

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session — Twentieth Legislature

Tuesday, July 13, 1982.

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

QUESTIONS

Industrial Strategy of Government of Saskatchewan

MR. KOSKIE: — Mr. Speaker, I would like to direct a question to the Minister of Industry and Commerce. I have a recent press release wherein the Minister of Industry and Commerce has indicated that the government will be participating in an international conference on Saskatchewan's new climate for business and investment. The news release goes on to indicate that the conference is designed for business executives and the financial community across Canada, the United States and Europe. It goes on, in the release, to say, "Saskatchewan Open for Business will unveil in detail the new government's industrial strategy."

Since he is prepared to unveil industrial strategy to the executives of Europe and North America and Canada, I wonder if the minister would be good enough to unveil to the House, and to the people of Saskatchewan, the details of the new government's economic strategy?

HON. MR. ROUSSEAU: — Mr. Speaker, that is exactly the intent of this government — to release it to the people of Saskatchewan, when we have it read, in due course.

MR. KOSKIE: — Mr. Speaker, it is probably under study, as are many of the others. In view of the fact, Mr. Minister, that we have seen evidence . . .

MR. SPEAKER: — Does the member have a supplementary question? You did not ask for a supplementary.

MR. KOSKIE: — What I want to address to the Minister of Industry and Commerce is: will he outline to the people of Saskatchewan whether he is going to take an active role as the Minister of Industry and Commerce to assist the many businesses in Saskatchewan which are having to close their doors, and lay people off their jobs?

HON. MR. ROUSSEAU: — Mr. Speaker, I don't know how many businesses were opened by the previous minister during his administration — probably not too many. In the first 30 days of my ministry in this government, I attended the official opening of a minimum of eight. If this government, Mr. Speaker, had not driven the private sector out of this province in its 11 years, we wouldn't be out looking as hard as we are today to bring them back to this province after their having left.

To answer the hon. member's question, we are indeed concerned about the companies that are having hardships today and, Mr. Speaker, it was that administration, that government opposite, that caused and

created the conditions under which we are living today. But we will do something about it.

SOME HON. MEMBERS: Hear, hear!

MR. KOSKIE: — A supplementary. I would like to ask the minister whether, in fact, the government's policy not to increase the minimum wage is a part of his new industrial strategy.

HON. MR. ROUSSEAU: — Mr. Speaker, I don't understand why the hon. member is asking the Minister of Industry and Commerce a question about minimum wages, which is the Minister of Labor's area. I am not going to speak for the Minister of Labor. I want to come back again to the question of what we are doing for the people of this province. If it hasn't got through to those people across this Chamber yet — the things that we have already done in two months of our administration, the gas tax . . . (inaudible interjection) . . . That's right, and the 13.25 per cent mortgage reduction. If they don't know what it means, Mr. Speaker, the gas tax alone is \$128 million in one year. The 13.25 per cent mortgage assistance program will mean \$300 million within three years time. That's action, that's positive action.

P.A. Institute of Applied Arts and Sciences

MR. HAMMERSMITH: — Mr. Speaker, first a question to the Minister of Continuing Education. In the *Prince Albert Herald*, of Monday, July 12, there is an announcement from a Paul Meagher, PC MLA-elect for the constituency of Prince Albert, that the PC caucus will be meeting in Prince Albert on August 16, 17, and 18. My question to the Minister of Continuing Education is: is it the intention of the government to announce the government's decision regarding the Prince Albert Institute of Applied Arts and Sciences at that time?

HON. MR. CURRIE: — Mr. Speaker, it seems to me that that was the same question the hon. member asked yesterday, or something relevant to it. I think my answer at the time was that we were . . .

AN HON. MEMBER: — . . . studying it.

HON. MR. CURRIE: — Right. We were studying the situation. We are determining to what extent the previous government was right in its deliberations to do what it was going to do in Prince Albert, and to what extent it was wrong. I think I culminated the answer with the fact that we would be prepared to release it when we had finished our review. It would have no relevance, in my way of thinking, to the fact that the hon. member mentioned that there is going to be a caucus meeting or convention or something or other in Prince Albert on August 16 and 17, if that is what he mentioned.

Natural Gas Extension

MR. HAMMERSMITH: — A question to the minister responsible for Sask Power, Mr. Speaker. In light of the announcement (and not my announcement, as suggested by the Minister of Continuing Education, but the announcement by the MLA-elect for Prince Albert), will the government be making any announcements during that period of August 16, 17, and 18 with regard to the extension of natural gas to the communities of Davis and Macdowall, and to the farms and other communities in the Prince Albert area?

HON. MR. McLAREN: — Mr. Speaker, we will be making our announcements, as far as the Saskatchewan rural gas program is concerned, in this legislature and not at our

caucus meetings.

Saskatchewan Rivers Heritage Complex

MR. HAMMERSMITH: — Mr. Speaker, a question to the Minister of Tourism and Renewable Resources. That will be a refreshing departure from the practice of the Minister of Energy and Mines and the practice announced by the Minister of Industry and Commerce. My question to the Minister of Tourism and Renewable Resources is: during the time of the announced caucus meeting of August 16, 17, and 18 in Prince Albert at which it has been announced that the caucus will be meeting with several representative groups and bodies from the area, will the government be making an announcement with regard to the government's decision on the Saskatchewan Rivers heritage complex?

HON. MR. McLEOD: — Mr. Speaker, as far as the line of questioning of the hon. member with regard to our caucus meeting that has been announced for Prince Albert is concerned that is one issue. We will be having a caucus meeting in Prince Albert which is related to the fact that this is a government which is becoming open to people. We will be holding caucus meetings at various locations around this province throughout our term of office. That is number one.

SOME HON. MEMBERS: Hear, hear!

HON. MR. McLEOD: — As far as the particular question regarding the Saskatchewan Rivers heritage park program and so on is concerned, we certainly will be looking at that. We are looking at it. I did talk to the hon. member about it, as he will recall, privately the other day. We certainly are not opposed to the concept. We are looking at the details of it. Whether or not we will be committed to exactly what the former government's discussions were involved with is another question. But certainly we will be looking at it. There is no relationship between any announcement from my department and from any of my colleagues' departments and the fact that we are holding a caucus meeting and opening government to the people of this province, which they asked for and which they got on April 26.

SOME HON. MEMBERS: Hear, hear!

Announcement on Prince Albert Pulp Mill

MR. HAMMERSMITH: — Question to the Minister of Industry and Commerce, Mr. Speaker. While it is commendable that there would be declarations of open government, it would be even more commendable if such declarations would be accompanied by some announcements as to what it is the government is planning to do for the people that it's opening itself to. My question to the minister responsible for CIC (crown investments corporation) is: will the government be making any announcements with regard to the sale or expansion of the Prince Albert pulp mill during the period August 16 to August 18?

HON. MR. ROUSSEAU: — Mr. Speaker, I find it very difficult to understand that question. I announced it some time ago. Where have you been?

Purpose of PC Caucus Meeting in Prince Albert

MR. HAMMERSMITH: — Mr. Speaker, question to the Acting House Leader. Are we to

assume then that the statements made by the PC MLA-elect for Prince Albert as to the purpose for the meeting are accurate? His statement is that the purpose of the meeting is to demonstrate PC Party support for the PC MLA-elect for Prince Albert. Is that the purpose of the meeting since you won't be making any announcements?

HON. MR. ANDREW: — Mr. Speaker, in response to the question, the new government of the province of Saskatchewan, as indicated by the Minister of Tourism and Renewable Resources, intends to hold caucus meetings not only in Prince Albert but also throughout the entire province. The reason for that, of course, is that we want to hear the views, not only of the lobbyists who have the power and the mechanism to come to Regina, but also the views of the people who live in the smaller centres and smaller cities of this province. We want them to have an opportunity, as well, to get to the ear of government, whether it be through caucus or whether it be through a cabinet meeting.

The purpose of the meeting in Prince Albert is the first step in the direction of a new and open government, that is, to hear the views of the people and try to react to the views of the people, rather than superimposing the views of government on the people. That was the view of the previous government. That was the result of April 26. The people rejected that concept of government. They brought in a new concept of government. That is the purpose of the caucus meeting and the cabinet meeting in the city of Prince Albert.

The only comment I would make about the statements made by the honorable gentleman referred to by the member opposite is that we on this side of the House certainly look forward to the day when he might also be sitting on this side of the House to take his rightful place as a member of the legislature of the province of Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

Borden Bridge

MR. LUSNEY: — Mr. Speaker, I have a question for the Minister of Highways. In a June 10 memo from the Yellowhead Route Association of Saskatchewan . . .

AN HON. MEMBER: — What year?

MR. LUSNEY: — June 10, 1982, for the Attorney General's information. The association indicates that it has had a commitment that a new Borden bridge would be constructed. And because there is some concern about that bridge — and I can understand the Yellowhead association's concern about the many accidents that have occurred there — could the minister indicate to this House whether he intends to continue with construction of that bridge, and when that construction might begin?

HON. MR. GARNER: — Mr. Speaker, in reply to the hon. member's question, I did state to the Yellowhead association that the Borden bridge is a priority under the new government, and it will be brought into the project array over the next few years. But nothing can be done until the river bed study is completed, and the access road is built for a new location of the bridge replacing the existing bridge that is in place right now. It is under review, and as soon as the studies are completed there will be an announcement made.

SOME HON. MEMBERS: Hear, hear!

MR. LUSNEY: — Supplementary, Mr. Speaker. Could the minister indicate to this House, since he mentioned that he is having a study conducted of the river bed, if he has begun this study? Has he taken the consultants out there and indicated to them that they should proceed with the study, so that he can get on with the construction of that bridge as soon as possible?

HON. MR. GARNER: — Mr. Speaker, this is a prime example of how the new administration is going to be working versus the old administration. You don't just stand up in the Assembly before an election in order to try to bait the voters of Saskatchewan by announcing a bridge. Studies and surveys have to be done before you announce these bridges and you have to find the money, except, Mr. Speaker, there is a problem from the previous administration. For 70 per cent of the capital project array announced by the previous administration, funding was not available. This administration is not going to go in that direction. We are not promising roads that we can't build.

SOME HON. MEMBERS: Hear, hear!

MR. LUSNEY: — Supplementary, Mr. Speaker. The minister continues to avoid the question. Has the minister initiated that study yet so he could consider getting some funding in place and getting that bridge constructed?

HON. MR. GARNER: — Well, Mr. Speaker, here we go again. The study has been started. For your further information, two previous ministers of highways in the province of Saskatchewan, Mr. Eiling Kramer and Mr. Bob Long, drove over that same road and over that same bridge and promised it for the past 20 years, and we still don't have the bridge. It will be constructed under the Devine government.

SOME HON. MEMBERS: Hear, hear!

Bus Route from Meadow Lake to La Loche

MR. THOMPSON: — Thank you, Mr. Speaker. My question is to the minister in charge of the Saskatchewan Transportation Company (STC). In view of the fact that a new STC route was to start in April, from Meadow Lake to La Loche, and to date it hasn't started, could the minister indicate to this House if that route has been canceled?

HON. MR. GARNER: — Well, Mr. Speaker, another example — announce the service before a study is even done; don't find out how much it is going to cost or whether it is going to make money, just use it as an election gimmick for the people of Saskatchewan. For your further information, a prime example of how the administration previously ran STC in the province of Saskatchewan is the Prairie Shuttle service. To date we have lost approximately \$100,000 of the taxpayers' money on a venture just like the one the member opposite is asking for.

MR. THOMPSON: — Mr. Speaker, I don't know if a supplementary is in order here because he never answered the original question. I'll try once more. Has the route from Meadow Lake to La Loche been canceled?

HON. MR. GARNER: — It has not been canceled. It has not been announced by us

either. Mr. Speaker, how many times do I have to tell the members opposite that we're not going to jump from the fat into the fire as the previous government did.

MR. THOMPSON: — Mr. Speaker, this bus route was announced prior to the election. A study was carried on for four years concerning that bus route. The only reason that bus route wasn't in place years ago was that they were waiting for that road to be dust free. My supplementary question to the minister is: can he give us a date when this service will be starting?

HON. MR. GARNER: — Well, I can promise the hon. member opposite that I will check into it personally and find out if it is a viable route. By his own explanation, Mr. Speaker, the roads were not fit. I can agree with him on that, because the previous government was playing politics with the roads of Saskatchewan, instead of putting them in places where people needed them.

MR. THOMPSON: — Supplementary, Mr. Speaker. I don't want to get into a debate about highway construction, but the attitude of the group across there is that they want to run a route that makes money not one that provides service to people.

AN HON. MEMBER: — I didn't say that.

MR. THOMPSON: — No, the minister didn't say that but it came from across the floor.

My supplementary, Mr. Speaker, is to the Minister of Northern Saskatchewan. Have you or your department made a decision on the subsidy that is required for the feeder routes for this STC service?

