we are cheapest.

When we come to the place where we have to go into July to pay for the financing of government, whether it's federal, provincial, or municipal, and it's into the middle of July that we have the first tax-free day, and other provinces around us are way less than that, then, Madam Minister, I'm saying to you, it's costing us a significant amount of money to live in this province. And that is real.

And I want to say to you that that is very significant, and I want to say too, that SaskPower Corporation had earnings, net earnings last year considerably higher than the volume of dollars that they spent in paying their bills. They had a significant income, a net income. SaskTel had a significant income and SaskEnergy also had a significant income, over and above their costs.

That, Madam Minister, was paying for a lot of these services that other people don't want to have. They don't think they need them.

And as a matter of fact if I would make a suggestion, Madam Minister, and that's this: it's time to review agencies of the Crown like STC (Saskatchewan Transportation Company) and see what really could be done with STC. Could in fact the employees purchase STC and then we'd be rid of that? It has been

a drain on this economy whether it's been a Liberal government, whether it's been an NDP (New Democratic Party) government, whether it's been a Conservative government. It has been a drain on the economy of this province.

And, Madam Minister, there are significant people out in the country that would take that service over. It might not be exactly the same, but there are significant groups of people who would be prepared to take that over and probably run it on a competitive basis. And that, Madam Minister, is important.

The other thing that I wanted to say in relation to this and it deals with the liabilities of the province, and the liabilities of the province neighbour \$20.4 billion, almost \$20.5 billion. Madam Minister, that is \$800 million more than last year. This year, and you add your Crown corporations sector, and add in your dollars in relation to the deficit of this budget, and you're going to have significantly more dollars added to that \$20.4 billion.

And that, Madam Minister, is very serious when we're talking about what's going to happen in relation to Quebec; what's going to happen in relation to the dollar; what's going to happen in relation to what the federal government is going to deal with Quebec. And that's what I'm talking about when we have to have significant input as to what we do in relation to what the federal government has in its studies and its review of the various agencies of the Crown, whether it's departments or corporations, what they're going to be doing with it. I'd like to have you respond to that, Madam Minister.

**Hon. Ms. MacKinnon:** -- Mr. Chairman, in response to the member opposite, a couple of points -- first of all tax freedom day. What exactly tax freedom day is has to be part of the discussion. Tax freedom day is something concocted by the Fraser Institute, and it is a totally inaccurate measure of what the average person pays in taxes. Because what they do is they take the number of people in the province and they divide it by the amount of revenue that you get from taxes.

And of course Saskatchewan has a high level of taxes, because they don't just take income tax and sales tax, they take resource royalties -- taxes we get from companies. Saskatchewan is, fortunately, very rich in resources so we get a significant level of income -- of tax revenue -- from resources, unlike Maritime provinces which have a very sparse resource base.

So it is quite inaccurate when they say July is tax freedom day and it means something about the taxation that average people pay relative to other provinces; simply not true. And you know my maxim: if you want to know where the highest tax rates are in every category, it's a Liberal government -- basic income tax, sales tax, fuel tax.

You asked a question here with respect to the auditor's report on liabilities. You've got to remember though, this is talking about '92-93, so in a sense this is two years back from the current budget year, so it's two

years old. And the problems in that year are exactly the problems that our balanced budget plan is addressing. The two problems, that if you run deficits, your debt increases; the other problem being, as long as you have troublesome projects here, which our government inherited, you're going to have big write-offs.

So two years ago, you're right, deficits that were too high, hence the balanced budget plan to bring them down; projects that were not stabilized and required significant write-offs, hence the efforts to renegotiate deals and to stabilize them.

**Mr. Martens:** -- The year ending 1994, what's that \$20.47 billion figure going to be -- 21.4, \$21 billion? Have you got an estimate of that number, Madam Minister?

**Hon. Ms. MacKinnon:** -- Mr. Chairman, no. It's far too early in the year to know that. We'll know that closer to the summer or fall period.

**Mr. Martens:** -- Going into the . . . one more observation. The auditor said he is considering making two statements every year. Is the second statement that he makes -- six months after this -- is that going to include those numbers that he has, and is the Department of Finance going to make them available to him?

**Hon. Ms. MacKinnon:** -- Mr. Chairman, and to the member opposite, I can't speak for the auditor, but I can speak for the government. The government has passed legislation to ensure that financial statements are made available to the legislature and the public on a timely basis. The **Public Accounts** have to, by law, be released to the legislature and public by October 31. And I can assure you that we will certainly live up to that commitment and have the **Public Accounts** released on a timely basis and within the legal guidelines.

**Mr. Martens:** -- The federal budget made a significant impact, I believe, in Saskatchewan in a number of areas. And a number of them I want to address. The employer-provided life insurance benefits is one area where the federal government have made changes. And I believe in the majority of these what the change does, the change makes available the focus of attention so that the volume of dollars that people can use as deductions in filing their income tax are going to be less. The majority of these deal with that function.

And as they do that, it increases not only the dollars that the individual has to pay income tax on, but it reduces the . . . or increases also the rate at which he has to pay income tax. And all of those will impact into the provincial Department of Finance in the volume of dollars collected. You raised that point earlier.

Have you got any idea on what employer-provided life insurance benefits will provide in the province? Have you any idea what the difference in age credits

for senior citizens will provide? What changes in the RRSP (registered retirement savings plan) program that the federal government are going to implement in relation to only having first-time home-owners purchase with RRSPs? Have you got any idea what the variable in charitable donations under the tax credit are going to do? And that probably works the other way, as I've been given to understand it.

Another one that is significant is meals and entertainment is going to be . . . businesses are likely going to have that deductible reduced. Well they are -- from 80 per cent of the expenses to 50 per cent. The big ones come, however, in changes as it relates to the \$500,000 capital gains tax, or the 100,000 -- I'm sorry -- the \$100,000 exemption under capital gains.

The other one comes in debt forgiveness; income paid for . . . the income tax is going to have to be now paid on forgiveness of debt; income tax is going to have to be paid on that. Different areas, small-business deductions, a claw-back in that area; and also an increase in a part 4 tax on dividends, that's going to change there as well.

Have you measured what this is going to be in its total volume of impact in the Department of Finance in Saskatchewan and what it will take out of the provincial economy in order not only to deliver it to the federal government, but also to deliver it to the provincial government treasuries?

