

May 30, 1984

The Assembly met at 2 p.m.

Prayers

## ROUTINE PROCEEDINGS

### INTRODUCTION OF GUESTS

**Hon. Mr. Rousseau:** — Thank you, Mr. Speaker. Mr. Speaker, I'd like to introduce to you, and through you to the members of the Legislative Assembly, 20 grade 4 and 5 students from the W.C. Howe School. They're seated in the Speaker's gallery and accompanied by their teacher, Barbara Graham, and chaperons, Joyce Konoff, Gail Beattie, Louise Pringle, and Gail Lowey.

I want to wish them an informative and enjoyable visit today, and I look forward to meeting them after question period. Mr. Speaker, I would ask all members to join me in welcoming them to the Assembly this afternoon.

**Hon. Members:** — Hear, hear!

**Hon. Mr. Hepworth:** — Thank you, Mr. Speaker. I would like to introduce to you, and through you to the members of the legislature, some 23 grade 5 students from The Queen Elizabeth Elementary School in Weyburn. They're seated in the west gallery. They're accompanied by their teacher, Barry Putz, as well parents and chaperons, Joan Beach, Donna Alexander, Wayne Bilcu, Allen Alexander, and Sharon Robinson.

I met with them and answered some of their questions earlier this morning, the quality of which we haven't seen for some good time in this legislature. As well, I was able to enjoy a refreshment with them.

I know many of these children personally. They're all from the rural farms outside of Weyburn. Watched them in the 4-H clubs. Many of them are our future farmers, and I would ask all members of the Assembly to join with me in welcoming them here today. And if they would just stand, please, and be acknowledged.

**Hon. Members:** — Hear, hear!

**Hon. Mr. McLaren:** — Mr. Speaker, on behalf of my colleague, the member from Melville, I would like to introduce to you and through you to the Assembly 19 guests, grade 4 and 5 from the Abernethy School. They are in the east gallery and are accompanied today by their teacher, Mrs. Elizabeth Hartle.

And I trust that they will enjoy the proceedings of the House, that you'll find it interesting and educational, and that you have a real good visit in Regina today. So I'd ask the Assembly to please join with me in welcoming these guests.

**Hon. Members:** — Hear, hear!

## ORAL QUESTIONS

### E. Robert Lee of Western Earth Moving Ltd.

**Mr. Koskie:** — Thank you, Mr. Speaker. I want to direct a question to the Minister of Labour, and my question deals with the secret legal hearings which you helped to arrange last summer for a Mr. E. Robert Lee of Western Earth Moving Ltd. of Yorkton, and which the Minister of Justice admitted in this Assembly yesterday his involvement in arranging the secret meeting. I want to

ask the minister: when did Mr. Lee approach you about his legal problems, and who, specifically, did you make representations on his behalf?

**Hon. Mr. McLaren:** — Well, Mr. Speaker, I've known of this lawsuit many, many years ago — back in the late '70s if my memory is correct — and Mr. Lee had sued the previous administration, the previous government. Following our getting elected in April of 1982, Mr. Lee came to us to say that he wasn't satisfied with the decision, and asked if there was — he thought that there was some more evidence that could be heard. And all I did was bring him in to meet the Attorney General, or the department, with his lawyer, to see if there was anything that could be done, and we had the meeting take place. And out of that meeting it was decided to have his files turned over to a judge, an independent judge, just to see if there was anything in those files that would allow the case to be opened up. In fact, what happened, the judge ruled that there wasn't, and as far as I'm concerned, the case is closed.

**Mr. Koskie:** — Supplemental, Mr. Speaker. I'd like to ask the minister: in reviewing the matter on behalf of Mr. Lee, did you ascertain whether, in fact, the matter was still before the court, or whether he had exhausted his legal remedies within the courts? I ask you: when you met him in April of '82, as you indicated, when you first became interested in his affairs, was the matter of Mr. Lee and the Western Earth Moving Ltd. Still before the courts?

**Hon. Mr. McLaren:** — Well, Mr. Speaker, in his mind it was because he wasn't satisfied with some decisions, and as I mentioned earlier, he thought that he had some further evidence that wasn't heard at the hearings, and he wondered if there was any opportunity to be able to open up the case again to have that particular witness heard. And as I stated earlier, the judge ruled that, no, there wasn't — and the case is finished.

**Mr. Koskie:** — I want to ask a further supplemental, Mr. Speaker. I would like to ask the minister whether it is customary for a minister of the Crown to become involved in respect to an individual at a time in which he still had legal remedies. If the minister, on April of '82 . . . I'm indicating to you that he still had legal remedies. This individual here went before the court, went to the appeal, and also attempted to appeal to the Supreme Court. I'm asking you: is it usual for a minister of the Crown, when an individual is pursuing his remedies within the legal system, to intervene and to set up a special, secret hearing?

**Hon. Mr. McLaren:** — Well, Mr. Speaker, I hold appointments, or have appointments, week after week. I will try to do whatever I can for any constituent in my constituency, and all I did was introduce him to the, to the, have his lawyer check to see if there was a possibility.

As far as he was concerned, the case was closed, and he thought he had some new evidence that he could present, and it was decided . . . (inaudible interjections) . . . Mr. Member, I'm not a lawyer. All I did was lead the gentleman in to see if his case could be looked at again. I'd do that for anybody in my constituency. No matter what political party or anything else that they belong to. I would do that for that constituent.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Blakeney:** — Mr. Speaker, did I understand the minister correctly when he said that shortly after the election of April of 1982, you were approached, and upon being approached, you took Mr. Lee and met with officials of the Department of Justice, the then attorney general's department? Is that what you said?

**Hon. Mr. McLaren:** — Mr. Speaker, this case has been going on since 1976 or '77, and you well know, because you were the ones that were getting sued.

Mr. Lee decided, and felt all the way along through that case that he wasn't being heard properly; that there was an arbitrator involved, if I remember correctly; and there was talk that

there was criminal activities in there; and he wanted his case opened up to see if he could bring in the new witness again. And all I did was have his lawyer come to see us, and to see if a meeting could be held. I went to our attorney general's office, and we arranged to have his file looked at, in total, with an independent judge. That was done. The judge ruled, sent back his decision of, no, there was no more evidence available to open up any case whatsoever. And to me it's finished, and we only did what we thought was right to have this fellow's thing looked at in the best light.

**Hon. Mr. Blakeney:** — Supplementary, Mr. Speaker. And I'll ask the same question as I asked last time; are you telling us that shortly after the election in April of 1982, you and Mr. Lee came to see officials of the Department of Justice?

**An Hon. Member:** — The attorney general.

**Hon. Mr. Blakeney:** — . . . or the then department of the attorney general? Let's not quibble. Will you tell us, will you tell us when you came to see the officials of the now Department of Justice?

**Hon. Mr. McLaren:** — Well, Mr. Speaker, at no time did the people involved meet with anyone in the Department of Justice. All we did is try and co-ordinate the efforts between the Attorney General and Mr. Lee's lawyer. And an agreement was reached to have a judge look at the file, and that's all that took place.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Speaker, supplementary. Are you saying that Mr. Lee or his counsel did not meet with people from the Department of Justice? Is that what you're saying?

**Hon. Mr. McLaren:** — My knowledge, Mr. Speaker, the only times that the lawyer and Mr. Lee met with anyone was with us in our own office, and we did the co-ordinating or arranging a judge to see the file.

**Hon. Mr. Blakeney:** — Supplementary, Mr. Speaker. You are now telling us that you intervened with the officials of the Department of Justice. Would you mind telling me with what officials of the Department of Justice you spoke on Mr. Lee's account?

**Hon. Mr. McLaren:** — Well, Mr. Speaker, all I did was bring it to the attention of the Attorney General, and if he thought there was a chance to have the case looked at, that's what we did. Well that was his decision. They appointed a judge to look at the file, and in the judge's opinion there was no more further evidence to do anything with it, and he closed the file.

**Hon. Mr. Blakeney:** — Further supplementary. Would the minister mind telling us when he spoke with the Attorney General on this issue?

**Hon. Mr. McLaren:** — Mr. Speaker, I can't remember a specific date.

**Mr. Koskie:** — New question to the Minister of Labour. Is it not true, Mr. Minister, that here we have a clear case where an individual used the judicial process in order to press a claim against the Government of Saskatchewan?

Evidence in the court records indicate that he lost at the trial level; he lost at the court of appeal level; and he appealed to . . . got leave to have this case before the Supreme Court of Canada, and that was denied.