HON. MR. McLEOD: — Mr. Speaker, I have been in conversation with my colleague, the minister responsible for STC. As the member has indicated, those feeder routes are an important part of the service, because it wouldn't be reasonable to have that service without the feeder routes from Ile-a-la-Crosse or from Cole Bay at Canoe Lake. We are looking into the whole thing, as my colleague has indicated, and you will get your answer as soon as possible. I don't disagree with you about the need, but the viability certainly has to be looked into. If it is going to be a subsidized route, let's realize just how much subsidy we can stand with the type of budget we have been presented with by you folks.

SOME HON. MEMBERS: Hear, hear!

Layoff of Workers in Hudson Bay Forest Products Mill

MR. THOMPSON: — A new question, Mr. Speaker. My question is to the minister in charge of Saskatchewan Forest Products. In view of the fact that (and I am going by a news release in the *Prince Albert Herald*, dated July 10, 1982) it is indicated that starting July 16 there will be a six-week layoff of approximately 230 workers at the Hudson Bay forest products mill, could you indicate, Mr. Minister, to this House if after the six-week layoff there will be any other layoff time in the Mill? Will they resume work in that industry in Hudson Bay?

HON. MR. HARDY: — Mr. Speaker, with regard to the Sask Forest layoffs in Hudson Bay, effective this Friday, there will be a three-week maintenance layoff and a three-week holiday layoff. In fact, Mr. Speaker, we have sold all of the present board, so the three-week maintenance layoff may be in conjunction with the three-week holiday and there may only be a three-week layoff.

SOME HON. MEMBERS: Hear, hear!

HON. MR. HARDY: — Also, Mr. Speaker, I would like to draw to the attention of the hon. member that we will be selling within the province many more of the products produced by Sask Forest Products in relation to Sask Housing using them. Within our own lumberyards, we sold a great deal to Beaver Lumber just recently. Also, in Hudson Bay, MacMillan Bloedel has just reopened its plant for a two-week period. In regard to that, you realize that Sask Forest Products was only down for a very short period of time early in the winter. This time it will be three weeks to six weeks only, and definitely end at six weeks, and the people are very receptive to it.

SOME HON. MEMBERS: Hear, hear!

MR. THOMPSON: — Supplementary, Mr. Speaker. In view of the answer that I have just received from the minister — that things are looking pretty good in the forest industry — could the minister indicate to this House and guarantee to the workers of the Sask Forest Product mills at Carrot River and the Big River mill at Bodmin that there will be no layoffs in those two mills this summer?

HON. MR. HARDY: — Mr. Speaker, in regard to the two other mills, that would be based upon what the lumber sales are in the province and in the country. As you know, we don't anticipate any layoffs there, and in the foreseeable future, no, there are going to be no layoffs. The lumber sales have picked up; the price has picked up; and we hopefully can continue to keep these people working.

As I have indicated previously, Sask Forest Products will keep its people working as much as possible, to keep the jobs, keep the employment here in Saskatchewan, and will do everything possible to attain that.

Proposed Nuclear Rod Plan for Uranium City

MR. THOMPSON: — A new question, Mr. Speaker. I would like to direct this question to the Minister of Industry and Commerce, and it's regarding some conflicting reports regarding the industry that is proposed, or has been proposed, for Uranium City, the nuclear rod plant.

Mr. Speaker, I want to quote from the *Leader-Post*. I quote, Mr. Minister:

Mr. Rousseau said he told the firm the province wasn't interested in the proposed \$660 million nuclear rod plant.

Other reports that are coming out indicate that you are in favor, and I quote from the *Saskatoon Star-Phoenix*, where you said:

However, if the consulting firm wants to travel to Saskatchewan at its own expense to discuss it further, department officials would be willing to meet.

Could you indicate to this House and to the citizens of Saskatchewan if you are still prepared to discuss with the group from Europe — Austria, West Germany and France — their proposal, see just what it is, and take a serious look at this \$660 million project that has been proposed?

HON. MR. ROUSSEAU: — I've been wondering for three weeks when I was going to be asked that question, Mr. Speaker. First of all, let me tell this Assembly that the previous government had the report that he's referring to in its files since February of this year, and sat on it, absolutely covered it, wouldn't do anything with it, and would not commit itself either way as to what it was going to do with that proposal . . . (inaudible interjection) . . . No, about the time the announcement that Uranium City was closing down happened.

Before I get into further negotiations, the letter that I sent, not to the European firm, but to a firm from Winnipeg (and I think the hon. member knows that), a promoting firm, was to indicate to them that with a gun at my head I was not interested on a 30-day basis, and I still am not today. I left the opportunity for them, within the contents of that letter, to come back to negotiate at any time — at any time.

As for the project, Mr. Speaker, he refers to a \$660 million project. It may be a \$660 million project; it could even be a multibillion dollar project, and I think the hon. member knows that as well. The project referred to, Mr. Speaker, is for the reprocessing and storage of nuclear fuel waste. Before that kind of project comes into this province, it will take years of decision making to allow those wastes to be stored in this province, what with the dangers to the environment and to the health of the people of this province. I have no intention, as the Minister of Industry and Commerce, of negotiating that kind of project with anyone, particularly when they are the promoters of the program, and particularly, Mr. Speaker, when every country in the world that has been approached for this program has turned the project down, including the province of Manitoba.

When the project came to my attention in May, I was approached at that time by the Winnipeg firm to make a decision in locating this project in Uranium City, and the decision had to be made by June 30. I had no intention, and we said no at the time. I would say no today and I'll say no tomorrow. Yes, I will, and our government will discuss this project with anyone, but I can assure the hon. member it would take years of study before we would allow that kind of project to come into this province.

SOME HON. MEMBERS: Hear, hear!

ORDERS OF THE DAY

POINT OF PRIVILEGE

MR. SPEAKER: — I would like to give a reply to the Assembly on a ruling that I have made on the request of the member for Prince Albert-Duck Lake.

A point of privilege was raised on Friday, July 9, 1982, by the hon. member for Prince Albert-Duck Lake, claiming that the Minister of Mineral Resources deliberately misled the House in answers he made to certain oral questions on July 8, 1982. I am satisfied that the member raised the matter at the earliest opportunity, which he is required to do according to Erskine May's *Parliamentary Practice*, 19th Edition, page 347.

I also want to point out that it has not been a practice of this House for notice to be given to the member whose conduct is in question when a matter of privilege is to be raised.

On Friday I deferred my ruling. Yesterday we heard from the Minister of Mineral Resources, and other members also spoke to the question. I listened carefully to the comments made and, in view of the seriousness of this matter, I believe it is incumbent upon me to deal with it without further delay.

It is important for all members to understand the concepts being dealt with here. Parliamentary privilege can be defined as:

the sum of the particular rights enjoyed by each House collectively . . . And by members of each House individually, without which they could not discharge their functions, and which exceed those possessed by other bodies or individuals.

The above quote is from Erskine May's *Parliamentary Practice*, 19th Edition, page 67.

Specific privileges of parliament, which have been established over the centuries, include freedom of speech, freedom from arrest and molestation, the right of access to the crown and the right to punish breaches of privileges. Parliament has also claimed the right to punish actions which, while not breaches, are offences against the authority and dignity of parliament and are more properly called "contempts."

I would also like to outline to the Assembly what the role of the Chair is in a question of privilege. I refer all hon. members to Beauchesne's *Parliamentary Rules and Forms*, Fifth Edition, paragraph 84, as follows:

(1) Once the claim of a breach of privilege has been made, it is the duty of the Speaker to decide if a *prima facie* case can be established. The Speaker requires to be satisfied, both that privilege appears to be sufficiently involved to justify him in giving such precedence (or as it is sometimes put, that there is a *prima facie* case that a breach of privilege has been committed); and also that the matter is being raised at the earliest opportunity.

(2) It has often been laid down that the speaker's function in ruling on a claim of breach of privilege is limited to deciding the formal question, whether the case confirms with the conditions which alone entitle it to take precedence over the notices of motions and Orders of the Day standing on the *Order Paper*; and does not extend to deciding the question of substance, whether a breach of privilege has, in fact, been committed — a question which can only be decided by the House itself.

I also refer all hon. members to Erskine May's *Parliamentary Practice*, 19th Edition, pages 346-7 on this matter.

I have reviewed the remarks of all members on this point of privilege. There seems to be two main issues involved in the case: (1) was it misleading for the Minister of Mineral Resources to say that he did not personally fire any employee, and (2) was there a deliberate intent to mislead the House?

The minister in his remarks explained the circumstances regarding the dismissal and claimed that he did not personally fire the employee, thus implying that there was no misleading of the House. Although there were other circumstances involved, the fact remains that it was the letter signed by the minister which effectively accomplished the

dismissal, I did not find anything in the comments of any member to dispute this conclusion.

In this light I find that the original answers of the minister in question period on July 8 were misleading.

The second question is the more important one in determining whether a breach of privilege has been committed, and that is: was there a deliberate intent to mislead the House? The Minister of Mineral Resources did not deal with this question in his explanation yesterday. I want the House to understand very clearly that it is not the role of the Chair to decide whether or not there was a deliberate intent to mislead; that is for the House to decide. It is my role to decide whether privilege is sufficiently involved to warrant the House examining this question now, before any other business is taken up.

Based on the information I have in front of me, I rule that a *prima facie* case of privilege has been established, which justifies giving this matter precedence over the orders of the day. I now leave the matter in the hands of the House to deal with it as it sees fit.

MR. HAMMERSMITH: — Mr. Speaker, I thank you for the great care with which you have studied the matter and through which you have come to the conclusion resulting in your ruling today.

I think I can say without being repetitive that it is a very serious matter and it is a matter which when raised (and it should never be raised lightly), places the Speaker in a particularly unenviable position, to say the least, and one upon which the House depends for fairness and thoroughness, and that you have demonstrated today in what, like all such rulings, will be an historic ruling of this House. It is my intention, Mr. Speaker, following a few opening remarks, to put a motion before the House to be dealt with. The motion will read somewhat as follows: that in light of the letter of dismissal dated May 17, 1982, to Mr. Shakir Alwarid, and signed by the Hon. Colin Thatcher, in stating to the House Thursday, July 8, 1982, pages 616 and 617 of *Hansard*, in reply to questions from the member for Prince Albert-Duck Lake, that he had no personal involvement in the termination of any employee of the Department of Mineral Resources, personally, in writing, verbally, from the radio of his tractor, or by any means whatsoever, the Minister of Mineral Resources was deliberately misleading the House. And this House therefore resolves that the matter of statements made to the House by the Minister of Mineral Resources on Thursday, July 8, be referred to the standing committee on privileges and elections, and that the committee on privileges and elections report to the House as to whether the statements of the Minister of Mineral Resources constitute a contempt of the House and whether the conduct of the minister is consistent with that expected of a minister of the crown.

In beginning my remarks prior to putting that motion, I wish to quote from a book — Dawson, *The Government of Canada*, revised by Norman Ward, University of Toronto Press, reprinted in 1973. I wish to turn to page 176 of the book where reference is made to ministerial responsibility. I want to quote from *Canadian House of Commons Debates*, March 18, 1903, page 132 and page 133. And I quote:

The members of cabinet are above everything else responsible to the House of Commons, not as individuals alone but collectively as well. This responsibility has been the key to the control of the executive power in Canada and in Britain. The powers of the crown have remained for the most part intact, or have been increased, but the exercise of those powers has

come under the cabinet and this body, in turn, under the general scrutiny of parliament. This is the central fact of parliamentary democracy, for it is this practice which keeps the system both efficient and constantly amenable to popular control. The minister at the head of every department is responsible for everything that is done within that department, and inasmuch as he will expect praise or assume blame for all the acts of his subordinates, he must have the final word on any important decision that is taken.

The book goes on to quote R. L. Borden who, when leader of the opposition, aptly described the ideal situation as follows:

A minister of the crown is responsible, under the system in Great Britain, for the minutest details of the administration of his department. He is politically responsible, but he does not know anything at all about them. When anything goes wrong in his department, he is responsible therefore to parliament. If he comes to parliament and points out that he entrusted the duty to an official in the ordinary course and in good faith, and that the official had been selected for his capacity, ability and integrity, and that the moment the man went wrong the minister investigated the matter to the full and punished the man, either by degradation or dismissal, the minister has done his duty to the public.

That is the way matters are dealt with in Great Britain and that is the way, it seems to me, that our affairs ought to be carried on in this country.

In light, particularly, of the remarks the member for Thunder Creek made yesterday, I wish to have the House take note of those views on ministerial responsibility prior to putting the motion before the House.

As Mr. Speaker has rightly pointed out, it is not the Speaker's task to decide whether or not there has been, in fact, a breach of privilege, or whether or not such breach is sufficient to constitute a contempt of the House. It is his duty to decide whether or not a *prima facie* case has been established. It is the duty and responsibility of the House to then judge. Because we are in a unique situation as members of a House, as members of a parliament that follows the British parliamentary tradition, this matter of privilege is central to the nature of the responsibilities placed upon us.