**Hon. Ms. MacKinnon:** -- Mr. Chairman, in answer to the question posed by the member opposite, we don't have precise numbers because they don't give us Saskatchewan's share of these different changes. But what we have done is we have estimates and we've taken a general view of, here are the positive changes where we actually have more revenue than we had before; here are the negative changes. And what the impact is for the province this year is \$5 million more than what we would have had if these changes hadn't occurred.

But if you project that two years out and you look at '96-97, the changes turn out to be negative \$38 million to the province because of the other changes coming into effect.

So in the short term it's approximately \$5 million change to the advantage of the province of Saskatchewan, but by '96-97 it's a negative \$38 million.

Again we don't have precise figures in terms of how much this will take out of the Saskatchewan economy, but when you consider that the volume of the economy is \$20 billion, these withdrawals of funds relative to some of the other changes that have occurred will not have a dramatic effect.

(1545)

**Mr. Martens:** -- Would you be able to provide a list of those that provide a positive impact to revenues and those that provide a negative? And the reason I ask is

that I'd like to know the reason why there is over a \$30 million negative over the long haul on what those items will be that will deliver that. Would you be able to provide us a list of those taxes and refunds and deductions and all of that that will cause that to happen?

**Hon. Ms. MacKinnon:** -- Mr. Chairman, to the member opposite. I'll give you the list, the itemized list for '94-95, and I can tell you where the money comes from in '96-97.

When I talked about the commitments of the federal government some minutes ago, I said they had made it clear that in '96-97 one and a half billion dollars is coming out of the provinces in terms of social programs and higher education. That's the province's share of the social programs part of that. So that's where that is coming from.

**Mr. Martens:** -- So they have already given you a forewarning of where that 1.5 billion is going to come from. In Saskatchewan's share of that, that you already know or have a rough estimate . . . or have you calculated that yourself and determined what that volume of dollars would be?

And given that, I'd like to have you give me the numbers of what the increased income is going to be and separate that from what the volume of dollars are going to cost you when you have to consider the \$1.5 billion that the federal government is going to cut across Canada.

**Hon. Ms. MacKinnon:** -- I can give you the numbers, but we have to be in a sense, quote, guessing what our share is going to be. All they have said is: '96-97, the federal government will be taking one and a half billion dollars out of post-secondary education and social programs. Some of that the province may very well pass on to third parties like post-secondary education. So there's that consideration.

We also don't know how that formula is going to work. They have talked about no specifics.

So we're just saying, if you looked at Saskatchewan's share of population and share of revenue coming from the federal government, if there was a reduction of one and a half billion, a reasonable estimate for Saskatchewan might be in the neighbourhood of 50 million.

But we have no more specifics on this than you do, because we don't know where social security reform is. From our point of view right now, it looks like it's stalled. But until you get those details you won't know the exact impact. So it's a very rough estimate.

**Mr. Martens:** -- Therein lies the problem, Madam Minister, and that is that some of this is going to be picked up . . . some of these losses are going to be picked up by increased taxes that individuals are going to have to pay because they're going to pay their share of those to the income tax.

For example, if I can't use a deduction on capital gains any longer, I'm going to have to pay that to the federal government. I'm going to have to pay the proportional share to the province. I am going to have to pay more taxes in order to deliver that.

And that's the same thing that's going to kind of overlay on the volume of dollars that universities and health care facilities perhaps are going to have to generate from some place else. And that comes from the taxpayers. It comes from you and me.

And so that volume of dollars, it might be a differential, or there might be a positive impact of \$5 million this year, but when you come to the place, when you come to the place that it's going to add a negative \$38 million, you still haven't given me the number of dollars that it's going to cost in the economy. Because those are two different things.

And I'd like to know what that volume of dollars is and how it's going to impact in this economy. You said something about \$50 million costing Saskatchewan. Well that is only one part of this. We're paying taxes to the federal government that are going to increase too, and that is going to go over there. Is the 50 included in that; taken away from that? Is it a net? And what impact is that going to be? And I'd like to have you explain that to us.

**Hon. Ms. MacKinnon:** -- Well to the member opposite I would say, Mr. Chairman, I didn't vote Liberal; I don't think you did either. So I think we're talking about a problem that is not our problem.

But if you want the number, it's about \$25 million of the Saskatchewan economy, with the combined effect of the federal and provincial sides of these taxes. When I say it's not dramatic, you have to think about it in these terms -- 25 million out of an economy where the level of activity is 20 billion.

But I think your questions point to the major problem we have in this country right now. I don't know the answers to most of your questions because I don't know what the federal government has in terms of its plans. And nobody in Canada, I think nobody knows what their plan is. Nobody knows. And until we have a financial plan for Canada, we're all going to be here for hours guessing. And there's going to be financial agencies that are going to become impatient about guessing. So what we need at the national level is a financial and economic plan for Canada.

**Mr. Martens:** -- The 25 million, that was this year's net to the cost of the economy. You have to consider, Madam Minister, that isn't a comparison to the whole volume of business in this province. That has to be netted. There's \$25 million coming out of net, that's what the difference is. And that's significantly different. If I took that in agriculture, if I only did 25 million in agriculture on 180 or \$250 million, that's 10 per cent of that volume of dollars.

So it has a significant impact in net take-home pay, and that's what we're talking about. And that's why I

think it should be considered as a part of what your representation to Ottawa needs to be, is that we need to have some clear guidelines as to what you're going to do.

Twenty-six studies, in my mind, is absolutely absurd. That means they're going to study the thing to death, and meanwhile not do anything that is of any economic significance. If there's one thing that nobody in this country has ever bothered not to criticize about, it is to assess and evaluate as a positive, is where the interest rate is today and inflation. Those two things were driven.

And I would say a prime minister lost her job and a former prime minister was scorned out of the country because they delivered on low inflation and low interest. It's a benefit to this man's business, it's a benefit to this province's business, and every businessman in this country. And yet what we have here is 26 studies going on while we speak, and to what benefit?

And that is where we have to put the pressure on the federal government to finalize some of this and get on with business. Because an indefinite, prolonged period of time of . . . I was going to say Liberals sitting on the fence, is going to make it very, very difficult for the provinces of Canada and the people who do business who supply the energy for the province. It's going to take a long time for that to come around if they don't make some very concrete decisions.

And that's why I believe Quebec, the issue of Quebec, has a very significant and important part to play in how we deliberate on this very issue.