Well, those are the normal remedies, I think all will agree in this House, of an individual citizen. And here what we have, Mr. Speaker, is the intervention of the Minister of Labour, seeking a special secret hearing.

**Mr. Speaker:** — Order, please. Order. Order, please. The member is making a speech, and I believe that if you have a question, you should get directly to it. Otherwise we'll move on to another question.

**Mr. Koskie:** — What I want to ask the Minister of Labour, I want to ask you: do you feel that in this case it's fair to other citizens of Saskatchewan that on behalf of one constituent of yours you can set up a secret hearing to review after he has used the judicial process? Is that available to all of your constituents?

**Mr. Speaker:** — Order, please.

**Hon. Mr. Lane:** — Mr. Speaker, I attempted to answer the question yesterday, and I indicated to the hon. members that the individual's remedies had been exhausted. I'm glad he indicated that today. And I also indicated to the hon. members yesterday that I would give the information that I had available . . . (inaudible interjections) . . . Mr. Speaker, the hon. member wants to shout me down. The reason he wants to shout me down, Mr. Speaker, is because the information indicates that it was fair for an individual to have justice not only be done, but be seen to be done.

We had an individual who, in 1976, sued the Government of Saskatchewan for several hundreds of thousands of dollars. During the course, Mr. Speaker, of that trial and negotiations, the previous administration made an offer of settlement. If I recall, it was well over \$100,000. The individual received advice to reject that type of settlement, subsequently went to court, subsequently went to appeal, and was unsuccessful.

Evidence was brought to our attention, after all the remedies had passed, that evidence had not been brought forward at the trial. That allegation was made by the individual. There seemed to be some evidence to that effect.

We asked the former chief justice, Mr. Culliton, to review the file to make sure that the matter was done properly. I think that . . . (inaudible interjections) . . .

**Mr. Speaker:** — Order, please. Let the minister complete his answer.

**Hon. Mr. Lane:** — I indicated yesterday that it was, and we put the letter out so that it was not seen as another judicial action. But we wanted the assurance that matters had been handled properly, either in the evidence, whether the department had acted properly, historically. We asked the former chief justice of Saskatchewan to simply review the file, make sure the individual was treated properly.

As I indicated, no funds were paid; the file was reviewed. It's certainly not . . . I suppose the individual could have gone to the ombudsman to see . . . Everybody had access to the ombudsman, so the review of matters is not uncommon. Certainly we indicated that this was not a common practice but, in fact, we wanted the assurance, the individual wanted the assurance that justice was done; and I think we gave that assurance, and we also protected the people of Saskatchewan.

**Hon. Mr. Blakeney:** — I ask a question to the Minister of Justice. In another context, sir, you have said that citizens in this province will get, before the courts and in their dealings with the Crown, no special preference, but everyone will have the same rights. It's clear that that's not true of Mr. Lee. He has got special preference. I want to ask: for how many other people have you made special arrangements for a special review of their case after they've lost in the courts?

**Hon. Mr. Lane:** — There's been no other example, the Leader of the Opposition. But here we have an example where there was some strong indication that evidence had not been

presented, through either inadvertence, advice, or otherwise, beyond the fault of the individual. And, Mr. Speaker, all remedies, including any actions for negligence or anything else, had passed because of the passage of time. And I suggest, I suggest to the hon. members that it was incumbent upon my office, and incumbent upon the justice system when we had a situation like this, to at least make sure that the department had done things correctly. We reviewed the matter, we had the chief justice do it independently. I think it was fair. I think that justice was done, and justice was seen to be done, and I think that's proper and correct.

**Some Hon. Members:** — Hear, hear!

**Mr. Koskie:** — Supplement to the Minister of Justice. Can you assure the House and the people of this province that if circumstances arise where you have exhausted, as he indicated, the judicial process, and if in the event that the client either/or his solicitor make error in the presentation of the full evidence, are you prepared to set a precedent? And is this a precedent that is available to all citizens that you will set up a special confidential little court to review the case? That's what you did.

**Hon. Mr. Lane:** — Mr. Speaker, the hon. member obviously doesn't understand the role of the Attorney General. He's shouting. I can give examples where my predecessor in office reviewed files at the request of the individual, and I can give the name if the hon. members want it, and I think, quite properly; I think quite properly.

And I think, quite fairly, that when individuals bring the matters to the Attorney General — and it's very common — where the Attorney General has to assure himself that, in fact, at least his officials and the department acted properly — that's what I did and, in fact, the individual was dealt with fairly, and the judge, the former chief justice, recommended that, in fact, the matter had been dealt with properly.

**Hon. Mr. Blakeney:** — A new question, Mr. Speaker, to the Minister of Justice. I understood the Minister of Justice to indicate that all remedies had been exhausted, including the right to take action against his lawyer for negligence, because that is certainly what he's suggesting, that the evidence wasn't brought forward.

Are you asserting, sir, that when the Supreme Court refused to hear the appeal by decision dated February 8, 1983, that by July 11, 1983, when you acted, when your Mr. Carey wrote to Mr. McLaren on the matter, in those several months all possible remedies against the negligent lawyer had been exhausted? And if so, on what conceivable basis of law are you making that assertion?

**Hon. Mr. Lane:** — As I indicated, I did not make the allegation of negligence, and I'm not making any such allegation of negligence. As I indicated to you, there was evidence that material had not been presented. We were informed that his remedies had, in fact, been passed, and that the individual, one, was extremely critical and publicly critical of the courts of the province of Saskatchewan — and I think there is some evidence to that effect; if you do not have it, I'm quite prepared to supply it — that the allegations of the court were somewhat extreme; that, in fact, officials in the department were being criticized extremely strongly, both publicly by the individual; and that, in fact, an independent review by the judge to make sure that things had been done properly was quite in order, quite proper and correct. And as I say, I've repeated several times, that not only was the individual assured that justice was done — justice was seen to be done.

**Mr. Koskie:** — Supplemental to the Minister of Justice. I'd like to ask the Minister of Justice how much the total cost was for setting up and paying Mr. Justice Culliton; who, in fact, paid that amount; and whether there was any payment whatsoever as a result of the secret hearing.

**Hon. Mr. Lane:** — When I made the offer yesterday to supply you the information, I indicated

to you if you wanted me to find out the costs, I would be more than pleased to supply the information to you, and I will undertake to give you that information as to the cost.

The question yesterday was: were there any payments? I indicated that if there were any to the former chief justice, I'm not aware of any, but I will check that out and supply that information to you.

### **Closing of Assault Centres**

**Mr. Lingenfelter:** — Mr. Speaker, new question to the Minister of Social Services in light of the, I suppose, non-answer he gave yesterday with dealing with the assault centres and the lack of funding for the seven centres around the province.

Mr. Minister, you will know that you were approached in January of this year, asked for funding, and you returned a letter to the centres on March 1, saying that you agreed with what they were doing and encouraged them to continue, and that you would look at funding. I wonder if, after reviewing the matter, in light of the fact that your estimates have passed the Assembly, have been voted on and approved, whether or not you can not tell us today whether or not you have now changed your mind and will be funding these seven centres.

**Hon. Mr. Dirks:** — Mr. Speaker, I indicated the situation to the member opposite regarding the funding of these particular centres. My answer of yesterday is the same answer that I would give today, and he can check the *Hansard* record for that answer.

**Mr. Lingenfelter:** — The answer yesterday, Mr. Speaker, the minister gave, was that he was not going to fund them, and I had hoped that, in light of the pressure that is growing out there, the fact that Manitoba yesterday announced that they would be funding their assault centres, that you would have changed your mind.

My question to you is: the program or the seminar that you talked about yesterday, whether, in fact, you have invited the directors of these sexual assault centres and the transition houses to this seminar. It's my understand in talking to them this morning that you have not invited any of them, and I would like you to tell me why and whether or not you will include them in the seminar that you have proposed.

**Hon. Mr. Dirks:** — Mr. Speaker, I'm not particularly sure on the exact individuals that have been invited to the seminar. It's not being put on under the auspices of my department. It's being co-ordinated through the minister responsible for the status of women. I can attempt to get that information for the member and provide it for him.

**Hon. Mr. Blakeney:** — Supplementary, Mr. Speaker. Will the Minister of Social Services give us an assurance that the representatives of the seven sexual assault centres will be invited to the seminar, or that he will at least make representation to the Minister of Education to invite the representatives of the seven sexual assault centres?