I wish to quote from Erskine May, 19th Edition, page 67, the paragraph entitled "Ancillary Nature of Privilege — A necessary means to fulfillment of functions":

The distinctive mark of a privilege is its ancillary character. The privileges of Parliament are rights which are "absolutely necessary for the due execution of its powers." They are enjoyed by individual Members, because the House cannot perform its functions without unimpeded use of the services of its Members; and by each House for the protection of its Members and the vindication of its own authority and dignity.

I wish to turn now to a definition of contempt given in Erskine May, 19th Edition, on page 136, under the heading, "Acts or Conduct Constituting Breach of Privilege or Contempt," subheading "Contempt in General":

It would be vain to attempt an enumeration of every act which might be

constructed into a contempt, the power to punish for contempt being in its nature discretionary. Certain principles may, however, be collected from the *Journals* which will serve as general declarations of the law of Parliament. It may be stated generally that any act or omission which obstructs or impedes either House of Parliament in the performance of its functions, or which obstructs or impedes any member or officer of such House in the discharge of his duty, or which has a tendency, directly or indirectly, to produce such results may be treated as a contempt even though there is no precedent of the offence.

Erskine May, 19th Edition, goes on to discuss this matter of deliberately misleading the House. Under the heading, "Misconduct of Members or Officers of Either House As Such," subheading, "Deliberately Misleading the House":

The House may treat the making of a deliberately misleading statement as a contempt.

In 1963 the House resolved that in making a personal statement which contained words which he later admitted not to be true, a former member had been guilty of a grave contempt.

I want to now, Mr. Speaker, refer particularly to the response of the Minister of Energy yesterday, in replying to the matter that had been raised Friday last (if you will just give me a moment, Mr. Speaker, until I find it). I wish to quote the statement of the minister on page 671 of *Hansard*.

. . . I indicated that I had not personally fired anyone in my capacity as minister. Mr. Speaker, I made that statement Thursday in the House. I repeat that statement today. I have not personally fired any employees.

Mr. Speaker, as far as the individual is concerned who was discussed on Friday, this individual was informed by the deputy minister, upon my instructions, on May 11 that he was terminated. It was suggested to him that if he so wished the standard severance or favorable severance that was being accorded to order in council employees would be available to him. He indicated at that time that he wished to discuss the matter with his attorney. Mr. Speaker, on May 12 the individual involved informed senior officials of the department that he would not leave the job, and that he was staying in his office under advice of his attorney. Mr. Speaker, this situation, this unacceptable situation, persisted for several days before ultimately, on May 17, I signed the letter which was tabled in this Assembly. Mr. Speaker, that letter was confirmation of the action taken by the deputy minister.

I ask the House to pay particular attention to that statement, "Mr. Speaker, that letter was confirmation of the action taken by the deputy minister."

There is no question, Mr. Speaker, that the deputy minister was acting under my instructions. There is no question, Mr. Speaker, I state categorically again, I have not personally fired any employees.

I wish to now, Mr. Speaker, read into the record and table further documents in the course of putting the motion that may indicate (may indicate, I say) that yesterday, in reply to the charge made on Friday last, that statements by the minister on Thursday,

July 8 constituted a breach of privilege of this House and may have constituted a contempt of this House. The minister, in making his explanation, may have further breached the privileges of this House and may have further demonstrated contempt for this House. I refer now to a letter under the letterhead of the law firm, Rath, Oledzki, and Johnson, dated May 18, 1982, addressed to the law firm of MacPherson, Leslie and Tyerman, Attention Mr. R.L. Barclay, Q.C. re Termination of Shakir Alwarid from employment with the Government of Saskatchewan. I will not read the entire letter, Mr. Speaker, but just the opening paragraph:

Further to our telephone conversation of May 17, 1982, this will confirm that we represent Mr. Alwarid in this matter. Mr. Alwarid received notification from the Minister of Mineral Resources, Mr. W. Colin Thatcher, by letter dated May 17, 1982. He was so advised that his employment as assistant deputy minister, finance and administration, Saskatchewan Mineral Resources, was thereby terminated immediately.

The understanding, clearly, of Mr. Alwarid and of his attorney was that he had been terminated by the Minister of Mineral Resources, the said Mr. Thatcher. I lay a copy of this letter on the Table.

On May 21, 1982, under the letterhead of the law firm MacPherson, Leslie and Tyerman, a letter addressed to the law firm of Rath, Oledzki and Johnson, Attention Mr. R.T. Hart.

AN HON. MEMBER: — Is that without prejudice, Jerry?

MR. HAMMERSMITH: — Without prejudice. Government of Saskatchewan . . . Mr. Speaker, do I have the floor to continue, or is it the Attorney General's wish to speak now or later?

If I may continue, Mr. Speaker. The letter is regarding the Government of Saskatchewan, Shakir Alwarid dismissal.

I acknowledge receipt of your letter of May 18. Your client was advised at the time of termination that the government is prepared to make certain payments and contributions as compensation for services, which will assist him in securing further employment. (Signed) R.L. Barclay, Q.C.

The letter makes no reference to any suggestion that the opening paragraph in the letter of May 17 from Hart to Barclay was inaccurate in describing the termination having been effected by the Minister of Mineral Resources, the said Mr. Thatcher. I lay that letter on the Table, Mr. Speaker.

I wish also to refer to another document. It is dated May 11, the day the minister says that he instructed the deputy minister of the Department of Mineral Resources to dismiss the said employee, Mr. Alwarid. And this is a recollection from Mr. Alwarid of a meeting he had with the deputy minister on May 11. It's a memorandum on Government of Saskatchewan letterhead from Shakir Alwarid, assistant deputy minister, to file regarding "request for my resignation." The text reads:

I was called into Mr. Don Moroz's office today at 2 p.m. to inform me of his discussion with the minister, Mr. Colin Thatcher, this morning. In summary, Mr. Moroz summarized the minister's directive, as it relates to me, as follows:

the minister wants me to resign my position with the department and left it to Moroz to arrange for my resignation and settlement. The minister did not indicate what kind of settlement the government is willing to make with me. The minister informed Moroz that he wants the people with political affiliation to the NDP out of the department and that the request for my resignation relates to my political association with the NDP and my previous employment with DNS. The minister indicated that he was aware of my employment status as a certified permanent employee and not an order in council appointment. Given that, he would like to see a settlement reached with myself and my resignation submitted as soon as possible.

For the record, I was called to a meeting with Mr. Thatcher yesterday, along with Mr. Moroz, and at no time was any mention of my employment status or anybody else's made, with the exception of his instruction that Mr. Brian Hill's OC will not be approved. This meeting with Mr. Thatcher was to meet him and review our briefing notes for him.

I informed Mr. Moroz that I will be contacting my lawyer and will inform Mr. Moroz of my decision following that. cc. Don Moroz (Signed) Shakir Alwarid.

There is no indication and no record produced yesterday by the minister, no communication received by Mr. Alwarid, of anything other than a request for his resignation. I lay that memo on the Table, Mr. Speaker.

Now, in conclusion, before I put the motion to the House, I just want to sum up to the House how important this matter is, because we in this House, while we are in this House, are not governed by or subject to the laws of general application in society. That is a privilege. We have the privilege of making the laws that govern ourselves, and with that privilege we have the responsibility of enforcing those laws.

We can hardly expect that the citizens of Saskatchewan will show respect for the laws that this House passes, if this House demonstrates that it cannot govern itself — that it cannot itself show respect for the laws that it passes, or that it follows, to govern the conduct of the House and the conduct of each individual member. When a member violates those laws of the House, it reflects on every member of the House. We know that there are likely more than enough people today who don't believe anything that politicians say, and who take the view: "A plague on all your houses; you're all deceitful and not to be trusted."

All the more important, then, that we should, in examining our own conduct, assure that our conduct, particularly in this self-governing institution, is beyond reproach, beyond reasonable doubt. And we all have an obligation to do that. It has nothing to do with partisanship. It has to do with our role and our status and our responsibilities as individual members of this House — not some other role we might have as members of a political party. It has to do with this House.

I think we also need to consider, in that light, whether we would find it acceptable, whether we would be able to defend to the general public, a situation where someone was involved in a serious violation of a law passed by this legislature. That may be a law having to do with traffic. Someone is involved in a violation of the traffic laws, has been

reckless and careless, and has endangered not only the rights of other people, but the lives of other people. If then, we would permit that citizen to argue that he didn't think he was going to get caught, if we would accept the view that the crime was not in the act, that it was in getting caught, then we would have to further accept the view that, having been caught, it is sufficient to say, "I forgot." "I didn't do it." "Somebody else did it." "He did it at my direction," or "I'm sorry." I don't think we would accept that from the citizens. I don't think they should accept it from each other; I don't think we should accept that from each other in this House. If we are going to accord this House and this process the respect it deserves in society, we need to set an example.

The minister says clearly that under his instructions the deputy minister fired the employee. The minister asks us to accept his word that he did that. He has not produced any evidence to support that argument. I think he should have the opportunity to present the evidence to support that argument, and the place to take advantage of that opportunity to present that evidence is before the committee on privileges and elections, a committee of this legislature, made up of hon. members of this legislature. Witnesses can be called to this committee and evidence taken under oath. I think that is the appropriate place to deal with it.

The committee would be, and is, empowered only to report back to this House and to make recommendations to this House as to whether or not there is sufficient evidence to support the charge made by me as a member against another member. If there isn't, the matter is done with and the process and the responsibility of this House have been satisfied. If, on the other hand, the committee finds that there is sufficient evidence, it reports that fact, and recommends action to be taken by this House. I think that is an appropriate course of action.

Let me sum up, Mr. Speaker, by emphasizing two clear points. First of all, the question asked to the minister, the second question, did refer clearly to whether he was involved personally in writing, verbally from the radio of his tractor, or by any means whatsoever. That phrase "by any means whatsoever," in my view, would include the use of the deputy minister as an instrument, if that was the instrument, or any other instrument. Further to that point, we have already tabled and examined in this House the letter that was signed by the member charged, and that any reasonable person would view as clear evidence that the minister had personally, in writing, terminated the employment of the individual referred to. I think having done that, and that the House recognizes that, that is clearly sufficient to establish deliberate intent in the question period on Thursday, July 8, because the minister was certain and clear and unequivocal.

Now, I remind hon. members that ministers do not have an obligation to answer questions. A minister might simply decline to answer and not give any reason for answering or a minister has the option, which many ministers have used, of taking notice of the question because he is uncertain of his facts and may wish to check the facts. I think those who were in the House Thursday would have to agree that the minister couldn't have been more certain. He was asked twice. He had opportunity to take notice, and to check his facts, as I will point out the Premier did yesterday in the question period. He wasn't sure of the facts so he said, "I'll take notice; I'll answer at a later date." I think that's perfectly appropriate.

So, having made those points, Mr. Speaker, I move, seconded by the member for Quill Lakes:

That in light of the letter of dismissal dated May 17, 1982, to Mr. Shakir Alwarid, and signed by the Hon. Colin Thatcher, in stating to the House Thursday, July 8, 1982, at pages 616 and 617 of *Hansard*, in reply to questions from the member for Prince Albert-Duck Lake, that he had no personal involvement in the termination of any employee of the Department of Mineral Resources, personally, in writing, verbally, from the radio of his tractor, or by any means whatsoever, the Minister of Mineral Resources was deliberately misleading the House; and

That this House, therefore, resolves that the matter of the statements made to the House by the Minister of Mineral Resources on Thursday, July 8, be referred to the standing committee on privileges and elections; and

That the committee on privileges and elections report to the House as to whether the statements of the Minister of Mineral Resources constitute a contempt of the House, and whether the conduct of the minister is consistent with that expected of a minister of the crown.

HON. MR. ANDREW: — Mr. Speaker, with regard to the ruling, it would appear that the Assembly, through you and the Chair, is certainly moving in what I think is a new direction with regard to the Assembly. Perhaps we, on this side of the House, as perhaps counsel, put reliance on previous decisions of this Chair, put perhaps more weight on that than on decisions, let's say, of other legislatures, other . . .

MR. SPEAKER: — Order! Is the hon. member disputing my decision?

HON. MR. ANDREW: — Yes, Mr. Speaker. The concern, perhaps, is that the Chair, as I understand the ruling of the Chair, has ruled that the *prima facie* case has been made that in fact the date of the letter was the material date. I take it that is pretty fundamental to the decision that we're dealing with, and certainly the decision that would have to be resolved by the members of this Assembly is the material date of the termination. Your ruling seems to have said that that point has been proven *prima facie*, as I understand the ruling to be, but you left then simply the Assembly to have the decision, Mr. Speaker.

MR. SPEAKER: — Order! Why is the member on his feet?

MR. LINGENFELTER: — A point of order, Mr. Speaker. I am having a great deal of difficulty, as members in the opposition are, trying to follow how this debate relates to the motion on the floor.