**Hon. Ms. MacKinnon:** -- Mr. Chairman, I essentially agree with the member opposite. I think it was one of your colleagues in Ottawa who said he supported short-term pain for long-term gain, and that got him into a lot of trouble.

Well I'll tell you, when you go for short-term gain and long-term pain, you're going to be in even greater trouble. So I agree. And we have to have this information, we have to have guidelines, we have to have a sense where we're going. It's not the time in Canada to be running government by studies.

And I guess one final point. Of all the many things they're studying, one of the things that they had to study is not being studied, and that's the tax system in this country. They've taken a very narrow little view. Let's look at some fix on the GST (goods and services tax), and all the other major concerns about the tax system not being fair, being too complicated, being too bureaucratic -- all of those are being set aside.

So I agree with the member opposite. You have to be very concerned about what's happening in Ottawa.

The committee reported progress.

#### COMMITTEE OF THE WHOLE

**Bill No. 63 -- An Act to amend The Saskatchewan  
Farm Security Act (No. 2)**

**The Chair:** -- Would the minister please introduce the officials who have joined us, before we proceed to clause-by-clause study.

**Hon. Mr. Cunningham:** -- Thank you, Mr. Speaker. With me today I have Darcy McGovern from the Department of Justice; and deputy minister of Agriculture, Dr. Hartley Furtan; and Rick Burton from Ag and Food.

**Clause 1**

**Mr. Neudorf:** -- Well I guess, Mr. Minister, in summary what my opinion of this Bill is, is good show. It's right on; it's what was needed, in my opinion. And I think what we should be doing at this time is recognizing some of the essentials of this Bill where you have been able to make an agreement with the FCC -- and I think that's an admirable trait -- now where all farmers are going to be on an even, level playing-field whether they deal with ACS (Agricultural Credit Corporation of Saskatchewan), the provincial government, or with the federal government, and some of the subsidiary advantages that will now accrue to all of our farmers.

And I think what I'm going to simply do at this time is give you the opportunity, Mr. Minister, to get up and simply state the intent of the Bill. And I'll see whether or not there are some questions that we might have as a result of your comments. But basically speaking, it's what is needed.

(1600)

**Hon. Mr. Cunningham:** -- Well thank you, Mr. Chairman, and thank the member opposite for that opportunity and those words.

The Bill has two amendments. One is that we will be exempting Farm Credit from our leaseback provisions. And we're doing that because we have a memorandum of understanding with Farm Credit which basically says that they will provide our farmers with the . . . at least equal provisions that provide under our leaseback legislation.

And certainly that's good news and I think it comes of an understanding by Farm Credit that farmers in trouble are still out there and that the problems won't go away by waving a magic wand; that they have to be dealt with and that this is a fair way to deal with it.

We're also pleased to see that Farm Credit is basically following our policy in extending this across Canada, although not in identical form to what we have, but very close to it.

The second amendment that we're making is one that adds the right of first refusal and the leaseback rights as property that's exempt from the bankruptcy. As it was intended originally in the Bill, that if a farmer went through bankruptcy they would have the right to first

refusal to purchase the land and the right to lease it back for six years.

Because of a recent court case, that's no longer the situation; that the court has ruled that this is property under the Act. And therefore by amending the Act to include those provisions under the list of property that survives the bankruptcy, this will indeed allow farmers who go through bankruptcy to get the same provisions as those that go through foreclosure or quitclaim or other methods.

There are still some problems with the Bankruptcy Act as we see it, but those are federal jurisdiction and we have talked to the federal government. The most notable one is the provision regarding definition of farmer. The federal Bankruptcy Act says that a lending institution cannot petition a farmer into bankruptcy. But in the definition of farmer it says: someone solely occupied in the business of farming.

And with the tough times we've had in Saskatchewan lately, that excludes the majority of farmers because a large majority of farmers have off-farm income and do not derive their income solely from farming. And we are concerned about that, but it's not within our power to make that amendment to the Bankruptcy Act.

So I think these two amendments that we've made will help to, as the member opposite points out, create a level playing-field and strengthen our six-year leaseback program.

Clause 1 agreed to.

Clauses 2 to 5 inclusive agreed to.

The committee agreed to report the Bill.

**THIRD READINGS**

**Bill No. 63 -- An Act to amend The Saskatchewan Farm  
Security Act (No. 2)**

**Hon. Mr. Cunningham:** -- Mr. Speaker, I move that this Bill now be read the third time and passed under its title.

Motion agreed to, the Bill read a third time and passed under its title.

**ADJOURNED DEBATES**

**SECOND READINGS**

**Bill No. 54**

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Shillington that Bill No. 54 -- An Act to amend The Trade Union Act be now read a second time.

**Mr. Neudorf:** -- Thank you very much, Mr. Speaker. I will have a few words to say this afternoon in addition to the points that I was making yesterday afternoon

while I was speaking to this Act before the adjournment took place, Mr. Speaker.

And I guess what happened this afternoon underlines some of the concerns that the business community in particular, the job creators out there, the employers, have about this particular Act, but The Labour Standards Act as well. And I guess in general, Mr. Speaker, the trend and the tenor of the government, where the government is almost on a daily basis showing explicitly why they are not to be trusted, why the people who deal with these should do so with a fair amount and a great degree, I would suggest, of trepidation on any kind of negotiations that they may have with them.

And I guess it is simply because of the track record. And when we review the track record, Mr. Speaker, of this government in labour negotiations and other aspects of legislation that has been passed, it is a track record that almost defies description. Because in so many of the issues that arise here, the government seems to be bent upon one particular ideological direction from which, Mr. Speaker, from my experience in this Legislative Assembly, it is practically impossible to get them to change in a direction, let alone stopping dead in its tracks.

And, Mr. Speaker, the problem here is once more the so-called consultative approach. And the Minister of Labour, among other ministers, is very proud from time to time to get up and talk about the track record of consultation, how there has been this great flurry throughout the province of consulting with groups.

Now also from experience, Mr. Speaker, it has been proven that very often this consultation and the consultative process has included very often lobby groups, vested groups of special interests that would from time to time, I would suggest more often than not, basically concur with the direction in which the government wants to go.

And then, Mr. Speaker, when there is opposition from a particular group, or a particular group has a different point of view, while it may be true that the government is consulting and sitting in the same room with these people, they are not listening, they are not hearing what the concerned groups are talking about. And so they take the bit in the mouth and spurs to the rump and away they go in that particular direction in which they are so proceeding.