**Hon. Mr. Dirks:** — I'll certainly be pleased to raise that issue with the minister in charge.

### **Money Owed by Char Industries**

**Mr. Engel:** — I have a question to the Premier. He's aware that we've asked on a number of occasions regarding a fire in April of Char Industries in your riding. My question, Mr. Premier, is: we asked whether the Minister of Labour would see that people involved would get their wages paid. It's been drawn to our attention that more people are out some money than just those that are supplied wages, and that's the suppliers of goods and material.

Small businessmen in Estevan have indicated that they haven't received their money from Char

Industries and that some of the cheques that were issued to the former suppliers have bounced. If this is true, Mr. Premier, and as their MLA for their area, what are you planning to do? Or will the Estevan companies be getting their money, or will Sedco, as a partner involved in this business, put up some financial dollars to cover and make good the payments that were made to these suppliers?

**Hon. Mr. Devine:** — Mr. Speaker, the Minister of Labour, as well as my office, is on top of the situation, and I believe it's accurate to say that the individuals will be paid, and the cheques will be provided to employees with respect to the various firms that may not have been paid properly. That's under review, and we're dealing with it.

## **INTRODUCTION OF BILLS**

### **Bill No. 88 — An Act to amend The Planning and Development Act, 1983**

**Hon. Mr. Embury:** — Mr. Speaker, I move a bill, an Act to amend The Planning and Development Act, 1983, be now introduced and read the first time.

Motion agreed to and bill read a first time.

**Mr. Speaker:** — When shall this bill be read a second time?

**Hon. Mr. Embury:** — Mr. Speaker, I ask leave to refer the said bill to the non-controversial bill committee.

Motion agreed to.

### **Bill No. 89 — An Act to amend The Rural Municipality Act**

**Hon. Mr. Domotor:** — I move first reading of a bill to amend The Rural Municipality Act.

Motion agreed to and the bill ordered to be read a second time at the next sitting.

### **Bill No. 90 — An Act to amend The Teachers' Superannuation Act (No. 2)**

**Hon. Mr. McLeod:** — Mr. Speaker, on behalf of the Hon. Minister of Education, I move first reading of a bill to amend The Teachers' Superannuation Act (No. 2).

Motion agreed to and bill read a first time.

**Mr. Speaker:** — When shall this bill be read a second time?

**Hon. Mr. McLeod:** — Mr. Speaker, I would ask leave of the Assembly to refer the said bill to the non-controversial bills committee.

Motion agreed to.

### **Bill No. 91 — An Act to amend The Land Contracts (Actions) Act**

**Hon. Mr. Andrew:** — Mr. Speaker, I would move first reading of a bill respecting The Land Contracts (Actions) Act.

Motion agreed to and the bill ordered to be read a second time at the next sitting.

### **Bill No. 92 — An Act respecting Court Officials**

**Hon. Mr. Andrew:** — Yes, Mr. Speaker, I move first reading of a bill respecting Court Officials.

Motion agreed to and the bill ordered to be read a second time at the next sitting.

**Bill No. 93 — An Act respecting the Consequential Amendments to Certain Acts resulting from the enactment of The Court Officials Act, 1984**

**Hon. Mr. Andrew:** — Yes, Mr. Speaker, I would move first reading of a bill respecting the consequential amendment of certain acts resulting from the enactment of The Court Officials Act, 1984.

Motion agreed to and the bill ordered to be read a second time at the next sitting.

**Bill No. 94 — An Act to amend The Summary Offences Procedure Act**

**Hon. Mr. Andrew:** — Mr. Speaker, with leave of the Assembly, I would ask that we refer the said bill to non-controversial bills committee.

Motion agreed to.

**Hon. Mr. Andrew:** — Mr. Speaker, with leave of the Assembly, I would ask that we refer the said bill to non-controversial bills committee.

**Bill No. 95 — An Act respecting the Consequential Amendments to Certain Acts resulting from the enactment of The Urban Municipality Act, 1984**

**Hon. Mr. Embury:** — Mr. Speaker, I move first reading of a bill respecting the consequential amendments to certain acts resulting from the enactment of The Urban Municipality Act.

Motion agreed to and bill read a first time.

**Hon. Mr. Embury:** — Mr. Speaker, I ask leave to refer the said bill to the non-controversial bills committee.

Motion agreed to.

**Bill No. 96 — An Act to amend The Workers' Compensation Act, 1979 (No. 2)**

**Hon. Mr. McLaren:** — Mr. Speaker, I move first reading of a bill to amend The Workers' Compensation Act, 1979 (No. 2).

Motion agreed to and the bill ordered to be read a second time at the next sitting.

**Bill No. 97 — An Act to promote Regulatory Reform in Saskatchewan by repealing Certain Obsolete Statutes (No. 1)**

**Hon. Mr. Andrew:** — Mr. Speaker, I move first reading of a bill to promote regulatory reform in Saskatchewan by repealing certain obsolete statutes (No. 1).

Motion agreed to and bill read a first time.

**Mr. Speaker:** — When shall this bill be read a second time?

**Hon. Mr. Andrew:** — Mr. Speaker, by leave of the Assembly, I would ask that this bill be



referred to the non-controversial bills committee.

Motion agreed to.

**Bill No. 98 — An Act to amend The Vehicles Act, 1983 (No. 3)**

**Hon. Mr. Andrew:** — Mr. Speaker, I move first reading of a bill to amend The Vehicles Act.

Motion agreed to and the bill ordered to be read a second time at the next sitting.

**ORDERS OF THE DAY**

**GOVERNMENT ORDERS**

**SECOND READINGS**

**Bill No. 84 — An Act to amend The Heritage Property Act**

**Hon. Mr. Folk:** — Thank you, Mr. Speaker. I rise today to give second reading of an act to amend the Saskatchewan heritage act. Our heritage resources are important to our social and economic way of life, and it is important that we preserve and enhance them.

The (Saskatchewan) Heritage Property Act was given all-party support in this legislature three years ago, and it has served its purpose well. For example, through the act, grants are given to maintain heritage property and, in many cases, to convert it to some useful purpose such as a library or a community centre.

We estimate that for every dollar of heritage grants injected into a community, a further \$5 is spent in a community to provide construction jobs and to support local businesses. We estimate that more than \$3 million worth of construction has been generated in our province in the past few years through this program to help preserve heritage property.

However, the time has come to review the act with an eye to re-evaluating its impact on people. As the act now stands, it can be stated that it infringes on the rights of the individual property owners. In this government's view, that infringement can be curtailed by restricting the powers granted to municipalities and the provincial government. And the act can be improved by increasing the accountability of designating authorities and enhancing property owners' rights to appeal heritage decisions.

The amendments which I am introducing and will outline in committee will result in a better balance between the rights of property owners and the power required by designating authority to protect property of heritage value. Also, Mr. Speaker, they will bring the wording of the act in line with the way it is administered and with its intent.

I would encourage the full support of this House for this amendment. Thank you very much.

**Some Hon. Members:** — Hear, hear!

**Mr. Lingenfelter:** — Mr. Speaker, we only recently have had an opportunity to have a look at this bill. At first glance, I would suggest that it has very little to do with what the minister is trying to sneak by us here. I think it's a direct attempt to support developers in a couple of particular places, Regina and Saskatoon.

But I want to have a look at what might be referred to as "the real estate development bill." But we will ask for adjournment and take a few moments. And I certainly am not giving any guarantee, as the minister would wish, that we will be supporting in favour of this regressive legislation.

Debate adjourned.

**Bill No. 85 — An Act to establish the Northern Affairs Secretariat**

**Hon. Mr. McLeod:** — Mr. Speaker, I am pleased today to rise to move second reading of a bill, An Act to establish the Northern Affairs Secretariat. I believe the act in itself, a very short act, is self-explanatory, and what it is attempting to do . . . I will just give a very brief outline of what we're doing, Mr. Speaker.

As you will know, Mr. Speaker, and as all members of the House will know, this, in effect, will replace what was an all-encompassing, very large Department of Northern Saskatchewan that was in place under the former administration. We committed to winding that department down as a delivery department, and have done that, and the repeal act which will be introduced here in the House, I believe tomorrow, will finalize that procedure.

In its place we recognize, certainly, the need for a liaison type of department that would be able to focus on northern issues without being a program delivery department. We feel it's not important to be a program delivery department, so this secretariat, as has been the case with two other secretariats that we have established — namely, the Women's Secretariat, and the Indian and Native Affairs Secretariat — will serve to do as those two secretariats very effectively do: focus on issues relating to the North. And this particular secretariat will focus on the North.

With that, Mr. Speaker, I would move second reading of Bill No. 85 — An Act to establish the Northern Affairs Secretariat.