MR. SPEAKER: — I would ask the hon. member to try to relate his comments to the motion that is before the Assembly.

HON. MR. ANDREW: — Clearly, Mr. Speaker, the motion has indicated that the members of this Assembly are to rule that the member, the Minister of Mineral Resources . . . It lays out the facts of the case. Certainly that is the motion before the Assembly. I would assume Mr. Speaker, that would entitle members of the Assembly to address the specific allegations in that motion. Certainly the member opposite has gone into great detail, Mr. Speaker, with regard to what in fact has happened. This included, I might add, Mr. Speaker, reading in the expelled or terminated employee's memo to himself, if you like, as is. I think in a court of law, Mr. Speaker, certainly self-serving evidence. I think, as well, the member opposite indicated that probably, or

perhaps, a further breach was made by the hon. member in his response the following day. So I think that the members on this side of the House in general should have an opportunity to address what they see in that particular motion.

Now, as I said before, Mr. Speaker, it seems material that, number one, the decision of the Chair has been that the effective date of the termination of the employment was the date of the letter. I think the members on this side of the House agree, or I suggest to members on all sides of the House, that that, quite frankly, is the root of the decision in court, that this could maybe be found ultimately in this court or some committee of this court.

Surely the members of this Assembly, dealing as parliamentarians, have the right to make the decision as to when was the effective date of termination. Surely we have the decision, Mr. Speaker, of saying that the effective date of termination was, if we are to believe the Minister of Energy, at the material date when the deputy minister called the employee to his office, advised the employee of his termination and told him that he was no longer to be with the government. That, Mr. Speaker, was the evidence of one of the combatants or contestants in this particular issue, the member for Prince Albert-Duck Lake.

You, Mr. Speaker, it seems to me, have ruled *prima facie* that, in fact, the material point of termination was the letter as referred to by the hon. member. I simply say, Mr. Speaker: do not we, as the members of this Assembly, the ultimate court if you like, not have the right to make that decision? Or, are we to accept that as fact, and then only have the right to determine if, given those facts, that was a deliberate attempt, a deliberate motion, or a deliberate action on behalf of the member to mislead this House. And that seems to me to be where we are coming down on this.

Obviously, Mr. Speaker, there are legal ramifications as well to this particular motion. The hon. member, in his presentation today, referred to "without prejudice" letters between lawyers. Clearly, this type of case, Mr. Speaker, can find itself not in simply this court (the legislature), but in the judicial courts of this particular province.

With the evidence before us, I simply caution the members of the House, let us not judge a man, or make a decision as to the material and perhaps central part of a potential lawsuit that could come before the courts of this land — that in fact the termination was as set out in the letter — before we have had an opportunity to hear all of the evidence of the case. I think we are finding ourselves going down what I suggest to be a very tricky road when this House becomes so quick to make that type of decision, which is very fundamental and material to any court of law.

I also think that given the fact that the minister is not present in the legislature today, I find that unfortunate, because, Mr. Speaker, we are once again sitting in judgment on him in his absence. That, Mr. Speaker, I suggest is pretty fundamentally dangerous to the whole system, not only of justice, but to the whole system ultimately of justice, which is the legislature of this province, or the parliament of this country.

I suggest that the decision that you have taken, first of all, as Mr. Speaker, and that the motion is asking all of us to take, has certain legal ramifications. Surely, the member

opposite made reference to the importance of the function of this institution. I would hate to think, Mr. Speaker, that this exercise is nothing more than a vehicle by which to assist someone in his legal cause that he is going to be advancing in the courts of law. If that is the case, Mr. Speaker, that is a far more serious privilege. That is a far more serious privilege than anything that has been advanced before in this legislature as it comes today. Given the potential legal implications of the decision of the Chair as to what could happen with regard to the motion, and given the fact that the hon. minister is not, in fact, here today, Mr. Speaker . . .

MR. SPEAKER: — Order! I would like to advise the hon. member that yesterday I advised this House that I would bring in a ruling today. So the fact that the hon. member is not here I don't think enters into the debate.

HON. MR. ANDREW: — I apologize for that, Mr. Speaker. I thought your ruling was yesterday. I apologize. I thought you would bring it in in all due haste. Okay, from that point of view, I take that and apologize, Mr. Speaker.

Having said that, Mr. Speaker, because of the ramifications this has for the courts of law, and to seek the advice of counsel on this particular situation, with the indulgence of the House, I would ask for leave to adjourn this debate.

MR. SPEAKER: — The member has asked leave to adjourn the debate. Is leave granted? I believe the ayes have it. Call in the members.

The following recorded division was taken at 7:47 p.m.

Motion negatived on the following recorded division.

YEAS — 0

NAYS — 8

Thompson
Lingenfelter
Shillington

Koskie
Hammersmith
Yew

Engel
Lusney

HON. MR. ANDREW: — Mr. Speaker, only a few words with further regard to the motion presently before the House. In such, I would like to address my comments to the members of the Assembly. Now the Minister of Energy is in his place in this Assembly, and this motion is calling on this Assembly as a court to judge the Minister of Energy. I would simply ask the indulgence of this House that we allow the member for Thunder Creek, the Minister of Energy, to state his case at this point in the debate. I think that's a

fair request for anyone.

MR. KOSKIE: — With respect to the comments of the Minister of Finance, I do not think that what the motion calls for is for this Assembly, per se, to make a decision in respect to the actions of the member. I think that the motion addressing what the Minister of Finance said — what it calls for is to use a procedure which is open to the House in dealing with the matter, and that's the referral to the elections and privileges committee.

What I want to say is that, in your decision today, Mr. Speaker, you indicated the two ingredients, which were whether or not it was misleading and whether or not it was deliberate. You indicated, and we concur with that, that you found a *prima facie* case in respect to the first ingredient that was in fact misleading. It was not the decision of the Chair to make a determination with respect to the second ingredient, that is, whether or not it was deliberate. Your decision turns the deliberation of the matter over to this House to set into motion what method will be used for dealing with the matter. We are not here this evening to argue the case of the merits as to whether or not there was a deliberate act. The legislature has set up, as I indicated, a mechanism in order to deal with that. That is what the motion addresses and, accordingly, what I am saying is that there are various methods of dealing with a motion, with a matter which is referred to the House. Under such circumstances, there are precedents, I believe, where the member, when the *prima facie* case has been determined in the legislature, has the opportunity to come forward with a statement in respect to the actions, or alternatively we have the procedure set out in the motion.

HON. MR. THATCHER: — The other day I explained to the House the events that led to the removal of an employee of the Department of Mineral Resources and the reasons I felt it correct to say I did not personally fire him. Hon. Members on the other side of the House have taken the same series of events and stated that I did personally fire him, and that I was deliberately misleading the House. Mr. Speaker, I give the Assembly my assurance that in answering the questions of the opposition I was at no time attempting to mislead the Assembly, deliberately, or otherwise.

Mr. Speaker, you have ruled that a *prima facie* case of privilege exists. I accept your ruling. It is therefore protocol that I unequivocally apologize to this House, which I so do.

HON. MR. LANE: — All hon. members realize the effect of the statement of the hon. member that he has made an unequivocal apology to this Assembly. He has also made it quite clear that he accepts the ruling, Mr. Speaker. It now behooves the House to make a decision as to whether members wish to have a debate in the political arena such as the committee, or whether this Assembly is satisfied with the words of the hon. member and their import. And let no members of this Assembly demean or put little stock in the effect of those words and the words stated by the hon. member.

I think we can now, Mr. Speaker, as the matter has been well aired, give the members an opportunity to put the matter in its proper perspective. And in that regard, Mr. Speaker, I am going to make the following amendment to the motion. I'm sorry, Mr. Speaker, after I finish my remarks, I will be making an amendment.

Should the matter go to committee, the committee could have various options, one of which is to recommend no further action, one of which would be to reprimand the member. In all likelihood, without prejudging any committee, the penalty, so to speak,

could be asking the member to apologize. I strongly suspect, and I say, only strongly suspect . . . Now, the hon. member opposite is shaking his head. I question, Mr. Speaker, (I suppose I shouldn't), what the intention is, but I suspect that the results of its going to committee would, in all likelihood, be an apology by the hon. member.

I therefore move the following amendment to the motion, seconded by the member for Regina South, that all the words after the word "that" be struck out, and the following substituted therefor:

 this Assembly accepts the unequivocal apology of the member for Thunder Creek.

MR. SPEAKER: — I find the amendment in order, and debate continues on the amendment and the main motion.

MR. HAMMERSMITH: — Mr. Speaker, it's not clear which "that" is referred to. Could you read the motion as amended?

MR. SPEAKER: — The Table advised me that when it was not spelled out, it would be the first 'that,' which is the first word of the motion, so the amendment or the motion would read:

 That this Assembly accepts the unequivocal apology of the member for Thunder Creek.

MR. HAMMERSMITH: — Mr. Speaker, in speaking to the amendment — I'll be very brief — I think it's clear to all members of the Assembly that the apology was given in unequivocal terms. It is our view that that serves the integrity of the rules of this House, and that the apology should be accepted and the matter put to rest. We will therefore be supporting the amendment.

Motion agreed to.

Motion as amended agreed to.

MOTION UNDER RULE 16

Condemnation of Federal Budget

MR. MAXWELL: — Thank you, Mr. Speaker. At the conclusion of the remarks I'm about to make, I intend to move the motion which is found in the blues today, namely:

 That this Assembly condemns the federal government for its budget of June 28 which did not take the steps necessary to restore investor confidence in Canada and promote the continued expansion and diversification of the agricultural, mineral and industrial sectors of Saskatchewan and the other western provinces.

Mr. Speaker, the federal budget of June 28 was not an economic statement; it was a political statement. It clearly stated that the Liberal Party is floundering and is currently leaderless. The result is that a nervous country has become a frightened country. The budget did nothing to reduce interest rates or to help the dollar, and virtually nothing to restore confidence, spawn investment or come to grips with any of the other major

problems which we face.

In last November's budget, the finance minister said:

The first objective is the need for restraint on the part of government and restraint on the part of all Canadians.

As a result of that budget, this year's projected budget deficit has jumped from \$10.5 billion to \$19.6 billion — so much for restraint by the federal government. We have a projected federal deficit of approximately \$20 billion, a doubling of the deficit since last November. This will require a dramatic increase in federal borrowing which is going, inevitably, to push up interest rates and plunge the economy deeper into recession.

As a result, the broad economic picture does not appear to have been improved one bit by this budget. The federal government says, "Let's all tighten our belts," but the federal government, of course, is exempt from any belt tightening. A \$20 billion deficit is the price that we are going to have to pay right here in Saskatchewan for two years of economic mismanagement, two years where the government has failed to take steps to create growth. The deficit will drive up interest rates in the private sector. Small businessmen, farmers and home-owners are going to be competing with the government for scarce investment dollars.

MacEachen took a message to the Americans in Versailles earlier this year. He said, "Reduce your deficit." It is rather ironic, Mr. Speaker, because proportionately MacEachen's deficit is twice as bad as the American deficit.

The federal government is proposing to legislate limits on the salaries of the federal public servants. But it is not making any serious effort to limit overall federal spending, which has increased 16 per cent and 15 per cent respectively in the last two years.

Government spending this year, Mr. Speaker, will be equal to \$8,251 per taxpayer in Canada. It compares to \$1,692 per taxpayer in 1967-68, and that was the year before Pierre Trudeau took office. Government spending is now more than six times greater than it was then Trudeau first took office; 15 times greater than spending during any of the war years. One tax dollar in four is used to service the debt, compared to one tax dollar in nine a mere eight years ago.

The government's financial requirements for 1982-83, excluding the foreign exchange requirements, have jumped from \$6.6 billion to \$17.1 billion. In addition, the government faces an additional \$44.7 billion in debt which is going to be maturing over the course of the rest of the year. Therefore, the government could be trying to finance up to \$60 billion before the end of the year.

The cost of interest on the debt this year will exceed the total accumulated spending by the federal government during the first 70 years of confederation. So while preaching restraint for others, look at the rate at which the federal government spends money.

I see, Mr. Speaker, I am competing once again with the member for Assiniboia-Gravelbourg, to my right, who is making mock of my accent. I take it that his prejudice extends to all new Canadians and is not merely a discrimination against those of Scottish ancestry.

SOME HON. MEMBERS: Hear, hear!

MR. MAXWELL: — Perhaps his discrimination extends to further than new Canadians and perhaps his discrimination is an official party policy, as I encountered it during the election campaign, as well, Mr. Speaker.

However, to return to the prepared text, my good friend, you'll be happy to know . . . (inaudible interjection) . . . I would love to give you a little Burns, because empty vessels carry the most wind, as we all know.

SOME HON. MEMBERS: Hear, hear!