Mr. Speaker, case in point was question period today, when I attempted to pursue an issue that I was discussing yesterday afternoon with the minister about amendments that were supposed to be coming forward. And he did come up with his 10 amendments, which reminds me very much about The Labour Standards Act.

We had the same situation developing in The Labour Standards Act as well where the minister at one point, in response to my colleague, the member from Maple Creek, made the commitment: yes, I can authoritatively say that I will give you those

regulations, in response to the member's question: will you give us those regulations before the Bill is passed? And he got up and said: yes, I authoritatively can do that.

And I haven't got the quote with me right now; I quoted it in one of my previous speeches. Now the minister looks shocked as he looks at me that, my goodness, did I say that? Well yes, Mr. Minister, we have proven it to you; we have shown you it in **Hansard**. That is a commitment that you made.

And, Mr. Speaker, I don't believe that we have seen hide nor hair of those regulations. Now the minister is telling me that yes, as soon as we go to committee you will be able to see the amendments that we are proposing.

But I stressed before and I stress again, Mr. Minister, that's not consultation. That's not consultation, because you know how this House works -- that once we get into the Committee of the Whole it will be extremely difficult for members in the business community to react to any problems that they see in your so-called proposed amendments.

So, Mr. Speaker, I would suggest that it is not only The Trade Union Act but also The Labour Standards Act. And it's the whole situation, the bent of this government, that has so many people concerned.

Mr. Speaker, so far I've only been talking about the employers, the job creators, the business community that has been under attack and has been called vicious and has been called ruthless and has been called greedy by this Minister of Labour.

Now, Mr. Speaker, it is not just the private business communities that are saying that about the labour agenda of this government. I have before me a Wednesday, May 4, article from the Saskatoon **Star-Phoenix**. And I know the Premier says he doesn't read the **Star-Phoenix** any more, because they're starting to write the facts the way they are.

And so this particular heading says: "Public employers angry at trade union changes," Mr. Minister of Labour. It is not only private business that has this kind of concern.

Ted Cholod says, layoffs possible as a result of your labour legislation. It says, and I quote:

Changes to provincial trade union laws can only mean increased costs to employers and possible layoffs for workers . . .

Now, Mr. Minister, that's something that you and your friend from Regina Rosemont fail to understand. That if you put the squeeze to employers . . . if that evil word of the bottom line, if that dastardly word, profit, is not brought to fruition in the business world, there indeed is no incentive for anyone to have a business. And businesses will close down and that means loss of jobs.

And, Mr. Minister, I'm back on what seems to be a favourite theme of mine this session and that is, that in your good heart, where you're trying to do well for one group of people and your misguided vision, I hasten to add, that very often you're not only hurting someone else, you're hurting the very people that you're trying to help. Because those union people, who deserve good jobs, are now going to be without a job as a result of your labour legislation.

And it's not only the business community, it's not only the profit-motivated people that are going to be experiencing that, Mr. Minister, because here it says, it's exactly the same thing. It says:

Ted Cholod, president of the Saskatchewan Urban Municipalities Association, said Trade Union Act amendments will mean higher costs at a time when public funding is being cut virtually across the board.

and . . . in some cases, (he continues on) layoffs of employees,"

(1615)

Mr. Minister, doesn't that say something to you? I mean these are people that have no vested interest in opposing a legislation that you're proposing, other than it's not going to be good for the organizations. Now what organizations am I talking about here?

I mentioned Mr. Cholod here, from SUMA (Saskatchewan Urban Municipalities Association), but the same association is associated with SARM, Saskatchewan Association of Rural Municipalities is included in that same category; as is the SSTA, Saskatchewan School Trustees Association; and SAHO, which is the Saskatchewan Association of Health Organizations, are all, it says, I quote:

. . . are (all) calling for a series of amendments to the bill now before the legislature.

Mr. Speaker, and Mr. Minister, the process of this legislature is such that we have to have the amendments available to us so that we can do due diligence to them, distribute them among those people that are going to be affected, and then be able to hopefully persuade you to make some more changes. Or if your amendments are what you propose them to be and what you purport them to be, then for the life of me I cannot, I cannot, and I cannot visualize why you would be so reticent in making them available to us as soon as you've got them.

Yesterday you had a big press release. It said 10 amendments are forthcoming. But you will not allow them to see the light of day. So what sinister motive do you have that you want to keep them in darkness until some . . . what you consider to be an appropriate time, Mr. Minister? I don't think your 10 amendments are as perfect as the Ten Commandments were.

And I had a good quote in the House here yesterday, which I thought was good, about the burning bush

and Moses and so on. And I understand in the Saskatoon North Businessmen's Association yesterday the Leader of the Liberal Party here, you stole my line and used it. And she got quoted in the paper and I didn't. And I resent that too, I say to the press.

But I was talking to the Leader of Liberal Party about that, and then obviously she said she wrote her speech at 1 o'clock and I only delivered mine at 2. So it's touché on that issue, Mr. Speaker.

But I don't want to make light of an issue that's very significant and very important here, Mr. Minister. So I say to you, I say to you right now that before I turn the proceedings over to our critic of Labour, who will straighten me out in some of my wanderings that I've been engaged in here momentarily . . . But I want to do this to you now, Mr. Minister. As much as I find it abhorrent in your hesitancy to share those amendments with us, with the legislature, with the business community, the employers, the organizations that I have just quoted, that you want to do it on the spur of the moment, I am now going to ask you this question and I want you to make a public statement.

Mr. Speaker, I realize that I cannot engage in debate with other members, but I want . . . The witnesses in this Chamber will be good enough at how you will respond, Mr. Minister.

As reluctant as I am to do this, I will give you the opportunity to make a public commitment now, to me, without me losing my seat -- because I know if I sit down and let you get up, that's the end of me -- but I want you to indicate that if we allow the second readings to be concluded and go into Committee of the Whole, that as soon as we go into the Committee of the Whole, the first action of this Committee of the Whole will be the presentation to this Assembly of each and every amendment, House amendment, your amendment, the government amendment, that will be coming forward; that there will be no additional ones; this is what we got; we've got the package; and then I guess we'll have to run with it in the usual procedure of the Committee of the Whole.