**Mr. Yew:** — Thank you, Mr. Speaker. I stand up today, Mr. Speaker, in opposition to what is being discussed, what is being proposed, for the simple fact, Mr. Speaker, that we have in northern Saskatchewan — and the minister knows, the member for Meadow Lake knows full well — the crisis that the northern administration district is confronted with today, the crisis of major high unemployment at the range of 95 per cent. And he knows full well that people in northern Saskatchewan are reliant on social assistance because of the simple fact that this government, the Conservative government on that side of the House, hasn't been able to come out with any social and economic policies.

At the moment we have anywhere from 50 to 62 per cent reliance on welfare. Our native people and the people of northern Saskatchewan are confronted with 95 per cent unemployment. And speaking about native people, we are, in terms of the correctional centres in all of the province, we're confronted with a rating of 63 per cent.

Now the minister introduces a bill here that will supposedly look after the administration and operations of northern Saskatchewan.

I want to ask the minister, and I know this is not the appropriate time, but the minister on a July 16, 1982 memo talked about an economic self-sufficient strategy. To this point in time, we have an issue to pick up with the Conservative government on that side of the House. They haven't proposed anything new in terms of northern Saskatchewan — nothing. Absolutely nothing new.

With this bill, the member for Meadow Lake knows full well that this bill is not going to alleviate any hardships for people in northern Saskatchewan. So I ask the minister: what are your proposals? What is your solution to the high unemployment, the high incarceration of our people, the high welfare rates in northern Saskatchewan? Mr. Minister, what are you proposing? Is this bill going to solve any of the social and economic hardship in northern Saskatchewan?

I can see the members on the other side of the House, Mr. Speaker. They're not listening. No, they don't want to listen to the high, harsh realities of the North. They simply don't want to

listen, because they're embarrassed. Their administration, the Conservative government on that side of the House, Mr. Speaker, is totally embarrassed, and they have a right to be embarrassed, because they haven't produced anything.

With respect to this bill, Mr. Speaker, I can only simply state to you that I am totally opposed. If you can come up and produce a bill here that will alleviate some of that high unemployment that we have in northern Saskatchewan; if you can produce a bill that will alleviate some of that high rate on welfare that we have in northern Saskatchewan; if you can alleviate the 62 per cent incarceration of native people that you have in the provincial jails, I'll gladly stand up and support your bill, Mr. Minister — otherwise, I won't.

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

### **Bill No. 86 — An Act to amend The Education and Health Tax Act**

**Hon. Mr. Berntson:** — Mr. Speaker, on behalf of my colleague, the Minister of Revenue and Financial Services, I would like to address a few remarks relative to this bill, after which I will move second reading.

This bill, Saskatchewan, implements exemptions previously announced by my colleague, the Minister of Finance, in his budget address. These exemptions are for electricity consumed in residences, on farms, and by community rinks and swimming pools; and for prototypes. This bill also provides an exemption for the prosthesis.

Mr. Speaker, the removal of the tax on electricity for farm and residential consumers will provide a tax reduction of \$5 million. In addition, the elimination of tax on electricity consumed by community rinks and swimming pools will return about one million to the community organizations in 1984-85. Mr. Speaker, I'm extremely pleased that our government is able to provide these significant tax savings to resident and community organizations.

Mr. Speaker, as I indicated earlier, this bill provides for an exemption on prototypes. This measure will provide tax relief to research and development effort in this province. The bill also clarifies the tax status of extended warranties, prewritten computer software programs, and fuel used in stationary internal combustion engines.

Mr. Speaker, on behalf of the hon. member, I take great pleasure to moving second reading of a bill, whatever the name of it was . . . An Act to amend The Education and Health Tax Act, Bill No. 86. I move, seconded by the Minister of Finance, that Bill No. 86 be now read a second time.

**Hon. Mr. Blakeney:** — Mr. Speaker, I will be supporting the bill. There are a number of questions of a technical nature about the bill which I will be addressing in committee. I think they are better dealt with there.

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

## **MOTIONS**

### **Hours of Sitting**

**Hon. Mr. Andrew:** — With leave of the Assembly, Mr. Speaker, I would move:

That notwithstanding rule no. 3, this Assembly shall on Thursday, May 31, 1984, meet at 10 o'clock a.m. until 10 o'clock p.m. in addition to its regular meeting hours.

Moved by myself, seconded by Mr. Lingenfelter, member from Shaunavon.

**An Hon. Member:** — Would you read that again, Bob?

**Hon. Mr. Andrew:** — From rule 30, from 10 a.m. on Thursday to 10 p.m. on Thursday.

Motion agreed to.

## SECOND READINGS

### **Bill No. 87 — An Act respecting Loan Guarantees for Feeder Associations**

**Hon. Mr. Hepworth:** — Mr. Speaker, I'm pleased today to rise and speak on The Feeder Association (Loan) Guarantee Act, which has been introduced for the consideration of the legislature.

This act will provide for a guarantee of 25 per cent of loans provided by lending institutions to feeder associations. Under this act, Saskatchewan residents 18 years and older, who own or lease a farm or feedlot, may form feeder associations out of The Co-operative Associations Act, or The Business Corporations Act.

The feeder association would then be able to borrow money from existing lending institutions on the strength of the guarantee. The feeder association would use the money to purchase feeder cattle and calves to be fed by the individual member. Cattle may be fed on the member's own farm or in a custom feedlot. Cattle may be fed to slaughter condition or sold as short keeps. The purchase of cows or breeding stock would be excluded, however, as the loans are for a 12-month period.

Upon receiving cattle from the association, the individual member is required to deposit 5 per cent of the value of the cattle in an assurance account. This account will be used in the case of an individual member default. If the default is larger than the total value of the assurance account, the Government of Saskatchewan would cover the additional default to the extent of 25 per cent of the total loan to the association.

To ensure the safety of public funds, the act specifies that all cattle owned by the association must carry the association's registered brand. All cattle must be bought and sold in the name of the association. Cattle will only be placed with members that provide proof that they have the feed and facilities available for feeding or provide proof of monthly payments to a custom feedlot. The loan is not to be used for the purchase of feed or facilities or custom feedlot charges.

The association is responsible to provide a local supervisor to ensure the act and accompanying regulations are adhered to. A provincial supervisor will be appointed to supervise all of the associations. A new association member will be able to receive up to — at least that we're proposing — up to \$25,000 worth of cattle in the first year, up to 50,000 in the second year, and up to 100,000 after three years of successful feeding. Individual associations may establish limits lower than this, if they wish.

A producer's own cattle may be sold to the association and retained on the member's farm for feeding. All cattle must be branded with the association's brand and be valued by a licensed livestock dealer. This act is designed to give the livestock producers of the province and the lending institutions additional confidence in the feeding industry. It is another example of this government's commitment to the establishment of a healthy and expanded livestock industry.

And I think members will agree that this is part of probably one of the most imaginative and comprehensive livestock packages that has ever been put together by a government. I think when we couple this with provisions under the act that we discussed yesterday in this same

House, the Livestock Investment Tax Credit, when we look at the improvements that we've made to the beef insurance program, the changes and improvements we've made to what was once FarmStart and now the Ag Credit Corporation of Saskatchewan, and in so far as its ability to service the needs of the livestock industry, I think all members are agreed we have done a great deal in a short time to build some foundation, solid foundation blocks, for the feeding industry in this province.

We now take pride in providing legislation that will be useful to the cow-calf sector, the backgrounder, and the feedlot industry. We have been encouraged by a positive response to this concept, both by the lending associations and the livestock industry. In fact, we've had some good long discussions with the feeder association, the overall feeder association that exists in Saskatchewan, a relatively new association with a lot of very enthusiastic members.

The individual member, through the provisions of this act, should be able, through the association, to obtain funds more easily than he would be able to on his own, and at a favourable rate, because of the assurance fund and the guarantee of the Government of Saskatchewan.

We are committed to the expansion of the livestock industry. We actively support the finishing of cattle to heavier weights within the province. We wish to ensure that a greater percentage of our calves are fed to slaughter weights and processed in this province. It's economic activity and jobs for the people of this province.

It is this government's view that this legislation is consistent with these goals and will contribute to our achievement of them. Hence, Mr. Speaker, it is with a great deal of pleasure that I move second reading of Bill No. 87, An Act respecting Loan Guarantees for Feeder Associations.

**Some Hon. Members:** — Hear, hear!

**Mr. Engel:** — Mr. Speaker, I'm having trouble deciding whether I should adjourn this piece of legislation, or let it go. I was hoping, and from the private discussions with the minister yesterday, that I would get some explanatory notes or a little bit of background material on just what he's trying to do here.