MR. MAXWELL: — To our tale of woe, Mr. Speaker, the federal government is spending money at the rate of \$214 million a day. That even beats you, lad — \$9 million an hour and \$150,000 a minute. The post office has a deficit of \$0.5 billion each year. That sum of money could buy 70 stamps for every man, woman and child in Canada. The federal government has an information and advertising budget of \$235 million, by far the largest of its kind in Canada. That sum of money is 17 times the total cost of government for the first year of confederation.

In 1980, the federal governments spent \$10 million on food, alcohol and entertainment, and that's the equivalent of 700,000 bottles of liquor. And, this comes from a government that's preaching restraint.

All projected borrowing in the next fiscal year will be swallowed up by interest payments on the national debt. Financing future economic growth, therefore, can only come about through higher taxation.

Canadian and foreign companies have moved \$21 billion out of Canada in the last five years, while bringing in just \$3 billion worth of direct investment.

And has the budget, the political statement, restored investor confidence? Of course not. The November budget attacked the incentives as tax loopholes. The June budget is now proposing several new tax incentives but they are to be the subject of a consultative process over the summer. The result means more uncertainty. Who will invest now, knowing it might be more beneficial to wait down the road till fall or early next year?

Before the budget, investors, like everybody else, were concerned with inflation, high interest rates, a weak dollar, and a huge federal deficit. So what has changed? Nothing has changed. The attitude of many Canadian investors has changed from being negative to being downright pessimistic. Specifically, income averaging and MURBs (multiple unit residential building) have not been revived. Forward-averaging annuities are for hockey players and movie stars only. Interest on funds borrowed after November 12, 1981, in order to make contributions to RRSPs (registered retirement savings plan), registered pension plans, and deferred profit-sharing plans is still non-deductible. And the two investment stimulation tax incentives mentioned in the budget are to go through the test of a feasibility study before possible implementation in the fall.

And what happened to agriculture in the budget? Our province revolves around agriculture. We all depend on agriculture in this province. When farming goes well, everybody benefits. When farming is going poorly, we all suffer. The budget did not address the problem of the high cost of product for our farmers. When the federal

government has a farm fuel tax of 55 cents per gallon, surely, they could have helped by eliminating, or at least drastically reducing, this cost to the farmer, thereby cutting production costs. Instead of helping to reduce costs, the federal government is actually contemplating increasing costs by abandoning the crowrate.

Does the budget help senior citizens? No. In fact, the senior citizens face a double blow from this budget. Not only will the old age security be partially de-indexed, but they are also going to have to pay more due to de-indexing of income tax. It's our public servants, in addition, who suffer a third blow because their pensions will be restricted to a 6 per cent rise next year.

Liberals have broken promises in which they said and I quote:

Manage the economy in such a way and interest rates would in fact come down. The economy would be administered in a sounder way to deal with inflation, to hold the line on government expenditure and to keep it under the rate of the GNP (gross national product), to reduce the deficit in a phased and orderly fashion, and to reduce unemployment through a program of responsible fiscal and monetary policy.

Mr. Speaker, that reads just like fiction, given the events that have followed both the November budget and the last budget we just had.

In putting the deficit into perspective, this year the deficit exceeds the total spending in the year that Trudeau first took office. It is eight times greater than the deficit in any of the war years. The deficit is going to keep the interest rates high while our federal government is out competing in the money market for money. These high interest rates by themselves were set to generate more inflation.

In private industry, any enterprise with revenue that only equals 75 per cent of expenditures, gross debt that was more than double the volume of its net assets, would be forced into receivership. Is that the direction in which our federal government is headed? The only thing that can restore confidence in the Canadian economy is the resignation of Pierre Trudeau and Allan MacEachen.

SOME HON. MEMBERS: Hear, hear!

MR. MAXWELL: — In November, Mr. MacEachen told us that in 1982 there would be real growth in the economy of 2.2 per cent. Employment would grow by 1.6 per cent. The unemployment rate would 7.8 per cent. Inflation would rise 11.7 per cent. Now, less than seven months later, he tells us we are going to have a drop in the real GNP of 2 per cent. The unemployment rate will be 10 per cent. Despite the oil glut and the lower than expected food prices, which, I may say, are being borne on the backs of our farmers, inflation will remain at 11 per cent.

In the November budget, inflation in the United States was projected at 8.7 per cent. It ran at a 7.2 per cent pace in the first five months and at 6.7 per cent in May, compared to 11.8 per cent in Canada.

The reaction of the *Wall Street Journal* to the federal budget is worth noting:

It is well designed to deepen Canada's stagnation. When the huge deficit is coupled with the self-destructive policies the government has followed to try

to build national unity, the problem worsens.

So what do we have? We have no projections for employment, no projections regarding wages, no projections for investment and no projections for any 1983 economic indicators. The budget contains no measures to provide job creation or to stimulate a lagging consumer demand. Business must suffer ongoing uncertainty as investment provisions are submitted through a process of feasibility studies. The \$1.3 billion tax increase that results from a de-indexing of income tax will do nothing to spurt the consumer spending necessary to create demand and get the economy moving again.

Punitive taxation of employee benefits proposed in the November budget remains essentially unchanged, despite ample testimony as to the administrative nightmares it will cause.

Canadians would do well to reflect upon the January 12, 1980 promise by Pierre Trudeau, and I quote:

This party will not simply stand by and let the recession come. We will fight it and overcome it.

Since then the problem has worsened, recession has deepened, and it's going to take an awful lot more than this budget to restore economic confidence throughout the country.

Mr. Speaker, I know we have other colleagues on this side who wish to speak to the motion and touch on other aspects. I would urge the member to my right to set aside partisan politics. Let's all get together on this one and send a message with one strong voice down to Ottawa: "We're tired of your failures, Mr. Trudeau. We're tired of bearing the brunt of your mismanagement."

Mr. Speaker, I would move, seconded by the member for Regina North:

That this Assembly condemns the federal government for its budget of June 28 which did not take the steps necessary to restore investor confidence in Canada and promote the continued expansion and diversification of the agricultural, mineral and industrial sectors of Saskatchewan and the other western provinces.

SOME HON. MEMBERS: Hear, hear!

MR. SHILLINGTON: — Thank you very much, Mr. Speaker. I want to say that I feel somewhat paradoxical about this motion. I agree in part with many of the comments which the member for Turtleford made. At the same time, I have to wonder how you people can pull the silver out of someone else's eye and neglect the beam in your own. I say to the members opposite that you are committing many of the sins which you are so desperately decrying in another level of government.

It's fair to say, Mr. Speaker, that there is a lack of confidence. I have never witnessed anything like it in the 10 or 15 years — I may be being generous to myself — that I've followed public affairs closely in this country. I've never seen anything like the current atmosphere.

I was in Victoria last Thursday. I had the opportunity to sit in the House and listen to a guy for Vancouver Centre. His name escapes me. I listened to him speak on a supply motion. Mr. Speaker, he was telling the House what a terrible job the Socreds were doing. You know, it sounds like a movie, the actors changed but the roles didn't. The ministers were telling them that of course the whole thing wouldn't have happened if the NDP hadn't put it to the federal government. That was the cause of all the country's ills. But anyway, the member for Vancouver Centre said several times that they had a bank close to insolvency, and I thought nothing of it except that I thought he may have been overstating his case a bit.

As it turns out, the next day the Canadian Imperial Bank of Commerce, I gather, had a run on the shares, if not on the deposits. That says nothing about the Bank of Commerce. It does say an awful lot about confidence people have in economic institutions in this country — and I'm not being unkind to the member, but I think he was speaking off the cuff — when the poorly thought-out remarks of a member in the Vancouver legislature can set a run on a Canadian bank. It says something about the confidence, and I think that has become markedly worse since the federal budget was brought in.

There was, I think, a hope in this country that the federal government could do something and it would bring in a budget and it would come up with some solution or other to the country's problems. But when the budget came in and there was no solutions, then just sort of a hopelessness spread over the land.

I really do agree with the member for Turtleford. The federal deficit is a serious problem, but the member speaks about it as if it were a sudden decision, that MacEachen woke up one morning in May, and said, "Gee, a great day to ruin the country. I think I'll do it and bring in a deficit." That wasn't the process. The process was that the deficit built up over 20 years to the point that it has now become virtually unmanageable.

The province, by way of contrast, has had two deficits (I think these figures are accurate; I wish the former member for Saskatoon Nutana were here — Mr. Robbins). But I think I'm accurate in saying that in the last 20 years we have had two deficits . . . (inaudible interjections) . . . Another 24 would do just fine; that's right. However, they're not here. But this province has experienced two deficits in the last 20 years. I think I'm correct in saying the federal government has had the opposite record, two balanced budgets in the same period of time. And thus the federal deficit has grown like Topsy. It was once manageable. It no longer is. When I say you people are pulling the silver out of someone else's eye and leaving the beam in your own, you are now starting Saskatchewan on the same process. You are no pikers, you members opposite. You people start off with a bang. You don't start off with a modest deficit. You are starting off with a deficit that looks like a minimum of \$200 million, and accurately stated, Mr. Speaker, it is more likely to be close to \$300 million. I'll venture to say that by the time we unscramble your budget, take out of capital the things that belong in operating, and state your budget fairly and accurately, your deficit will be closer to \$300 million.

The federal deficit may be 25 per cent, but it has accumulated over 20 years. You people are growing to a deficit in excess of 10 per cent in one fell swoop. You people adopt one of two approaches to your deficit — either it doesn't exist or if it does, it all was created by us before we left. The fact that you have taken away \$120 million or so in tax revenue has nothing to do, of course, with the deficit. The fact that you are adding another \$50 million or \$60 million on in the mortgage interest reduction program has nothing to do with your deficit.

So when you talk about the federal deficit, keep an eye on your own, because your own is going to get unmanageable a lot sooner than the federal government one did. You people should at least have had the benefit of their experience. You should know that you can't deficit finance forever without getting yourselves into very serious trouble. You are starting off on the road that the federal government is on, and you are starting off with quite a vengeance, I may add. I don't want to absorb my entire time in speaking about your deficit, and I'm very close to having done that.

I want to say that I think there are several things the federal government could do and only it could do some of them. I think the federal government could bring in exchange controls and lower interest rates, and that's something you can't do here, provincially. I think . . . (inaudible interjection) . . . No, I'm not. I'm going to be supporting you people. I'm going to be suggesting . . .

SOME HON. MEMBERS: Hear, hear!

MR. SHILLINGTON: — After what this House has witnessed over the last couple of days, it is apparent that you people need some ideas, so we're going to give you some. I'm going to give you people some ideas because there are some things the federal government can and should have done, and there are some things you people should be doing.

At the end of my remarks, which must come very shortly by the look of the clock, I am going to be moving a motion. There are a number of things you people could be doing to alleviate unemployment and the dire economic straits in which this country finds itself. You could make a contribution to the solution of the problems that you decry with such vehemence, as if the federal government masterminded the whole thing, brought this all on their own heads. They didn't; they may not have suffered from good management, but it isn't entirely of the federal government's making.

The solution, gentlemen, lies not just with the federal government, but also with the provincial government. There are some things you could do besides study, repeal, consider, and equivocate . . . (inaudible interjections) . . . Well, for one thing, the Minister of Highways might get off his duff and do something about the highway program that you've been stalling on for three months. The Minister of Health, who is continually reviewing his budget (almost a process of staring at his own navel), might try renewing, renovating, and constructing some hospitals.

You people might just try keeping your own campaign promises. I don't know if you people remember your own campaign promises. I suspect not. I suspect you're suffering from selective amnesia. You could do a lot for employment . . . (inaudible interjections) . . . I'm speaking to the amendment which I'm about to make.

You people might try introducing your natural gas to every farm program. You might try to do something about that instead of studying it and reviewing it. The Minister of Labor is reviewing it, considering it and studying it. There is a great deal about that election promise of yours that needs review and consideration because it was, I think, virtually unaffordable. But there is no excuse from an engineering point of view for not beginning the engineering work when the design work is done.

I suspect I am testing the patience of Mr. Speaker and the House, so I am going to move my amendment. I think I am over my 10 minutes, Mr. Speaker. I move, seconded by the

member for Athabasca . . .

MR. SPEAKER: — I am sorry, but the hon. member's time is up. The hon. member's time has expired.

MR. HOPFNER: — Mr. Speaker, I thank you, and I hope that the member for Regina Centre will just bear with me a few minutes. He may hear some facts and truths.

Mr. Speaker, this Assembly has sat since June 17, 1982, and it is a fantastic feeling to hear my constituents speak of how well the new Saskatchewan government is doing in so far as initiating its policies.

SOME HON. MEMBERS: Hear, hear!

MR. HOPFNER: — However, Mr. Speaker, they do realize that it is not economically feasible, or sound business sense, to move too quickly so as to risk running too high a deficit — a deficit which they now realize cannot be avoided because of the mismanagement of the federal government and the previous provincial government.