My concern is that you don't piecemeal them out and come up with extra ones. So perhaps that will be one manner of doing it. And if the minister wants to get up, Mr. Speaker, and say yes, I agree to that, and take his seat so that the member from Maple Creek can get up, then, Mr. Speaker . . . I know that we can't do that legally but we sure can do that between the two of us, Mr. Minister, and you'll pay the consequences.

**The Speaker:** -- Why is the member on his feet?

**Hon. Mr. Shillington:** -- With leave to make a brief statement in response to the member's comments.

Leave granted.

**Hon. Mr. Shillington:** -- I hereby commit to the member in the most solemn possible terms that as

soon as this goes to Committee of the Whole, I will table with the Clerk of the Assembly our proposed amendments and that will be the entire package of amendments.

**Mr. Goohsen:** -- Well thank you, Mr. Speaker. I'm happy today to enter into the debate on The Trade Union Act. I have heard your commitment, Minister, and I'm happy to have heard that and I want to say as the critic for Labour for this side of the House, we're happy with your commitment and we are going to hold you to that commitment in just a very short time.

But because I have a job to do, which is to point out a few things that need to be considered, I'll take a few minutes to do that before we watch you honour your commitment. So you can prepare for that and perhaps lend one ear towards the direction of listening to some of the concerns that people have brought to me about this Bill.

As you know, Mr. Speaker, The Trade Union Act has not been amended or changed for some period of time and the minister has very eloquently pointed out that times have changed, that a number of years have gone by, and we acknowledge that. Time does go by and things do change and we will need to update legislation periodically as we go on through history. And naturally I think it holds true that this Act probably was getting outdated and needed some updating.

Unfortunately when the minister talks about updating, he also talks about a swinging of the pendulum in his metaphorical description of how we should obtain a balance in our society. Unfortunately, what he considers to be a pendulum swinging to the middle of the spectrum, in many cases for Saskatchewan people appears to be anything but a levelling-out or a centring. It seems to be a massive swing to the extreme left side of the pendulum stroke where the whole gears and mechanism seems to have gotten stuck and jammed for the moment.

And we are hoping to bring some sanity and some rationality to the minister's approach by debate in a democratic forum that this is designed for in this very Assembly. This process that we live with is providing us with an opportunity to tell the minister we have passed the centre point, the pendulum is swinging too far, he needs to back off just a bit. He's heard that message loud and clear, not only from the other members and colleagues in our caucus, he's heard that message loud and clear from several members of the business community and even from several workers themselves.

And just as I pointed out to the minister during the debates on Bill 32, The Labour Standards Act, that there were both sides to the story that needed to be considered, here again the same principles apply. The very same types of people are telling me that, Minister, you're going a bit too far. We need to back off a little to let the province evolve with the rest of the world.

The problem that people see is that we are getting out

of step with our neighbours. And I have to repeat this argument because even though it's very much the same as the one used in The Labour Standards Act, The Trade Union Act is tied very definitely to the same conditions in our province; and those conditions that are most important, of course, is the condition of being able to maintain a job base for our province.

If we get out of step, if we get out of tune with society too far, obviously what happens is the rest of the world prospers around us because we have an exodus of people from Saskatchewan, or we have the alternative which is people not coming to the province. If those things happen -- either one -- we lose as a province, and we can't afford that loss, Mr. Speaker. Quite frankly, we need more than anything else right now in this period of time in history, a development of our job base in Saskatchewan.

We are in a recession in this province; a very serious and deep recession has been going on for a long period of time. And the old adage has always been -- and I remember it said so many times all through my life with my old friends and neighbours who used to talk politics around the table -- and they always said Saskatchewan is first into a recession and the last out.

And I've always said to them, well why is that? Well it's because we're agriculturally based, they said. That's why we get into it first because the world economy fights all kinds of problems at the farm gate and the way to slow down an over-inflated economy is to reduce the farm gate price of agricultural goods because we're mostly agriculturally based in this province. And if you do that you can tone down the whole economy of the province in a very quick order. That passes on through the rest of the country, and you slow down the economy in the whole country, you slow down inflation, and you have resolved a lot of your problems by doing that.

Okay, I said, that's fine. When I'm younger, back in those days I could accept that. We were mostly agriculturally based and it seemed like a true analysis of the situation.

Unfortunately as I've gone through life I've come to realize, Mr. Speaker, that it's not necessary for us to live on that philosophy alone although it is a true one and it does work. But why do we necessarily have to have one location in the country that has to go into suffering first economically in order to cure the woes of the rest of the industrial parts of our country. Not necessarily that we have to do it that way. There must be other solutions.

And so I've pondered this and, Minister, I hope you will take note of this. When you change The Trade Union Act and you get us out of sync with our neighbours, what you've got to take note of is that we don't have to be the first into recession and the last out. We can have a balance with our neighbours in our Trade Union Act, in our Labour Standards Act, that will attract people and diversify our agricultural base. And that's the point I'm trying to get at. We don't have to accept these problems that we have. We can

resolve these problems, and we can do it by diversifying our base.

And even if we didn't diversify our base, I still would seriously argue whether we have to allow agriculture to be the hit man or the body that is hit by society in order to cure all of the economic woes of the country -- or of the world, as far as that goes.

So we have a serious problem. Now we've been in the recession for a long time and we're trying to get out. And the other part of the adage is that we're the last out.

Well why do we have to be the last out of a recession? Why should we accept that? Why don't we do something about that? And here's the place we can do that. We can get ourselves out of this recession by having balanced trade union Acts and laws. We can have balance in our society so that we will attract foreign investors, attract other Canadian investors, attract other businesses and keep our own population at home because they will know that they have a level playing-field on which to work, so that they can build and create and diversify and look forward to a great future.

Why is it that people look to Alberta and say, ah, things'll be so good if I could just get to Alberta -- if I could push my farm over to Alberta or move the line over. Why is there that optimism? Why is it when people look to that area of the province or of the world, that they are optimistic?

And here when we say, well I'm going to stay in Saskatchewan and work, and they kind of get glum and they get sort of looking sad, and it's in the mind. The mind-set is that somehow things are better in Alberta than they are in Saskatchewan. Why should that be? It's not necessary that we have it that way.

We can build this province, Mr. Speaker, so that the people here can be proud of the fact that they are living in Saskatchewan, that they're going to have their future in Saskatchewan, and they can have a smile and brag about the fact that Saskatchewan is the place where it's all going to happen because we're going to have a bright and dynamic future. How do we do that? By balancing our laws and our playing-field for business and labour alike.