I'm very concerned about this piece of legislation, Mr. Minister, and maybe someone will take out their bow and start fiddling and saying he's playing the same old tune. But it's too bad, it's too bad that this government, and particularly this minister, has a one-track mind. I feel bad about that. Really I do.

Today is the final straw that's going to break the back of the camel, and that camel is the young farmer trying to get started. Here is another example of this arrogant government, with the little minister that is starting to show how weak he really is, because he's bowing again, Mr. Speaker, he's bowing to the wishes of the influential friends of the Tory party.

I've been to California many, many times. I've been . . . On my way there, I go through Lethbridge and through different places around, and I see what giant feeder factories look like. They smell like money, Mr. Speaker. I have a good friend that lives near one, and he says, "That smells like money." And he likes that smell, Mr. Speaker, because this business farmer friend of mine, a wealthy man, has shares in one of these feeder associations. He never gets his \$300 cowboy boots dirty, because he belongs to a feeder association that feeds out and finishes about 2 or 3,000 cattle a month. And I'm sure the minister knows what feedlot I'm talking about. I'm sure he knows because this is what he's patterning it after.

He is putting up a little deal here, where the government can guarantee the loans for people that don't need them. They're guaranteeing the loans for the people that are going to get together and form feeder associations. They're putting penalties in this bill — if my nephews or young fellows that want to get in and form a feeder association — they're putting penalties in there to

feed their own cattle. They're making it attractive for the Chrysler dealer or the Ford dealer or the GM dealer to own an association. And the member from Moosomin says, what's wrong with it? It's maybe not bad. Maybe you want large factories; maybe you want large factories to feed our cattle. But I'd sooner see 1,000 farmers feeding 100 head each than one feedlot feeding 100,000 head of cattle.

I think the answer to a good solid feeding industry in this province is 1,000 feedlots, each having 150 or 200 head of cattle at the finishing house and running as a family farm operation, not a 6, 7, 800-acre feedlot that has thousands of heads of cattle and then run by an association like we see scattered throughout a couple of places in Alberta, and particularly in California.

If you want to see the real feeder associations operate, go down to California, go down to Turlock and to Tracy, and I'll take you to friends of mine that own them, and they know how they operate. And I know how they operate. I know what kind of money they're making. They're great; they're great investments. And I'd suggest to the minister from Shellbrook, or the member from Shellbrook: you should be the Minister of Agriculture, and we wouldn't get these kinds of crazy notions. We'd get down-to-earth feeding practices.

Or if the Speaker were Minister of Agriculture, we'd have feedlots that are operating, and operating sounding, not the kind of associations where this little minister is going around listening to the friends of the big bucks trying to set up associations.

This is going to be a difficult one for us to decide on. I think we're going to have trouble deciding whether we're going to support this or not, and therefore I beg leave to adjourn debate on this one.

Debate adjourned.

### **Bill No. 78 — An Act respecting Crop Insurance**

**Hon. Mr. Muirhead:** — Mr. Speaker, I'm pleased to explain the purpose of this bill and to give second reading.

Mr. Speaker, I've defined the reason for this bill into nine points:

1. Combine the present Saskatchewan Crop Insurance Board and the present Saskatchewan Crop Insurance Corporation into one entity — the Saskatchewan Crop Insurance Corporation.
2. Correct deficiencies of the present act, such as: designation and location of head office; right to sue or contract; clarify that moneys acquired are the property of the Crown; power to assess interest on unpaid premium balances; make specific and ambiguous the corporation's authority to operate a crop insurance business in accordance with normally accepted business practices; clarify that the corporation is empowered to reject for cause an application for crop insurance.
3. To remove definitions and requirements of administrative procedure and place them in the regulations.
4. To remove the provisions for an advisory committee which has never been used.
5. To remove the provision for the crop insurance disaster reserve fund which has

been replaced with the establishment of the reinsurance provisions in the agreement with the Government of Canada.

6. To provide indemnification for both the board of directors and staff of the corporation for any acts done in good faith.
7. To make the program more readable and understandable by the insured.
8. To reduce the conflict between the legislative authority regarding power of the board and specific regulations empowering the Lieutenant Governor in Canada to do certain things. These conflicts have been criticized by the Saskatchewan courts and the Ombudsman.
9. To clarify definitions and wording, plus other minor corrections of a general housekeeping nature.

Mr. Speaker, in committee there will be a slight amendment, and it's in subsection 16, clause 2 of the printed bill, by striking out "corporation" in the fourth line and substituting "compensation."

Mr. Speaker, it is with pleasure that I move Bill No. 78, called: An Act respecting Crop Insurance, to be read a second time.

**Mr. Engel:** — Thank you, Mr. Speaker. Mr. Minister, there's only one question I'd have in looking through this bill. I can't see any changes in there that would give you power to deal with situations like have arisen in north-eastern Saskatchewan, with three years in a row running, of a situation where they can't put in their crops.

Does this bill fix you up so that you can handle a disaster situation, or is it just a housekeeping nature, just cleaning up the bill, and continuing to do the same thing as we're doing up to this point?

Those are the only questions that I see . . . I see nothing political in that bill that would give you the power to be . . . act like you suggested last night. You wished you could, in response to your role as minister in charge of the plight of farmers in an insurance program that would help people that are really seriously in trouble.

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

## **COMMITTEE OF FINANCE**

### **CONSOLIDATED FUND BUDGETARY EXPENDITURE**

#### **EXECUTIVE COUNCIL**

#### **Ordinary Expenditure — Vote 10**

##### **Item 1 (continued)**

**Hon. Mr. Blakeney:** — Mr. Chairman, when we had concluded for the other evening, I had addressed some questions to the Premier, more or less directed to his Executive Council, in a direct sense. I'd like to ask a few now on the general conduct of the government.

But before I do that I'd like to turn to a question which could be asked either here or in legislation, and I'll ask it here. This has to do with legislative committees, and the manner in which the Premier sees them functioning, and I'm particularly talking about committees of MLAs

all from the government side. There have been a number, and I'll instance.

It seems to me there was one on trucking, or trucking equipment; another one, it seems to me, on liquor policy; and I would like the Premier to tell me how he sees these committees operating. And I'll take, let's say, the liquor one. I see Mr. Hopfner there. I think he was chairing a committee for you on liquor, or in some way associated with liquor. And I ask you how those committees get set up and to whom they report?

**Hon. Mr. Devine:** — Mr. Chairman, I believe that what the hon. member is referring to are caucus committees, and we have a large number of caucus committees where we'll have a chairman of an agricultural caucus committee, a trucking committee. Mr. Hopfner was the chairman of the liquor committee, and so forth. And these are designed by me through the caucus chairman, and they will report to caucus. And they discuss various things and bring together ideas, and then it may end up in the form of proposed legislation which would be reviewed, and so forth.

**Hon. Mr. Blakeney:** — Thank you, Mr. Premier. You're telling me that I will take Mr. Hopfner's committee as an example that that was a caucus committee; and it did its work for caucus; reported to caucus; and got its expenses paid, and any remuneration to the members paid, by caucus.

**Hon. Mr. Devine:** — As far as I'm aware, Mr. Chairman, that the caucus committees, as they function, have no expenses, other than the MLAs themselves as caucus members doing their normal duties in course of events. And if they did have any expenses, they would be handled by caucus.

**Hon. Mr. Blakeney:** — Thank you, Mr. Premier. Was that the case with Mr. Hopfner's committee?

**Hon. Mr. Devine:** — Yes, to the best of my knowledge, that's exactly what it was.

**Mr. Chairman:** — I just interject here to ask members to refer to other members in the House by their seat.

**Hon. Mr. Blakeney:** — Thank you. The Chairman has indicated that I was referring to the member for Cut Knife-Lloydminster, and he's quite right.

I now direct your attention, Mr. Premier, to the budget, of which these estimates are a part, and the fact, that the deficit is horrendous, and that the combined deficit at the end of the year in which we are now involved will be of the order of \$830 million. Do you have any idea of the likely ceiling, the likely top that you see your deficits going in your four-year term?

**Hon. Mr. Devine:** — Mr. Chairman, to a very large extent it will depend on our success on trimming costs, on one hand, and secondly, on the economy — particularly things like potash sales.