For example, Mr. Speaker, the June 28 federal budget was about the most thoughtless and disappointing budget since the previous budget, especially when Canadians were hoping for more national economic leadership in areas which are the responsibility of the federal government.

Mr. Speaker, there was a total absence of any hope, which might have existed, of any importance for Saskatchewan and for its oil industry. There has been a total absence, Mr. Speaker, of any further relief from the national energy program, and a lack of relief from the federal government's high interest rates, and there was absolutely no relief whatsoever as to the encouragement of foreign investment policies.

Mr. Speaker, I see no evidence of further willingness by the federal government to recognize the special circumstances and special problems surrounding and facing the Saskatchewan oil industry. To me, Mr. Speaker, this is about the most recessing, depressing, continuation of the federal government's mismanagement of the energy sector in general and it's complete ignorance of the Saskatchewan industry in particular.

Mr. Speaker, I'm proud to report, in case it slips the minds of the members opposite, that the new Saskatchewan government, unlike the cynical methods of the federal government or the previous provincial government, has demonstrated a fresh approach. It has sparked new life by addressing problems in the oil industry which are under the province's controls. On July 6, 1982, just a few days after the federal budget came down, my colleague, the Minister of Mineral Resources, announced a five-point program of recovery for the oil industry in Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

MR. HOPFNER: — It is a program which we all know has given this government a vote of confidence. Let me point out to this Assembly that we are looking to the future of our province. We are designing the initiatives to provide necessary incentives for the oil industry during our crisis period, initiatives that the federal government or its counterpart, now known as our opposition, were unable to design. The crisis was

brought on by the combination of the onerous federal tax system implemented under the national energy program, continued high interest rates, lower than anticipated oil prices and a severe economic recession.

Well, Mr. Speaker, again I must say that this party, this government, acted to reduce the heavy provincial tax burden imposed by the previous government. We will show the members opposite that this government is committed to creating a business atmosphere in Saskatchewan and to getting the industry moving again.

I would like to say that, perhaps most significantly for Saskatchewan, the federal government made no substantial modifications to its import compensation program. The federal government's import policy continues to reserve a sizable portion of the domestic market for foreign oil. In so doing, it sets a subsidy for eastern refineries to use it. I want to remind the members opposite that the result is that while production of Canadian oil is shut in in the West, Canadians have paid over \$3 billion for foreign crude oil in the first six months of 1982.

This import compensation program has provided a strong incentive for refineries to ignore Saskatchewan's medium and heavy crudes in favor of import oils. This is a situation that has prevailed for many years. The import compensation program does not consider quality price differentials when setting refinery compensation payments as all importers receive the same compensation irrespective of the type of crude oil they purchase. And may I say we hope that the national energy program will allow a special export of Saskatchewan light sour crudes to U.S. market. This oil is clearly a surplus to Canadian needs and would considerably improve market related shut-ins of this type of Saskatchewan product.

Also, further federal measures could provide stimulus to Saskatchewan's oil industry — in particular, extending a lower petroleum and gas revenue tax rate for heavy oil and for all oil produced through enhanced recovery techniques and by expanding the number of categories of oil qualified for NORP (new oil reference price).

The federal government should reveal its intentions with respect to the increment oil revenue tax. Does it intend to reinstate this tax? What about the promised productivity well allowance for marginal producers? Mr. Speaker, this government has brought forth a program providing a positive statement of the province's intentions to the oil industry. I'd like to contrast this approach to the previous administration's confiscatory oil royalty and taxes that provided such an inhospitable investment climate to the development of the Saskatchewan oil resources and contrast it to the previous administration's reliance on band-aid welfare programs such as the oil fields servicing and assistance program announced during the election.

The new government's emphasis is on treating the problem, not merely alleviating the systems by assuring that these systems do not prevail. On July 6 we began to accomplish this by providing fair return for investors and by encouraging the private sector to get on with the job.

All members in government or in opposition must now begin to promote a healthy industry and a healthy economy. The federal government must also co-operate.

I have mentioned some of the areas in which we seek further federal action. But let me tell you, Mr. Speaker, that this may not be easy. But I would like to remind Saskatchewan and indeed all of western Canada that if it were not for the arrogance, the deceitful

initiatives and the undermining attitude of the previous government and their colleagues in Ottawa we would have had a federal government that we could have trusted; we could have had a federal government which would have had direction.

MR. SPEAKER: — I must inform the hon. member that his time has expired.

MR. ENGEL: — Mr. Speaker, I listened (and I must confess, intently) to the mover of the motion. I have no intention of adding insult to new Canadians coming to Canada, but he also must admit that when our true Canadian speaks in his mother tongue, it is hard to understand, and I imagine that in time he might learn our English accent as we speak it here, and then I could distinguish some of the numbers and words you are using. So my apologies to the member for thinking I was making a slanderous attack on his language. What I was saying was: slow down a little bit so we can hear you, and understand clearly what you are saying.

The motion that the member for Turtleford brought to this Assembly really fails to keep one of your major election promises. And if I had equipped myself tonight with some newspaper advertising that many of you people have done, I could show that one of the things that members opposite stressed during the campaign was that they were going to take hold of the reins in Saskatchewan. They were going to administer this province, and they weren't going to get into this same category that we got into when we were members opposite, of blaming the feds for everything. And it doesn't take that long until they come along with a motion. And I can endorse everything that is in this motion — everything. I can endorse everything.

But I would also like to add a few things, Mr. Speaker, and in the closing of my remarks I intend to move a motion . . . Maybe my colleague for Shaunavon might have to move it if I run out of time, but I intend to move motion that adds a little responsibility where the responsibility belongs.

This motion starts by saying that this Assembly condemns the federal government for its budget of June 28. I would like to condemn the government across the way here for its lack of a budget. They are asking us to sit at the session; today it's nearly a month that we have been here, Mr. Speaker, and we still have no budget. We still have no indication of what direction you intend to take. And their budget didn't take necessary steps to restore investor confidence in Canada. I'd like to say that a lack of a budget here is taking giant steps for people of Saskatchewan to restore a lack of confidence in you people. If you want to gain the confidence of the people saying that with your 55-man majority you can offer some good government, give us some direction.

Saskatchewan is a part of Canada. Those members sitting opposite who were on the former rules committee will well remember the trip we made down East, and for the new members I would like to tell them that we had a special committee that had a big part in printing the appendix to the little rule book and the changes. This particular motion we are dealing with today is part of the work of that rules committee.

But while we were down in Ontario, Mr. Speaker, I had occasion to sit beside the Speaker of the Ontario legislature in Queen's Park. He is a good man, and I want you to respond also to what this man had to say. I told him that in the early '70s, as a delegate from Saskatchewan, I visited the Ontario legislature. Do you know how we were treated in Ontario in the early '70s? Exactly the same way as we treat a class of high school kids who come to visit this Assembly. We were introduced in the House as those guys who call themselves MLAs from Saskatchewan. That was 1971.

Mr. Speaker, what happened in 1981, just 10 years later? For those of you who can remember, during that period of time we had an NDP government. Ten years later we visited that legislature. They didn't only introduce us in the House, they took us out and dined us, they fed us well, they entertained us, they took us into their committees, they taught us the rules, they held sessions with us, and the Tories were anxious to share. I said to this Speaker (who I just said was a good man) . . . (inaudible interjection) . . . That's right, some of your members were part of that rules committee. Your Attorney General was along with us on that rules committee. And the Speaker said to me, "The people in Saskatchewan have come of age. They have grown up." When your son grows up and comes of age the community recognizes him not for what his dad did but for what he was able to do. And I want to tell the members opposite that Saskatchewan during the last 10 years came of age.

We inherited a role in the Dominion of Canada, and you people had better recognize that you have a role to fulfill. You can't blame Ottawa for everything. Some of the actions you take right here in Saskatchewan are going to be measured by the rest of Canada. Your counterparts in Ontario are going to watch carefully to see if the health program improves as much as it did. Your counterparts in Ontario are going to watch the Department of Agriculture in Saskatchewan to see what stances you are going to take. What are you going to do to ensure that Saskatchewan really proves to Canada that it has come of age? You said, "That was a good Speaker." I agree that he was a good Speaker.

This motion goes on to say that steps should be taken that are necessary to restore investor confidence in Canada, and promote the continued expansion and diversification of agriculture.

What have we done to promote diversification in agriculture? We've really done a fantastic job. Today the Minister of Industry and Commerce stands up in this House and says he wasn't aware of Friggstad's closing down — a major industry in our country. That's really expansion of diversification, having Friggstad close. We are proud of what was happening in southern Saskatchewan in cultivators . . . (inaudible interjection) . . . I don't own one. I own a Morris. But at the same time . . .

AN HON. MEMBER: — What color is it?

MR. ENGEL: — My Morris is red. I could tell you a story about what happened to it yesterday.

Today the Minister of Industry and Commerce admitted not knowing anything about the problems there. In fact he tried to inflate his ego by saying, "I opened eight new projects since I became minister." Does he try to tell this House that those eight projects were initiated by him? Is he really trying to deceive us? I was at that plant long before he was, where they make those artificial bricks. I knew about that plant. He hasn't done very much to restore confidence in Saskatchewan.

Mr. Speaker, before I run out of time, I want to read this lengthy motion. I would like to move, seconded by my colleague, the member for Shaunavon, that we amend this motion by adding:

and further that this Assembly urges the Government of Saskatchewan to take steps to stimulate the Saskatchewan economy by proceeding

immediately and without further delay with a major program of capital expenditures including: (1) the construction of 4,100 new housing units, (2) new and reconstructed hospitals at Lloydminster, Yorkton, Cutknife, Melfort, Nipawin, Maidstone, Indian Head, Watrous and Saskatoon, (3) new special care homes at Biggar, Shaunavon, Birch Hills, Weyburn, Fillmore and Saskatoon, (4) the extension of natural gas services to 50 communities and thousands of farms in 1982, (5) major water supply project for Lloydminster, (6) over \$13 million of highway construction on highways 105, 106, 155 in northern Saskatchewan, (7) a \$100 million highway construction program in southern Saskatchewan . . .

Let me just stop here and say that if the Minister of Highways thinks he is convincing us that a \$9 million or \$10 million highway project is a good thing for Saskatchewan, that's only 10 per cent of what you should be doing. That's 10 per cent of your budget. Do \$100 million worth of construction in southern Saskatchewan now.

. . . (8) construction of a provincial lab building and a provincial rehabilitation centre, a Saskatchewan archives building, courthouses in Saskatoon and Regina and a further addition to the Saskatchewan Technical Institute in Moose Jaw.

SOME HON. MEMBERS: Hear, hear!

MR. JOHNSON: — Mr. Speaker, I don't know how to handle this amendment but I'm going to go ahead with my prepared speech.

Mr. Speaker, it's a pleasure for me to rise in this Assembly and join with my colleagues in condemning the federal government's attitude, its approach, and its failure to restore confidence in the farming communities of Canada — especially western Canada. The federal government's proposal on June 28 have once again failed to meet the needs of the Saskatchewan agricultural industry. The taxation measures demonstrate the federal government's lack of understanding of the measures needed to provide a renewed confidence and promote continued expansion in our agricultural sector. Specifically, the budget did not address the problems created on November 12, 1981, let alone provide renewed confidence in our agricultural industry.

The restrictions on farm transfers through the elimination of income tax averaging annuity contracts and the reduction of the capital gains reserves to the maximum of 10 years places continued hardship and increased costs on the intergenerational transfer of the family farm unit. The forward averaging annuity provision proposed as an alternative is not adequate because it results in most of the hardships falling on those on the lowest incomes.

The federal government has chosen to index our personal exemptions and tax brackets at one-half of the current inflation rate. This policy alone will result in a heavy tax burden for our agricultural industry. Capital cost allowance restrictions and restrictions on family farm corporations are examples of additional tax burdens being placed on farmers, who can ill afford the increased costs.

Mr. Speaker, the federal tax of 55 cents a gallon must be looked at immediately. Maybe the federal government should take a message from Saskatchewan's removal of the gasoline tax as a quick and certain way to help farmers and people. For example, trucking industries will be able to keep their freight rates in line. If fuel costs were reduced across Canada, as they were in Saskatchewan, this in turn would help shipping costs to be kept down to a minimum. The savings would be felt by all the people on everything from cans of beans to farm repairs and probably from toilet paper to medical supplies. (It's a good line, eh?) School buses have had to pay a 20 per cent tax on all the fuel they burn. They paid for this from school taxes. The removal of that tax should result in a saving of from \$600 to \$1,000 per bus per year. This saving should at least keep the mill rate down two or three points.

Mr. Speaker, another area of our society that will benefit from the savings of all these taxes is all the taxpayers in all the cities and rural municipalities in Canada. The reduction of the gas taxes will allow a tremendous saving in the operation of maintenance equipment and savings can translate into more tax savings to a Canadian taxpayer.