So let's get very quickly into some of the reasons why the business community is upset with the swing of your pendulum, Mr. Minister, the swing of your pendulum that they say has gone too far, which I'm happy to hear that you say you're going to correct in a few minutes with some amendments. And we're going to look forward to examining those.

But just in case, just in case you're not being quite as honest and forthright with us as everybody would hope, we're going to use a few minutes here to bring to the attention and put on the record some of the concerns that they have. And then I'm going to hopefully have a few minutes to also talk about the workers in our province and the things that they're

saying about the need for equity and fair play and a balance here which even they have recognized is not in this Bill any more than it was in The Labour Standards Act.

(1630)

You have gone too far and they say that we've got to back off and get ourselves in tune with the world around us. Especially we have to be in tune with Alberta now because that seems to be the place where people smile when they hear the word and want to go to. I've heard people say they want to move their businesses there. We've read you letters from people that have made that claim.

And I have absolutely no doubt in my mind that these people are dead serious. They intend on leaving our province if they can.

One of the things that I find so amazing is that I look around Saskatchewan for all of this growth that we're supposed to be having, and I can't find it. I find a little business maybe starting up in Saskatoon or Regina or some place like that, but immediately it's offset by some great big bunch of people being laid off or unemployed, and we've taken one step ahead and three steps back. It's sort of like a reverse waltz or something that we're caught up in. And it's really devastating to our province to have that happen.

And so, Mr. Speaker, I'm hoping that somehow we can get the minister to stop that trend in our province, where we take one step ahead and then three steps back. We've got to somehow encourage development and investment, and we've got to somehow encourage our workers to accept the fact that we can't have benefits that would put us out of tune with our working relationship with our neighbours in other provinces or other jurisdictions.

Now when I said, Mr. Speaker, about how we seem to be stagnated here, it's amazing that just a few minutes ago I was speaking on the telephone to a man in North Dakota who tells me that the city of Fargo, North Dakota has continued to expand. They have never known the effects of the present, or just past recession in the United States, and they haven't even recognized the one that we're into in Canada in that location. Their population continues to grow from 10 to 12 per cent on a continuous basis for the last number of years, and they predict of course that it will continue to. It's not a phenomenal growth, but it's steady and constant.

Why is that? North Dakota can't be so much different than Saskatchewan. In fact, almost all of the weather conditions, almost all of the job bases, the agricultural base, so much of North Dakota is just like the southern part of Saskatchewan.

And so you've got to ask yourself, what's going on that we are in such serious trouble here in Saskatchewan, while North Dakota, a state very similar to Saskatchewan in many, many ways, with a smaller population -- I think about 600,000 population --

and here we have a growth continuous, and yet in Saskatchewan we go backwards.

Minister, we need to examine these things. We've got to start doing a little research. I think that what we ought to do here is hire some university students to go down to North Dakota this summer and do a study on why the Fargo, North Dakota area is prospering through these so-called difficult times that we're having in Saskatchewan.

**An Hon. Member:** -- It's simple. It's all the NDP's fault.

**Mr. Goohsen:** -- I think my colleague said it's all the NDP's fault. And I'm sure that he's right because I just read one of these news clippings here that said something to effect that it's an NDP plot because they're going to change the D in New Democrat to dictatorship -- new dictatorship party.

So my colleague is absolutely right. It's to do with the politics. And that is going to be the shocker that's going to come to the minister's attention if he does take me up on this offer to send some university students down there to research what the difference is between the growth and prosperity of North Dakota as compared to the dismal flatness that we are into in Saskatchewan.

Minister, quite frankly I have to say that you have to share a large part of the responsibility in this area, because the labour legislation in this session of our legislature is key to our prosperity and to our future. The government's behaviour regarding The Labour Standards and The Trade Union Act is of course a despicable kind of situation and we cannot tolerate this, Minister.

The House agenda has been dictated by Barb Byers and those kind of people. And we know very well, Minister, that she's important to you in many, many ways. But you've got to be sensible about this. Just because she blinks her eyes at you and smiles a little, it's no reason to be carried away and expect that everything she tells you is going to be the best medicine for your government or for the province.

Now you've introduced The Labour Standards Act and this Bill caused outrage in the business community, to say the least. The government began slowly to perceive that they were harming the people they meant to help. Business began to dictate that they were going to be hiring part-timers and students this summer, so the government was forced to back off on this legislation a little.

Now that's important to note, Mr. Speaker, because this is a fact. The minister has conceded that he has backed off. In some private negotiations with the community he has found out just how intense the pressure out there is. And when he found out how intense the pressure was, he decided that he should back off. And we're going to try to convince him today to do the same with The Trade Union Act.

I think it's important that we run over very quickly, Mr. Speaker, some of the points of The Trade Union Act in a general way, that are going to affect the business community and the workers of our province.

Now in the case of the business community, the "bargaining collectively" is under section 2. "Bargaining collectively" has been changed to include the words "making every reasonable effort to conclude, renew or revise a collective bargaining agreement;"

We are unsure of the intent of this change . . . this is from the business community and their observation, and I'll quote a little further here so we can get the gist of where they're coming from. And it says here:

. . . but are concerned that a Labour Relations Board may yet be involved on the reasonableness of bargaining positions. This would create a different system in Saskatchewan than other jurisdictions and would require the board to be experts in bargaining in each industry and experts in each industry. This will drastically change the present system of collective bargaining.

Now, Minister, it's very essential that we not change the collective bargaining system very much, especially if it puts us out of tune with all of the other jurisdictions in the country. And I think the point is well taken here.

We do need some change but we certainly can't be going to the point where we put ourselves out of balance. And I think that's what the folks here are saying, is that they believe that your wording is too strong and you are putting us out of balance in our province.

Their next consideration was under the benefits of section 2(b)(i) and 11(1)(i) and 47. Benefits are defined . . . and I'll quote just a little here of their observation:

Benefits are defined as benefits other than wages to which employees are entitled pursuant to a collective bargaining agreement before the commencement of a strike or a lockout.

This section impacts on section 11 and 47, in that benefits are continued during a labour dispute. Under section 47, employees only have to pay their share of the costs for benefits to have them continue during the labour dispute. Therefore items that do not cost employees anything are shared cost items, will have to be paid by the employer during the dispute.

Now rather than to have the employer pay the monies to the employees during a labour dispute, the section should only require an insurance benefit, to continue during a labour dispute if the plan allows it, and the union and the employee pays all of the costs to maintain the benefits. Even with this there are huge potential problems in this section which could be abused.