If we can improve the revenue associated with the sale of resources, obviously that we have more, and it's easier to arrive at a balanced budget. We have begun a very strong program of moving towards a balanced budget, and, in fact, cut the expenditures, this year over last year, by something like 20 per cent.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Premier, a look at these resource revenues indicates that the great majority come from oil, and that potash revenues have never been a half of oil revenues. I doubt if they've ever been a third of oil revenues; one would have to look. I take it that you are not indicating that oil revenues are likely to increase. Are you suggesting that we are going to have substantial increases in oil revenues in the next year?



**Hon. Mr. Devine:** — Mr. Chairman, obviously things like potash prices and oil prices can have an impact on the amount of revenue the province takes in with respect to those two particular commodities; similarly, if you look at uranium prices. Our sales have been good in potash; our sales have been reasonably good in uranium. In both those two commodities, the price has been low. In fact, it's considerably lower than it had been, in relative terms, certainly since 1979, 1980, 1981.

With respect to oil, oil prices are relatively flat. If there was some severe international problem, you might see some significant changes in oil prices and, consequently, oil revenues. We used to receive — the province of Saskatchewan used to receive and share an oil export tax with the federal government. We no longer do that because the Canadian price is now obviously the same as the world price, so there's nothing left to tax, and there's no difference. So we used to share something in the neighbourhood of — I'm not sure of the figures - but 100 million, or maybe it was a couple of hundred million, with the federal government. We'd split it two ways. There's nothing left to split, as a result of declining oil prices. So that won't be there, and there won't be that split, and there won't be that revenue, unless we had a similar kind of increase in oil prices internationally.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Premier, oil prices, as far as the province is concerned, have never been higher, and they were quite a lot lower last year. Oil prices have gone up significantly. The price that Saskatchewan gets for its oil has gone up significantly in the last two years since you came to office. The amount of money that's taken in that you can tax has gone up a great deal. I think you're whistling in the dark if you believe that there's going to be a huge increase in either oil production or oil prices. There could be some increases, but I doubt it. I think oil revenues are high — not as high as they should be, but based upon price and production, they're high.

Potash production is not going to be low this year. Prices are going to be depressed, so to some extent revenues are going to be depressed, but not significantly. You can't look at getting more than, let's say, a hundred million more than you're now getting out of resources. Your deficits are far more than that. You've got a deficit of \$830 million at the end of this year that you've run up, and you're telling us that somehow it's all going to go away when resources get into shape. And in the next breath you're telling us that oil has never been better and is going full blast, so you're not looking for oil.

It's got to be in potash and uranium, and if you think that increases in potash and uranium prices are going to make up for a deficit of \$830 million, I think you are dreaming in Technicolor. And I'm asking you, Mr. Premier, do you see any limit to the level of deficit which you are prepared to countenance in your four-year term, or are you just going to keep piling it up, and we'll see a deficit of well over \$1 billion when you leave office after the next election?

**Hon. Mr. Devine:** — Mr. Chairman, the four western provinces recently met at a Premiers' conference, and they all agreed to work in concert, and to encourage the federal government to work in concert, to reduce the deficits, and to move together over a period of four years, three years, five years — depending on revenues, and on expenditures, to make sure that deficits were under control. I mean, clearly, Mr. Chairman, if we look at our neighbours we are making as many moves as possible and doing as well and, in fact, better than the neighbours on either side of us.

Mr. Chairman, we are putting together a concerted effort, and Saskatchewan is taking the lead. We have the largest reduction in terms of our current deficit. Manitoba has a 1 per cent reduction in the last three years. I think it's fair to point out, Manitoba's deficit is now \$1.4 billion — the last three years. And they reduced it by 1 per cent this last term on the current account.

Now it's not . . . I don't wish that any anybody, but these are not as . . . (inaudible interjection) . . . Mr. Chairman, this is in the last three years — the last three years, Mr. Chairman - \$1.4 billion.

Let me refer to the neighbours in Alberta, Mr. Chairman. Alberta, the same administration — the same administration in the last 10 years — put together \$13 billion in the heritage fund, 13 billion. In the last couple years they've experienced as much as a billion dollar deficit on the current account. Same government, same administration.

What was the problem? The problem was the national energy program, international commodity prices, high interest rates, and those kinds of expenditures, and decline in revenue. That occurred with a government that built 13 billions in the heritage fund. They didn't change their policy; international affairs caused them to lose a billion on current account.

Manitoba, the neighbouring province under an NDP, racked up \$1.4 billion of debt in the last three years, suffering under the same international economic conditions.

So, Mr. Chairman, the premiers of the four western provinces agree to work in concert to reduce the size of our individual deficits, to work together to encourage the federal government to do the same, because it is not. And we've taken the lead and said, this is a 20 per cent reduction this year.

We are going to continue on that form. And if we can have the opportunity of looking forward to a more positive international price, particularly in potash . . . And the hon. member knows if you have a 25 or \$30 a tonne increase in potash prices, it means 100, 200, as high as \$300 . . . \$300 million in revenue in the province of Saskatchewan.

That can happen, or it may not happen. If it doesn't happen, then it makes it more difficult, if it does happen, obviously it's easier to balance the budget.

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Premier, many of the things that you have indicated that have led to trouble — national energy program, recession — were around. The national energy program is something that was a 1980 program, and its impact was in 1981 and 1982, well-known to you when you were campaigning in March of 1982. The impact of it was well-known.

The recession isn't something that arrived in May of '82. It was here. And in the face of those facts, which you knew, you said you were going to balance budgets, and you certainly have not. You have not balanced budgets. You have run massive deficits, and you continue to run massive deficits. And there is no question about the fact that you have said you were going to balance your budgets.

Indeed, right after your election, your Minister of Finance stood in his place and said that he would have a balanced budget over a four-year term. He's not talking that way any more. We would have a magnificent surplus if he's going to make it, if he's going to balance it over four years, when he's now 830 in the red at the end of this year. And it's not going to happen; we all know it's not going to happen.

And I want to make the obvious point: that if you're reducing the deficit by 20 per cent a year, we're going to have deficits forever — forever — and that's a simple mathematical fact. If all you're doing is reducing the deficit by 20 per cent each year, then you're going to have deficits forever. And I suspect that we are going to have deficits for as long as this government is in office.

**An Hon. Member:** — The cupboards were bare when we took office, Al.

**Hon. Mr. Blakeney:** — The members opposite suggest the cupboards were bare. Well, if we managed to kid an auditor for 11 years with bare cupboards, we did very well indeed. And it wasn't true, because a great . . . The surpluses were there; there's no point in arguing that, and in any case, the past is past, and the future is before us. And we've had two deficits so far, a third

one which is going to be, which we're now going to incur in this year, which will bring us up to 830 million.

I can't do better than quote the *Weyburn Review*, which, after the first budget, said:

But next year we will expect the government to be at grips with the fiscal realities as they stand, and a budget; accordingly, it will be totally their budget.

And that's true. And these budgets are totally your budget, and you are running massive deficits. And you are part of the problem when it comes to interest rates. You're not all the problem. No one is saying that interest rates are going to be set by the Government of Saskatchewan, but certainly if governments like yours, and your colleagues across Canada, your Progressive Conservative colleagues . . . If your PC colleagues would get their act in order, interest rates could be lower in Canada.

What I am saying is nothing new, and it's not something which only people in public life talk about. I've got here the *Canadian Imperial Bank of Commerce Report*, which says what you'd expect it to say, and this is Mr. Harrison talking, the chief executive officer:

But budget deficits and, more particularly, failure by our government to understand their implications for future progress on rates (and he's talking about interest rates) could threaten the lower rates we all want to see.

This was some months ago when Mr. Harrison said that, and he is dead right. Something threatened the lower rates we all wanted to see, and they have not come to pass. He goes on to say:

Should private demand pick up as the economy recovers, there could be renewed pressure on interest rates.

And he's dead right. In the last year, there has been some rebounding, not particularly in the West, but particularly in Ontario. We have seen, in most provinces, unemployment rates drop, and economic recovery proceed. As a result, the need for capital has increased; and as a result, the pressure on borrowing has increased; and as a result, the interest rates have gone up. This is spectacularly so in the United States, but also in Canada.

And if governments don't get their act together, and get some budget deficits down so that we're not all hunting for the same dollar, then interest rates are going to continue to go up. And I could think of few things that are going to hurt the Saskatchewan economy more than an increase of a couple of per cent in interest rates.

We are a developing province. We are therefore borrowers, and we need lower interest rates in order to guarantee the process of our economy. And when governments such as yours, sir, embark upon policies directed to having deficits — whatever reason you give for them — you are out there borrowing money which other people can't borrow. And as a result, interest rates are going up, and not only because of Saskatchewan, obviously, but because governments all across Canada are doing the same thing.