These kinds of measures must be adopted by the federal government if agriculture is to survive in this country. High interest rates have crippled our agricultural industry. Increased costs of borrowing capital are causing many farmers to reconsider their farming careers and many are facing bankruptcy.

The federal government has held its interest rate high in an attempt to bring down inflation and to bolster the sagging dollar. The reduction of net incomes through increased interest rates and federal government policies of increasing energy costs to farmers has resulted in curtailing investments, reducing growth and reducing employment, and I'm talking generally on the agricultural industry.

Mr. Speaker, our agricultural supply industry is facing bankruptcy. Just look at the machinery lots. They're full of unsold machinery. A healthy agricultural industry benefits everyone in Canada. And the June 28 budget didn't address this problem at all. Not only are firms on the brink of financial bankruptcy and disaster, many industries are just plain going under. We need to look just as far as our farm machinery industry to see the effects that the energy costs and interest rates have. When our agricultural industry is reeling in the face of an economic depression, the federal government has chosen to embark on further measures which will cause more financial hardships to farmers.

The crowrate, a long-standing argument that guaranteed farmers a decent freight rate, is now going to be dismantled by the federal government. As with VIA Rail, they held meetings, there were delegations sent but to no avail, Mr. Speaker. They canceled VIA Rail anyway.

Under the Gilson report that was handed down a few days ago, our farmers will be paying 30 per cent of the increased costs of transportation in 1983-84, and as high as 60 per cent in 1991-92. The loss of the crowrate and the increased costs of transportation cannot be afforded by our agricultural producers of Saskatchewan. And again I say the federal government's taxation policies, the interest policies and energy cost policies will cause considerable difficulty to the farm communities.

It's obvious, Mr. Speaker, that the federal government policies in the past have not provided our economy with the incentive to increase investment and to increase growth and to reduce unemployment. I believe the federal government must put the

necessary steps forward to restore investment confidence and promote continued expansion in our agricultural sector. The announcement of a \$19.6 billion deficit and a predicted \$22.5 billion federal loan by the Minister of Finance has forced the auditor general and his predecessor, James Macdonell, to speak out publicly in Canada, saying that Canada faces imminent economic collapse if something isn't done immediately.

Now, Mr. Speaker, I want to impress on the governments of the country that our food industry, its future and its security, remains threatened through farm bankruptcies, because the Minister of Finance has failed dismally to recognize the problems in agriculture today. Generally, all government programs have been designed to make people more dependent on governments through bad times. If some of these things aren't done, Mr. Speaker, agriculture will never become number one in Canada as we would all like to see it. I'm sure the members opposite will agree with me that if we make agriculture number one, that's the way it should be. Mr. Speaker, I would like to ask everyone in this Assembly to support this motion.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: — Why is the member on his feet?

MR. SHILLINGTON: — Well, Mr. Speaker, I want to speak on the amendment as distinct from the motion.

MR. SPEAKER: — You're only allowed 10 minutes per member in this debate, and you've had your 10 minutes, so we can't allow you the time.

MR. KLEIN: — Mr. Speaker, in seconding the original motion tabled, I would like to say that the new budget our federal government put in place on June 28, 1982, appears to be accepted by the people of Canada with the same degree of apprehension with which its earlier budget of November 1981 was met, and rightfully so. Its November budget has proven to be a miserable failure. Its new budget appears, again, to fail to address the very problems that caused that failure. The federal government should be condemned for presenting a new budget that appears doomed to the same disastrous results.

Past federal Liberal policies have created a world-wide drop in demand for Canadian products. They have created a very serious situation in our economy, and have our country's finances in a very, very bad state. We now face a federal deficit which is expected to be \$20 billion this year. Mr. Speaker, we face record low levels of business and consumer confidence, along with poor investor confidence as well. We face soaring levels of personal and corporate bankruptcies, and what did they do about it in their new budget? Nothing. The federal Liberal government chooses again to simply try to talk its way out of trouble, and its budget is simply a public relations exercise with very little substance.

And yet the NDP members of parliament, the brethren of our members opposite, must recognize that they are responsible for these federal Liberal programs. Mr. Speaker, these NDP members of parliament supported the Liberals to put them where they are today. The Liberals now continue to implement their sorry programs that do nothing and accomplish nothing for us as Canadians, and, Mr. Speaker, this budget does nothing for Saskatchewan as well.

For instance, the glaring problem created by our past Saskatchewan administration in

conjunction with the federal government as it relates to Uranium City and the closing of that mine has not been addressed. This problem, combined with others, dictates that now we, as government, face rapidly rising unemployment levels reaching record proportions. We have in Canada now levels of unemployment that have not been seen since the Great Depression of the '30s.

We were hopeful that the new federal budget would encourage industry, but it appears we will have to go it alone. We went alone on mortgage interest rates, and will soon be the envy of all jurisdictions in North American in this regard. I am sure we will be up to the challenge we now face of restoring confidence to industry and investors as well.

Our industries have been subject to extremely high interest rates that have been affecting them for too long a period of time. We have seen many Saskatchewan businesses fail or simply shut down because they could not operate for any length of time in the face of those same interest rates. And yet, Mr. Speaker, our federal government, while recognizing this problem, still refuses to do anything in the line of a positive attack against these interest rates.

At about the time the cohorts of our members opposite, the federal NDP, chose to side with the Liberals and return and keep them in power, Canada was growing. Canada was vibrant and healthy industrial climates existed across the country. Gigantic deficits were unheard of, and Canada was enjoying the respect of countries around the world.

Over the years, the NDP kept the Liberals in power in Ottawa. They all failed to listen or pay attention to the many warnings that were sounded, and now look. Just look at the sad state of affairs across our land. Our industries and their employees are almost hopelessly involved in trying to assemble the fragmented pieces of our economy.

It is unfortunate indeed, Mr. Speaker, that our Prime Minister can in fact get the support of our federal NDPers almost any time he needs it even if it imposes or creates more hardship on our Saskatchewan business climate.

Mr. Speaker, the federal budget truly contained a message that investment in Canada was not really wanted. A lot of our investors seemed to get the message, all right. They moved their money right out of the country. Our weakening Canadian dollar proves that. Those budgets continue to destroy the credibility of our federal government within the entire business community.

Mr. Speaker, investor confidence was further destroyed by the federal government when it introduced notice of a ways and means motion to implement a large part of its November 1981 budget. This notice contains over 100 technically phrased changes to the Income Tax Act. Those changes are lengthy, complex, and will require much study and interpretation. This additional red tape will further discourage investment in our business community. Other reinforced measures that they added will discourage expansion of existing businesses and the start-ups of new enterprises.

Well, Mr. Speaker, our government has already begun its battle. Our Minister of Industry and Commerce has announced that an international conference will soon take place, and it is suitable entitled "Saskatchewan: Open for Business". At this conference, our minister will deliver in detail this government's industrial strategy — the opportunities for growth and investment as well as the ground rules for development. This conference, Mr. Speaker, is designed for businesses small and large and will

attract investors and business people from Canada, the United States and Europe.

Saskatchewan, Mr. Speaker, has been open for business since April 26, 1982. And this conference will be another step forward by our government to earn the respect and the trust of our business community.

As stated earlier today, Mr. Speaker, our minister in his first month of office attended the official openings of eight new businesses in Saskatchewan, and you can expect many, many more to come.

In the *Globe and Mail*, issued just last Saturday, the Royal Bank of Canada's index of leading economic indicators recorded its third quarterly drop in a row in the first quarter of this year. This is the first time since 1974 that three consecutive quarters of decline have been recorded. The budget failed to address this situation. The Royal Bank's comments were reinforced similarly when the Canadian Imperial Bank of Commerce made a gloomy comment on the economy last month when discussing the latest results for its leading economic indicators. It said that data suggested an economic recovery no earlier, and possibly later, than the fourth quarter, and yet the federal budget still failed to address that problem.

In view of my remarks, Mr. Speaker, I must urge all members of this Assembly to support the motion put forth by our member for Turtleford. The motion, Mr. Speaker, states:

That this Assembly condemns the federal government for its budget of June 28 which did not take the steps necessary to restore investor confidence in Canada and promote the continued expansion and diversification of the agricultural, mineral and industrial sectors of Saskatchewan and the other western provinces.

Mr. Speaker, the amendment put forth by the members opposite did not truly reflect, in our minds, what this original motion set out to do. I have stated here facts that have been brought about and that are now part of our economy and the way we live here in Canada.

MR. SPEAKER: — I must inform the member that his time has expired.

MR. KLEIN: — Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. LINGENFELTER: — Mr. Speaker, under section 16(1) in the *Rules and Procedures*, it reads:

A motion may be moved every other Tuesday immediately following Questions and Motions for Returns (Not Debatable) on the Orders of the Day with the topic of the debate to be chosen by Government and Opposition Members alternatively.

It is my understanding that during the debate, the debate will go back and forth across the floor for 10 minutes each. The government members just completed a 10-minute session, and I'm wondering why they are now allowed to get another 10 minutes.

MR. SPEAKER: — I believe that the portion that you read was self-explanatory. The

selection of the topic of debate is selected one week by the opposition, and two weeks later by the government. That does not refer to the members that may speak, but rather refers to the selection of the debate item.

MR. MARTENS: — Mr. Speaker, it's always with a good deal of respect and a sense of honor that I rise to address this legislature. It's with a good deal of awe that I visualize a budget that has a deficit of \$20 billion. When you calculate the deficit over the \$78 billion budget, it becomes a 25 per cent overrun on government spending. When you calculate the deficit over the \$58 billion that is estimated to be the revenue, then you have an expenditure of 34 per cent more than the anticipated revenue.

Clearly, Mr. Speaker, we must again begin, as we have begun in this province, to place the opportunity before the people to use some of their own money for developing positive means of productivity in Canada. The federal government's proposal on June 28 once again failed to meet the needs of agricultural and mineral development and expansion in industrial areas. Where has the federal government moved in agriculture and in industry? Regarding beef stabilization, it suggested one in 1981. Where is it today? The Hon. Mr. Whelan, Minister of Agriculture, wants more than stabilization. He wants a beef marketing board. Where is the decent price on domestic wheat? We have a stale energy program. Mr. Speaker, I watch truck after truck hauling oil rigs out of this province and out of this country. A year ago, in spring (I live along the No. 1 Highway), there was truck after truck moving oil rigs out of the province and down into the United States. Depending on the size of the rig it can take between 40 and 65 semitrailers to haul the equipment out of one place into another.

What was going out was equipment that could produce, men who knew how to produce and expertise in the energy-related fields. Mr. Speaker, they were people who knew what oil was all about. In speaking to them and dealing with problems that they had in relating to the federal energy program, what they got \$17 for in Canada they could get \$27 for in Montana, \$35 in Oklahoma and \$42 in Texas. Incidentally, they just had a session in the legislature in the state of Oklahoma in which they assigned appropriated funds that were over the revenue received or the revenue needed to operate their budget and they placed that into reserves.

It's clearly, Mr. Speaker, an indication to me that the problem exists in dealing with the federal budget. It deals with a section there related to the industrial development that needs to be changed and, indeed, needs to be restructured.

Some of the problems related to the budget of June 28 that concern me a lot deal with interest rates. We, in the province of Saskatchewan, have been dealing consecutively in various ways to handle some of the problems related to interest rates. We dealt with it in relating to interest on home-owners; 13.25 per cent adjusted it. We've dealt with a problem related to energy and here again the federal government has created a problem for western Canada in relating to the agricultural industry with a 55 cents per gallon tax on farm fuels. It's related directly to the cost of production of food in this province and related directly to the cost to the consumer. And, I believe, Mr. Speaker, that it's necessary for us to speak out against that and against that kind of development.

The capital gains tax in this province has created a problem relating to the payment to the federal government. In selling farms and dealing with all those kinds of things it creates a considerable problem.

Capital cost allowances have not maintained their original amount. It has created a

problem for people dealing with taxes and tax structures. The capital gains tax, specifically, in dealing with farming and selling farms from fathers to sons, has created a major problem in dealing with this capital gains.

Mr. Speaker, we have listened to the Gilson report; we've talked about it. This spring in Vanguard at a ratepayers' meeting, I had the opportunity to listen to Mr. Hazen Argue discussing some of the aspects of moving grain in western Canada. He indicated there that the cost historically of moving a bushel of wheat out of the province of Saskatchewan and out of western Canada has been 13 per cent of the price of grain. Now, if you took 13 per cent of the price of a bushel of wheat today, you would place that at roughly 65 cents a bushel. And, Mr. Speaker, I think it's time that we urged the federal government in a clear, concise way that we need to have some record of improvement in dealing with western Canada, dealing with agriculture, dealing with minerals and dealing with the industrial sector.

They have a common problem, it seems to me, Mr. Speaker, in trying to develop budgets that have no concrete basis. We said in our campaign that we were going to put these things in; we have begun to do that; we will continue to do that. But what do they do with their budgets? They consistently say we will negotiate them through the summer. Last fall they said they'd work on it through the winter. And what do we have? We have utter confusion.