Now you see, even at this point, Mr. Speaker, you see the business community saying, this section needs to be modified. And even if it is modified, it still could cause us some real problems. But I think what they're saying is that they're willing to go along with taking a chance on that if there is some modification.

In other words, I think you're seeing the business community here handing out a carrot on the stick to the Labour minister, saying that they are willing to cooperate and willing to compromise if the minister is willing to do the same thing. What they basically have said is, you back off some and we'll try to live with some of the damage. I don't think that's such a bad position to be taking. In fact I kind of compliment the business community on going along with the need for some changes.

And that's what I see in that section, is an offering to a compromise to the minister. And so I'm hoping, really against all hope maybe, but I'm hoping that the minister is sincere and that his amendments that he will introduce a little later on here, that they will in fact be that compromising position that will make our province competitive as it can be and should be.

But there are a few other items that they bring to our attention here: the bargaining impasse which is section 11(1)(m) and section 33. Now three concepts in the Bill can be discussed together. Now these are termination of the collective agreement, right to make a unilateral change, and strike and lockout.

Now this unilateral change is a much confused and much not-understood section of the Bill, and it is extremely important. I think this is a case, Mr. Speaker, where you could honestly say that a little term that doesn't sound too important has immense impact on the world around us -- immense impact on our province. Such a subtle little phrase tucked in here and yet it has such a mammoth amount of impact on our province of the potential for us to be competitive.

It goes on to say that:

With the amendments proposed, a collective bargaining agreement would continue into perpetuity even during a labour dispute. We would be the only jurisdiction in North America which has such a system.

Here, Mr. Speaker, is the key -- the only jurisdiction in North America with such a system. It's, as I said before in this Assembly, it's okay to be the leaders in some areas. In fact you can lay a claim to fame in the annals of history by being the leaders in some areas, and you will always be able to feel good about that because you've started something in a new direction for your province and for the people and for the rest of the world to emulate and to copy.

But in this situation, being the leader means that you scare off investment, you scare off business, and you close up the job base potential in our province. And that is where we have to change this legislation. And your amendments have seriously got to address this

question.

It goes on to say that:

If these sections are to be included, there should be language to clearly define the limit, the interim, and the final order to give direction to the board and prevent injustice.

Now you have to give this direction to the board. And you dare not, in labour relations, be out of balance or have any kinds of injustices because immediately they are magnified throughout the whole of our society. And it's surprising how quick people from outside our province pick up on little differences, especially in The Trade Union and Labour Standards Acts and those things that concern labour and business from a legislative point of view. It's almost a paranoia out in the world.

But even if that is a fact, Minister, then we have to live with that and we have to recognize it and understand it and deal with it. Even if they're wrong, we have to treat it as though they're right because they have the choice of whether they're going to bring their dollars here or not. So we have to deal with that and we have to solve those problems.

Now the certification and decertification without a vote, now there is an issue that every person in this country must take a hard look at. But I'll give you their words first before I make my own commentary: The practice of the Labour Board is to treat employee support or lack of it in confidence. No one is compellable or competent to testify on these questions.

Now given these rules, it is difficult to imagine how sections 10.1 and 10.2 could be practically applied in a hearing. These are, all the employees would be competent and compellable by any party. Or if the intent is to preserve the confidential nature of the relationship, the section should be amended to provide for secret ballot vote conducted by the board.

Now in our society, Mr. Speaker, people have said time and time again that we live and breathe by the rule of democracy, which is the right to vote, the right to a secret ballot to solve our problems. Yet we have this government saying that in trade union matters democracy doesn't matter.

The other day we saw the Premier of this province stand in his place and say that democracy is not important here because The Trade Union Act and The Labour Standards Act are different. I don't know where it's any different. I take serious exception to what the Premier has said in this regard.

(1645)

I believe that democracy is even more important in trade union matters than any place else. Why should the workers not have the right to vote in secret to show their feelings on a ballot so that they can express themselves without fear of reprisal?

I've heard it described in the old school yard version where the bullies will of course intimidate the other children if they don't do what the bigger kids want to have done. And that's the way it works. I'm not saying that the union people are a bunch of gangsters or hoodlums. It's just natural that they're going to apply as much pressure to try and get their way as they possibly can. That's human nature. If you're trying to achieve a goal, you will apply all the pressure that you can to get what you're after.

So in the union hall, if you hold up your hand and you vote against the union bosses, are they going to forget you? Not by a darn sight they won't. They'll never forget you. They are going to remember. They are going to watch you and they're going to put pressure on you because they want to win the day. They want to win their argument. They want to be successful. That's human nature.

It's also human nature to think otherwise occasionally or to dispute your leadership, and the democratic way of expressing that through a secret ballot is the only way that works. It's the only way that the bully system doesn't take control of our society because we secretly can express ourselves and point out what our beliefs and our views are.

I thought for a minute the member from Saskatoon was going to join me here, but unfortunately I guess I'll have to carry on this debate by myself.

It's good to see the minister taking such a keen interest today because we need to get to him the idea that democracy and the right to vote is important. And I think he realizes that we are going to be taking him up on his challenge a little bit later this afternoon and have him present his amendments. But there are a couple of other points that we need to bring up.

Even though the democratic right to vote in a secret ballot is very important, there are also other things that need to be discussed.

The application pending definitions. Given the expanded power to hear interim applications and the fact that there are consequences associated with an application pending, the government should consider why this section is required.

Once it is determined why it is required, as a matter of policy, this section should be carefully crafted to deal with the problem. As an example of the problem, can an employer file a charge against a union before they take strike vote, immediately apply for an interim order and stop all lawful strike activities until after a Labour Board decision is rendered?

If the board is going to be given the power for interim orders, these sections should be removed. Then each case would be argued on its own merit.

Now you see here again we're lumping things together, and we need to have a loosening up by the minister so that we can deal with issues on their own merit. And I don't think that's so unreasonable, Mr. Speaker.

In fact when you get right down to it, I haven't seen anything put forward by the business community that is totally unreasonable. In fact even in the area of certification and decertification where the unions are basically going to have the power to encourage the board to allow certification without even a percentage of vote, the whole thing has gotten out of hand.

And we find, Mr. Speaker, that the right, the right of the people to be able to express themselves is taken away; the right of the business community to be able to conduct a reasonable business without a labour board being able to step in and unionize their workers without even so much as a percentage of a vote of the membership saying that they want to be.