We see interest rates hiking. We see interest rates like the Farm Credit Corporation going up to 15 per cent, and if that doesn't affect farmers in Saskatchewan, then I don't know what does. That puts many of the Farm Credit Corporation loans right out of the ballpark for Saskatchewan farmers. It's a brave man who decides he's going to take out a long-term Farm Credit Corporation loan at 15 per cent — a brace man. And the Farm Credit Corporation in the past hasn't been willing, when interest rates dropped, to necessarily let people out from their long-term agreements.

So, Mr. Premier, it is pretty clear that something has to be done. It's easy enough to blame it on the massive budget deficits in the United States, or Quebec, or somewhere else, but we have to take our share of the blame.

And I say to you, sir, that you should be looking for new sources of revenue. You should be looking for new ways to save money, and in so doing, looking for ways to trim that deficit to get us into at least a balanced situation before you leave office a year or two hence, so that the next generation, or in the next 10 years, we will just have to work on the current 830 billion, or million, or one billion — whatever you'll have run up by then — and we won't have to cure the fact that you are continuing to run deficits.

I would like to know whether you have any sort of ceiling that you see as a maximum to which you will allow your deficits to mount.

**Hon. Mr. Devine:** — Mr. Chairman, as the hon. member knows, we have talked to an awful lot of people in the province of Saskatchewan. The Minister of Finance talks to people across the province of Saskatchewan from various groups. What families and ordinary people tell us in the province of Saskatchewan is this: we want to see a balanced approach in the province of Saskatchewan.

When we're looking at really difficult times in terms of high international interest rates, they say: make sure your protect family; make sure that you protect the family farm; make sure that you protect home owners; make sure that you protect those that need health care; make sure that you protect those that need education and social services, and so forth.

And they would say to us, yes, I know that in these times internationally that you could balance the budget because you could raise taxes high enough to balance it, or you could get health care programs, or safety net programs, or education programs.

But they said, don't do that overnight. Don't do that overnight, because it wouldn't be fair to people. It wouldn't be fair. They said, use a balanced approach and, as an awful lot of people have said during some difficult international times of low commodity prices and high interest rates, show some compassion; and say, put the reputation of the province in to help families.

For example, people that take mortgage rates out at 10 per cent, and the mortgage rates go to 20 per cent. The province stepped in and said, we won't let people's mortgage rates on their homes go above 13.25.

Same for farmers. Young people said that they would like to buy the family farm from mom and dad. They couldn't afford to pay 20 per cent interest rates. We said, all right, the province will step in and we will provide 8 per cent interest rates for young farmers.

Now people in the province of Saskatchewan appreciate the government standing up for them during some difficult commodity prices times internationally, and some high interest rates. Now the provinces . . . If you're saying, as the Leader of the Opposition is saying, that the problem in Saskatchewan is that we are causing high interest rates in this province because we have a deficit . . .

Well, if we are contributing, if that's the case, let me just point out that the province of Manitoba would contribute three times as much. The province of Quebec, another province of the same similar philosophy, and indeed the federal government, would contribute many, many fold.

What we would contribute to international interest rates is so infinitesimal that it would hardly register if you look at some of the other debts that are across the country. We have the lowest debt per . . . second lowest debt per capita in the nation.

I believe the lowest is Alberta. They increased and pulled together something like \$13 billion in their heritage fund. On their current account they've suffered the same sorts of problems. And they have a billion dollar deficit last year, and they had something like half that this year, and so forth. The same administration that built it suffers those problems internationally.

Now the thing that we have to decide is, should we, during times of high interest rates — the Leader of the Opposition has to tell me this — should we raise taxes during a period of high interest rates? Should we not help people that are coping with those high interest rates during this time? Should we just pull out, or not? Should we continue to provide first-notch health care systems, and education systems, and so forth? And our expenditures, we admit, are up there. They are. Or should we cut back on those programs during an international crisis where we have high interest rates, and unemployment, and so forth?

Well, most people in the province of Saskatchewan say, "No. Use a balanced approach. We know that any one year you could double the sales tax and balance the budget, or whatever you have to do in terms of tax increases." But they said, "That wouldn't help us during a recession. We need to get our feet on the ground, stay solid, so when the commodity prices turn around we'll be able to fully take advantage of that."

If you don't use the province to protect people in difficult times, when would you use it, sir? When would you use it? So we're saying, in the short run, with commodity prices down, with high interest rates, it's our obligation to help families — farmers, home owners, and so forth, in this province. And we've done it. And it's not irresponsible when you have the second-lowest debt per capita in the country.

So we are saying we would rather have a heritage fund like Alberta, and then our debt would be the lowest in the country, but unfortunately we didn't inherit one of those. We didn't. And times are different now, obviously.

And we don't collect an export tax on oil. The world price, compared to the Canadian price, is the one that you know has given us that revenue, and it is the same now. So we don't have that. The internal Canadian price has been going up, and we can thank . . . take some credit for the fact that we are generating more internal oil revenues. But that export price is not there.

Clearly the hon. member knows if potash prices increase 25 or \$30 a tonne, it makes a tremendous difference in the revenue in the province of Saskatchewan. It can balance the budget. With the record sales that we have now, if the American farmer, particularly, decides to buy potash and pay \$25 a tonne more, it's just like looking at wheat prices going up 25 per cent. It's a tremendous source of revenue. But if it is not there, it's not the farmer in Saskatchewan's fault; it's not the home owner's fault. And he or she doesn't think they should bear the brunt of that if international interest rates or international prices fall.

So we have said, in the short run during these international economic times we will put the province in there to protect them as a buffer against some of these conditions that they didn't cause.

Now, again I repeat: other jurisdictions, like Manitoba, the province of Quebec, have had their credit ratings knocked down because they didn't do things to trim the size of their costs, and we have done that. We have cut the size of the administration by 3,000 people. We did that to show that we weren't just going to expend in crazy things. We were going to spend in health, education, and so forth, and at the same time, we would work as hard as we could to market the resources here and to increase revenues. And as a result, our credit rating didn't go down. Our credit rating has, in fact, improved, and the reputation of this province is sound.

So I say in summary, Mr. Speaker, Mr. Chairman, during an international situation where we have very high interest rates and very low unemployment and difficult commodity prices, we feel that

it's fair to have a balanced approach, protect the people, spend the money on health and education and those kinds of services, and not just holus-bolus coldly say that we're going to balance the budget by raising taxes, or cutting programs that people need during these times.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Blakeney:** — Mr. Premier, there has never been anyone who had a budget deficit of the size you have who wasn't able to justify it by saying that they were doing good things for some people. There's no doubt that you can spend \$250 million more than you take in, or 275, or 300 million more than you take in, and do some good things. Anyone who can spend \$300 million and not do some good things for somebody is pretty incompetent. So, obviously, you're doing some good things. No one is denying that.

And you should be doing them. But you should also be raising more money from our resources, and that you're not doing. There's no question about where. . . Look at the level of oil royalties. They were of the order of 45 cents on the dollars, and now they're under 35 cents on the dollars since you've taken office. And there's no question of that.

You talk about . . . There's no . . . (inaudible interjection) . . . The chatter about export tax is not relevant. It just makes no sense whatever. I'm sure that the members know that whether or not we collect export tax makes practically no difference, or made practically no difference.

When Canadian oil prices were low, and we sold into the United States, and there was \$100 million worth of oil sold, we got 50 million of it — fair enough!

And when the price went up so that the amount to be taxed and pay royalty in Saskatchewan went up by \$100 million, we got the royalty, but not the export tax. And we only got, not 50 million, but 46 million. Big deal! It made no difference. The difference between 50 million and 46 million — that's right, 4 million — that's not solving your problem.

When we were getting export taxes, it was because Saskatchewan prices were low, and the amount we could collect in royalties was low. When the export tax was gone, it meant Saskatchewan prices were high, and the amount we could collect in royalties was high, and the difference between the export tax and the extra royalty was very slight — perhaps 4 per cent at the outside.

And so you cannot lay your problems at the fact that there was no more export taxes. The fact that you have slashed oil royalties, that's your doing. The fact that there would be high production at the higher royalty levels is clear. It was there in 1980. It was there in 1979 — no question of it. It wasn't there in 1981 because of the national energy program, which the Premier has quite rightly targeted. But the national energy program and its effect is gone. It's gone! And therefore there is no question that there is more money to be had there.

I make the other point. The Premier is saying that he's got to protect families. Well I am sure that he's got to protect the families of the seven sisters of Esso and Gulf and Shell and Texaco and Suncor and the others.