People have indicated to me, Mr. Speaker, that when they deal with the tax problems in the Canadian sector, they get a new paper on their desk every month. When they deal with the same kind of commodity in the United States, they haven't had a legislated change in five years. Where does the security come in investor dollars? It doesn't come anywhere when you have continual change, when the federal government doesn't know what it's doing. And that seems to have created, in my opinion, a very serious concept of investor dollars in Canada. It has created a problem dealing with people in Canada wanting to invest their money. And, I think that that is really serious.

So, Mr. Speaker, I think it's a necessary item for us to clearly support the original motion condemning the federal government on some of the problems it has had in the way it handles its money — \$20 billion is not just a minor detail.

I took the opportunity during our lengthy recess to figure out what a billion was. And if you took a billion minutes and stretched them out from here, in time you'd go back 1,982 years. You could be just a little bit before A.D. 1. And, Mr. Speaker, if you add 20 of them together, how much money is that? That's a fantastic amount of money in relating to what the common man considers. The hon. member for Turtleford indicated exactly what it was and it's an extremely important item to consider.

Mr. Speaker, agriculture is a primary function in western Canada that deals with roughly 50 per cent of the total economic value in this province, and I think we have to deal with it in a constructive, concise way. Relating that to some of the things we plan on doing in energy and in improving the loans, the question has to be raised, Mr. Speaker: what is the federal government doing as its sense of responsibility? I believe that it needs to be actively encouraged in any way possible; I think this government wants to do that with this motion that we have here today.

MR. SPEAKER: — Order! I must advise the hon. member that the time has disappeared. Our 75 minutes under rule 16 is complete.

MOTION

Resolution No. 5 — Municipal Revenue-Sharing Program for Northern Saskatchewan

MR. YEW: — Mr. Speaker, I am pleased to have the opportunity to place before this Assembly a resolution urging the Government of Saskatchewan to implement immediately a municipal revenue-sharing program for all local and municipal governments in northern Saskatchewan.

Such a step is absolutely necessary, Mr. Speaker, for further political and economic development in northern Saskatchewan, because without strong and effective local government in northern Saskatchewan there cannot be effective political development and there cannot be effective local government without a revenue-sharing program. This legislature has a responsibility to take action on this matter, and to take it soon.

In speaking to this resolution, I want to explain a bit about the history of local government in northern Saskatchewan. Those of you who are familiar with the North will know that we have not had local governments in the North with the powers and responsibilities of local governments in southern Saskatchewan. The reason for this has a great deal to do with the history of the North, and it tells a lot about the North and the situation of its people.

As most of you will know, northern Saskatchewan was the first part of Saskatchewan to receive the attention of eastern Canadian and European interests. The fur trade attracted the earliest commercial activity known in Saskatchewan, and it was as a result of this that the first settlements were established. Cumberland House is the oldest community in Saskatchewan, and it was originally established as a fur-trading centre. Communities such as Ile-a-la-Crosse, Buffalo Narrows, Wollaston Lake, and many others can likewise be counted as among the oldest communities in Saskatchewan.

Despite the tremendous wealth generated by the people of these communities, they did not receive the right to municipal self-government during those early days. The reasons were complex, but the main factors were the fear that the fur-trading companies and the government had of losing the tight control they maintained over those communities.

Through time, the economic importance of the North declined, and the economic importance of the South increased. Trapping, fishing and forestry continued as important economic activities, but agricultural settlements and developments became the main concern by the beginning of the 20th century. By the time the province of Saskatchewan was formed in 1905, politicians generally looked upon the North with disinterest. It was not considered to be of great economic importance. The land remained in the hands of the federal government, and the people were generally thought of as backward people who could not be given the responsibility of governing themselves, even at the local level. As a result, no provision was made for local government in the North in the early days of the province.

In 1930, when crown lands were handed over to the province, the Department of Natural Resources was formed to administer these lands. DNR administrators began to look after government activity in the North, including the administration of local communities. With the exception of Creighton, La Ronge and Uranium City, these situations remained unchanged until the 1960s.

In 1964, Mr. Speaker, changes were made to provide for the establishment of local community authorities, referred to as LCAs, which provided some communities with very limited forms of local government. In 1969, many other communities were given the right to form local advisory councils, LACs, which could provide advice to the minister. However, generally little progress was made toward the creation of any real local government.

Starting in the 1970s, however, some real efforts were finally directed toward the development of local government in northern Saskatchewan. In 1972, the province made a decision to proceed with a unique manner of providing services to the northern part of the province. The Department of Northern Saskatchewan was created to be the single agency responsible to deliver a wide variety of programs which were formerly the responsibilities of southern departments and southern agencies. In addition, the department was charged with the responsibility to provide the administration of the North and to support the development and strengthening of local governments.

The administration of The Northern Administration Act was transferred to the minister responsible for DNS, the Department of Northern Saskatchewan. The act was amended in 1973, providing for the creation of a northern municipal council, referred to as the NMC. This council was to have powers and duties similar to municipal councils in southern Saskatchewan and to assume related responsibilities. The DNS and the NMC provided ongoing assistance, co-ordination and resources for the existing local government bodies in the North and provided municipal administrative services in those other small communities without elected or appointed councils.

A further amendment to the act in 1978 provided for the LACs to act in an advisory capacity to the NMC instead of the Minister of Northern Saskatchewan. The northern municipal council co-operated with local councils and with the department in planning and prioritizing the delivery of capital infra-structures in northern Saskatchewan. The council was intended to be the municipal representative body for all the communities in the North and to play an advisory and consultative role to the department in the formation of policies and programs.

Local community authorities in northern Saskatchewan matured over the years to the point that they were prepared to assert a degree of independence in terms of handling their own financial affairs.

The Northern Administration Act was again amended in 1979, providing the option for local community authorities to act independently of the northern municipal council in administering their grant moneys. The NMC thus concentrated on acting as the financial agent for the smaller local advisory communities and provided administrative services and support to those communities.

Despite the various amendments, local government authorities repeatedly expressed the opinion that The Northern Administration Act did not clearly outline the responsibilities, and did not provide them with enough power to undertake some of the projects which were needed in their communities and in the areas surrounding their communities. Several studies supported this view.

In 1972, the new Department of Northern Saskatchewan provided funding assistance

for the Metis Society of Saskatchewan to enable it to prepare a report to the provincial government respecting the development of local government structures in northern Saskatchewan. This report was submitted in January 1973, and contained numerous recommendations. The report of the Association of Metis and Non-Status Indians of Saskatchewan, in addition to recommending the establishment of both local and regional governments, went on to point out in some detail some significant areas of responsibility which should be exercised at the local and regional levels.

Then in 1978, the Cluff Lake Board of Inquiry presented its report to the government, recommending strongly that new and unique forms of self-government be introduced for the North. That report pointed out that the North had become an important source of wealth and income for the province, and that a revenue-sharing program should be introduced to help finance northern local government.

In February 1980, the northern municipal council presented to the Hon. Jerry Hammersmith, the Minister of the Department of Northern Saskatchewan, a report calling for changes in The Northern Administration Act. The report centered mainly on the need for a clear and concise establishment in legislation of the duties, the powers and the responsibilities of both the northern municipal council and of the local advisory councils. The clear need for higher levels of government funding, particularly to communities with low taxation bases, was also identified in the report. This report was the culmination of three years of discussions and considerations which began in the summer of 1977, when the Hon. J.R. Bowerman, then minister of DNS, announced at a meeting at Buffalo Narrows that, and I quote:

The provincial government would be prepared to introduce new legislation in the form of a new northern municipalities act on the basis of the input and aspirations of northern local governments.

A paper was prepared entitled "Options '80," and this paper was introduced by the minister at a meeting held in La Ronge on April 14, 1980. The meeting was attended by representatives of all levels of northern local governments. In order to stimulate discussion and input into the extensive consultation process, which was being initiated by the meeting, six local government structure options were set forth in the "Options '80" paper.

The options presented by the department were not intended to be all-encompassing or to preclude the introduction of other forms and concepts of local government structures. During the summer and well into the fall of 1980, officials of the Department of Northern Saskatchewan met with local government representatives in both joint and local meetings. These meetings were held to discuss the department's recommendations to the minister respecting the future structure of northern local government.

A joint set of recommendations was submitted to the minister from a task force, composed of representatives of SANC (Saskatchewan Association of Northern Communities), the northern municipal council, representing itself, the 24 local advisory councils, and the Northern Lights School Division, representatives of the nine local community areas, at a meeting held on October 29 and 30, substantially endorsing the recommendations of the task force with its amendments.

As a result of these extensive consultations, draft legislation was prepared and

introduced in this legislature. That legislation was clearly based on the wishes of northern people. It came from listening to and involving people. That is the way things must be done in the North, if government is to serve the people and not simply to run people's lives.

I am confident that at the next regular session of this legislature, we will consider and pass that legislation. I am also confident that the members opposite will agree with me on the importance of doing so. In doing so, they will be taking a major step in providing northern people with democratic control over their own local and regional affairs. Not only will this provide a measure of equality with the South, but it will provide northern communities with unique opportunities for independent social and economic development.

However, Mr. Speaker, that legislation will not be enough. It will also require a commitment from the government to provide the financial assistance provided for in that legislation. I think we all recognize that most northern communities have a very limited tax base, and, in fact, some communities have no tax base whatsoever.

The major developments in the North are generally outside of the communities. These developments do generate a tremendous amount of provincial revenue for the provincial government, and some substantial amount of that was revenue needed in the North to support northern development, including local government development.

In addition, many residents of northern communities have limited incomes. As a result, as individuals, they have limited ability to contribute directly to local taxation. Therefore, Mr. Speaker, local government development in the North requires a provincial government commitment for a revenue-sharing program. Such a program should provide a large proportion of the money needed to finance the activities of northern local government structures. And the program should provide money on an unconditional basis, just as the southern one does, so that local governments can decide what should be done on their own.

The previous government agreed that this should be done. A commitment was made for a \$55-million, five-year program. I would hope that this government will not only support this program but that it will expand and improve it. This is the only way that local government can develop and succeed in the North. And today the North must have strong local government. That is the only way people in the North can take responsibility for their own communities. By taking such responsibilities, the lives of the people will be greatly improved. That is surely what we all want.

Therefore, Mr. Speaker, I move, seconded by my colleague, the member for Athabasca:

That this Assembly urge the Government of Saskatchewan to immediately implement a municipal revenue-sharing program for all local and municipal governments in northern Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

MR. MYERS: — Mr. Speaker, I would like to commend the people of northern Saskatchewan for their heritage of independence. But, before I move an amendment to the motion put forward by the hon. member on my right, I would like to remind those now sitting in opposition that it was their policies under the former government that segregated the northern half of the province from the rest of the province. It was under

the former minister of DNS that this department was described as a department that had run amuck. It was also the former minister who wrote a letter prior to his presence in this legislature which also described inadequacies of the department of northern services. We, as the new government, do not intend to follow those segregationalist ideas of the former government.

Mr. Speaker, I therefore move, seconded by the member for Nipawin, that this motion be amended to read:

That this Assembly commend the Government of Saskatchewan for its initiative in its approach to DNS and urges the Government of Saskatchewan to study a municipal revenue-sharing program for municipal governments in northern Saskatchewan.

This motion is seconded by Lloyd Sauder, the member for Nipawin.

MR. SPEAKER: — There's just a technicality here that's giving me some difficulty. I would ask the permission of the House to add to the motion that has been submitted that the motion be amended by adding "after the word 'that'" and then continuing with the wording that was used. You neglected to do that and therefore it was really a completely new motion. Will the House permit those words? Agreed. Debate continues concurrently on the motion and the amendment.

MR. SAUDER: — Mr. Speaker, being close to the North, the fringe of the area concerned with the Department of Northern Saskatchewan, I have watched it with much interest over the last number of years. I have worked in that area at times and talked with many of the people there.

The amendment to the motion that was just put forward commending this new government on its approach to dealing with the people of northern Saskatchewan is a very valid one, I feel. We have a new government here which started out with consultation with the people of Saskatchewan. Our Minister of Northern Saskatchewan has shown that. He has been in the North, has been listening to the people of the North, and coming out with things for the people of the North. Also I think our whole government has shown that approach to all of Saskatchewan.

The people of the North, I believe, want an opportunity to participate and they have to be given some autonomy. That's something that is going to be given to them by this government, but with autonomy also comes responsibility to manage their own affairs, and responsibility can only be learned. Education is a key part of that. And this government is going to be taking steps to see that the people of the North receive an education, to see that they learn the responsibility, and have these people fitting into the society of Saskatchewan.

Mr. Speaker, at this time, because there is so much more that has to be said about this and that is going to be said in the weeks and months ahead by the Department of Northern Saskatchewan and by this government, I would just ask leave to adjourn the debate.

Debate adjourned.

The Assembly adjourned at 9:51 p.m.