This is the kind of thing that causes people in the newspaper industry to write articles like: the D in New Democratic Party is going to stand for dictatorship. That's the kind of thing that causes people to write these kind of articles, because they know that this is what this kind of law will do. It will create a dictatorship within our province without a democratic vote, without the right of the people to express themselves. That's from the workers' point of view and the business people's point of view.

It is absolutely unconscionable, Mr. Speaker, that this kind of labour legislation would be put in that'll throw our province so desperately out of balance with our neighbours around the world. And we need to have that balance.

And we need to have a challenge to the minister to come up with his commitment that he gave a little while ago. And I'm going to ask him to now do that, Mr. Speaker -- to give us those amendments. And I thank you for your time.

Motion agreed to, the Bill read a second time and, by leave of the Assembly, referred to a Committee of the Whole later this day.

**Hon. Mr. Lingenfelter:** -- Mr. Speaker, with leave to now move to Committee of the Whole.

Leave granted.

## COMMITTEE OF THE WHOLE

### Bill No. 54 -- An Act to amend The Trade Union Act

#### Clause 1

**Hon. Mr. Shillington:** -- I just want to introduce my official, my deputy minister here. No, the members are interested in the documents. Actually the page went to make an extra copy. My office only sent one. They'll be back in a moment with the copies and then I'll simply give one to the

opposition and one to the third party.

If it's a matter of moment, I can also table it formally. I seek your advice on that, since they're not in the form in which the Table is used to receiving them for the purpose of amendments.

The wording is final. The form -- it's not in the form in which we'd have it. So I was just going to hand the documents to you. You've got the amendments. If you want them tabled I could do that as well.

**Mr. Neudorf:** -- Mr. Speaker, Mr. Chairman, as long as the opposition would get a copy of those amendments, that would be fine. I hesitate to accept his admonition though, that the wording on those documents is final. We hope to persuade him otherwise.

Mr. Chairman, what I would do at this time is allow the member of the third party then to have five or six minutes just before 5 o'clock so that she can make her comments.

**Ms. Haverstock:** -- Thank you very much, Mr. Chair. I do want an opportunity . . . I guess I'm going to be speaking for a very short period of time.

The Trade Union Act is very much like taking a hand-grenade to settle a playground fight, in my view, Mr. Minister. Not only is the weapon far too powerful to settle the minor disturbance, but innocent people could be hurt in the process.

There seems to be a penchant on the part of the current administration to fix what isn't broken, to break what is working, and simply meddle in the affairs of Saskatchewan people. And that is of great consternation to so many people who have been in contact with my office, whether they be the Saskatchewan School Trustees' Association, SARM, SUMA, SAHO, and the list goes on. We're not simply talking about businesses in the province of Saskatchewan in the way that most people define business; we're talking about public sector employees as well.

And I guess it's this kind of Big Brother attitude that is of greatest concern to ourselves and the people who contact us -- an attitude that has left people feeling quite frightened.

Now the minister, and indeed the Premier of the province, have accused both the official opposition and the third party of fearmongering, when in fact I happened to receive the same faxes, the same letters, as the official opposition, from a broad cross-section of people in the province. And they are the ones that are fearful. We're simply presenting their case.

Since taking power, I think the thing that's most disturbing is that the government has used its power in a very intrusive way. A way that has brought fear to the hearts of a lot of people. Tell people what they want to hear and then do as one pleases, seems to be the **modus operandi** that is running the government at the

moment.

Now when the Premier took office, it seemed as though there may be some hope on an agenda based on responsible governing. And I was one of those people, in fact, who had a great deal of optimism. The initial moves to address the deficit, to implement some of the recommendations of the Gass Commission, I think had many people believing that the new government was going to put politics ahead of people. But while some of the public may have a temporary sense of false security, I think that the cracks in the armour began to show very, very quickly.

And they actually began to show in this very Assembly. First, there were firings of civil servants and the unilateral removal of their right to sue. In fact even though there was an example which most people in the province did see as extreme with one civil servant, everyone knew that this was an exception to the rule.

Then came the cancellation of GRIP (gross revenue insurance program), the rewriting of legal contracts under threat of heavy-handed legislation, and gradually, unmistakably, a power . . . a government that was obsessed with power began to stagger to its feet after laying for nine years in opposition.

Consultation was a favourite buzz-word of the administration, but there was very, very little evidence, Mr. Minister, and Mr. Chair, that true consultation ever took place on any single issue, whether that be drug plan changes, to agriculture policy, to taxation levels and economic development.

And I think what's really unfortunate here is the way in which the government has tried to divide and conquer on this issue. The Liberal Party believes that it's incumbent upon the government to have a non-biased evaluation based on consultation and research as to what the effects of their legislation will be.

And it would seem to me that if proposals being put forward by the Department of Labour are so good, then the business columnists and financial analysts of *The Globe and Mail* and *The Financial Post* would be writing about them. The funny thing is nobody has a good word to say about the initiative except the people on the government side. Even the unions have been strangely silent on this issue. Either they are overwhelmingly in favour or they have gotten what they wanted and they don't want to appear too closely connected with the government's agenda.

This is not an issue which sets up as simply as the government would like. It is not simply a matter of business versus labour, employers versus workers. The fact is the two are inextricably linked and what is bad for one is ultimately bad for the other. That in a nutshell is the problem with The Trade Union Act.

**Mr. Neudorf:** -- Thank you to the Liberal leader for allowing me to have the floor at this time, Mr. Chairman, and pursuant to rule 55.1 I hereby request

a three-day hoist on this Bill.

**The Chair:** -- At the request of the official opposition under rule 55.1, proceedings on Bill No. 54, An Act to amend The Trade Union Act, are hereby suspended for three days.

**Hon. Mr. Lingenfelter:** -- Mr. Chairman, I believe it is appropriate for the committee to rise and report progress and ask for leave to sit again.

**The Chair:** -- The Government House Leader has moved the committee rise, report progress and ask for leave to sit again. Is that agreed? Carried.

**The Speaker:** -- I recognize the deputy chair.

**Mr. Hagel:** -- Mr. Speaker, under rule 55.1 I advise you that the member for Rosthern has requested suspension of Bill No. 54.

**The Speaker:** -- So advised.

The committee reported progress.

The Assembly adjourned at 5 p.m.