But how about some of these families who are living on minimum wage? Some of these families living on minimum wage you haven't found a dime for them, although you have found at minimum, 150 million a year for the oil companies — at minimum. And there's no question of that. Anyone who doubts it can take the Saskoil report and do some calculations. Anyone who doubts it can take that report and do some calculations. That report was good enough to say that they saved \$6 million in six months in 1982 on royalties - \$12 million a year.

**An Hon. Member:** — And they produced one-eighth.

**Hon. Mr. Blakeney:** — No, not one-eighth. They produced 7 or 8 per cent of the oil — that's one-twelfth. And a simple calculation will show that if everybody got the same break that Saskoil did, that somebody saved \$150 million — and these are the government's figures; not mine. So there's no doubt where the money is going: to these families of Esso, and the family of Shell, and the family of Gulf — but the family on minimum wage is not getting a dime. And in the result, all the other families are facing a massive deficit.

You will very soon have the deficit at a billion dollars, at your current rate, and a billion dollars will cost a minimum — and I'm being very, very cautious - \$120 million a year to service. Very cautious; indeed, their interest rate will be 12 per cent — it would be more like 140 or 150 million. And you've got a family of four — that is \$6,000 that they owe, that they didn't owe when you came to office, that they're going to have to pay.

As you rightly said when you were not in public office, deficits are deferred taxes. And deficits are deferred taxes. And on this basis, you have brought about the most massive tax increase in the history of Saskatchewan. You have moved over to the public of Saskatchewan, now, up to now, \$830 million of taxes, which are going to have to be paid — which are just deferred, as you properly say. So there's a fairly hefty tax increase - \$830 million, deferred tax increase.

That, you have done, and you indicate that it's going to keep going and you're waiting until potash prices go up. A few simple figures will indicate that potash prices would have to go up astronomically in order to solve your problem.

And I'm using rough figures: 10 million tonnes of production, and if the price went up 25 or \$30, as you would say, that would increase the gross yield from the industry, \$250 million — and somehow you are going to get \$250 million more revenue out of it, which is nonsense — which is nonsense. You might get some tens of millions of dollars out of it, but you wouldn't get anything like what you are talking about. It's not there. And so, therefore, you have to face the fact that you have to find some other source of revenue. And I say to you, you ought to be looking at some resources. We all hope that you'll get more out of potash. We all hope that we will find some other source of revenue.

But we also have to face the fact that perhaps the most prosperous industry in Saskatchewan and in western Canada today is the oil industry, not the natural gas industry. I concede their problems. But for the first time since oil prices went up in the 1973 period, we are able to have almost the North American market open to us. That's virtually the first time. Marketing problems which used to plague the industry in the days when we were saving our oil in the belief that we have to save Canadian oil for Canadians — that belief has been set aside. We have almost unlimited markets. We have, because of changes of policy made by the federal government in 1982 and 1983, opportunities to sell our oil which simply did not exist before — and we are taking advantage of them.

Of course, the family oil companies, the family of Esso, are doing quite nicely. But I say to you that it's also only fair and just that Saskatchewan families do quite nicely. And what they need to do is not to buy shares, as some of your colleagues suggest. It's no good to tell a family on minimum wage that they ought to wheel out there and buy some shares in Pan Canadian or something of that nature, or even to buy some participating bonds in Saskoil. The problem of where they invest their extra cash is not the problem faced by a great number of Saskatchewan families. And it's time we found a way, time we found a way to get some more money out of that resource so as not to burden Saskatchewan families, ordinary families, with the amount of money you're transferring to the family of Esso and Gulf and Shell.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Devine:** — Mr. Deputy Chairman, I would like to take this opportunity to point out

to the Leader of the Opposition, and to the public, that since we came into office we have broken all kinds of production and revenue records in the oil patch in the province of Saskatchewan, including job creation. And I can point to them in terms of records in oil production; records in drilling; the reserves are up for the first time in years, record land sales; \$1.2 billion . . . (inaudible interjection) . . . they don't, evidently, want to hear the truth.

Mr. Deputy Chairman, Mr. Deputy Chairman, there have been over 250 brand-new oil and gas companies started in the province of Saskatchewan in the last two years. Those are new Saskatchewan companies, small companies, brand-new Saskatchewan companies — 250 new companies started in the province of Saskatchewan, plus, Mr. Chairman, 91 new service and consulting companies associated with the energy patch in the province of Saskatchewan in the last two years.

I could point out, Mr. Chairman, that the impact of the new drilling and economic activity in the province of Saskatchewan has a major impact even in the city of Regina. For example, Ipsco estimates that at a minimum 85 jobs at Ipsco are now there, in place as a result of the new drilling activity programs in the province of Saskatchewan. That amounts to over \$2.6 million in salary in the city of Regina, particularly Regina North, as a result of oil activity in the province of Saskatchewan — \$2.6 million. Ipsco bases its calculation on the belief that at least 70 per cent of the drilling action currently going on in the province is directly related to the recovery program introduced by this government — 70 per cent of all the drilling in the province of Saskatchewan now is related to the program — which means 49 more drilling rigs are currently in operation, and without the program, Ipsco estimates only 15 rigs would be operating in the province of Saskatchewan.

Now, Mr. Chairman, I think that it's fair to review the record with respect to economic activity, jobs, revenues, land sales; the 1982 record versus the 1984 record, or any combination that they would like to look at. Let's consider the impact the former government's program had in place the day we took over.

July 1st, 1982: production was at two-thirds to three-quarters capacity; drilling activity, something in the neighbourhood of 600 wells; and land sale bonuses at 4 to \$6 million a sale — 4 to 6 million. With production at, say, 75 per cent, 47.2 million barrels of oil would have been produced in 1984-85, at a value of \$1.4 billion. The province would have received 404 million in revenue. Adding other oil revenue income and subtracting payments to oil companies, under the NDP's program the province would have generated \$429.4 million in revenue — 429. Now, \$429 million in revenue, under their system, not counting any of the new jobs, any of the new companies, any of the new economic activity, any of the new records of production — just \$429 million.

Now, Mr. Deputy Chairman, let's compare this to the estimated oil revenue under the new program. It's estimated to be \$608 million for 1984-85. This is a difference of \$185 million, net, in the pockets of the people of Saskatchewan because of the new program — \$185 million — \$185 million that supports the continued operation of all kinds of things that are going on in the province of Saskatchewan — money used to construct new jobs, jobs at Ipsco, jobs all over the province, related to the economic activity that we can see here.

This substantial difference in revenue to the province doesn't tell the whole story, Mr. Chairman. The story of the millions of taxpayers' dollars poured into Saskoil to drill wells is now drilling without subsidy at a profit.

Take the example of Saskoil. For the first time in the history of the province, Saskoil made \$30 million profit to the people of Saskatchewan, and the hon. member says it isn't working.

**Some Hon. Members:** — Hear, hear!



**Hon. Mr. Devine:** — The story of the 5 million in grants paid to our oil service and supply companies to subsidize them in the depressed conditions, spawned by the NDP, is no longer in place, Mr. Speaker. The former administration had an incentive grant that would have cost a little over \$300 million - \$300 million under the old program, Mr. Speaker, and it wasn't working, because we were at slack capacity and were not drilling. People said that they didn't like the program.

The conclusion is that the oil recovery program body in 1982 generated a net benefit, to date, to '84-85, \$185 million to the people of Saskatchewan - \$185 million that they wouldn't have had before.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Devine:** — Mr. Chairman, the thousands and thousands of jobs that have been created; the hundreds of millions of dollars of new revenue that has been created; the economic activity that has spun off in all kinds of activities in this province; including steel, including service industry, including cars, are all talked about across Canada, and indeed the United States, about the success of the program in the province of Saskatchewan.

Mr. Chairman, Mr. Deputy Chairman, if the hon. member would like, we could make comparisons with the neighbouring provinces in terms of who has recovered and who hasn't. We can look at the program in the oil patch in Manitoba, in Saskatchewan, and Alberta, and we can look at the following increases. Let's make the comparison, Mr. Chairman, the member from Shaunavon wants to look at all of them. Well, I'll make the comparisons if he'll listen.

He agrees to listen, but he won't shut his mouth, Mr. Chairman.

Mr. Chairman, why don't we find out from the member from Shaunavon, Mr. Chairman, if ever before, ever before — if the MLA from Shaunavon has invested in the oil patch in drilling — if there's ever been an investment before 1983-84. And let's see if anybody is participating. Let's see if anybody's participating in the recovery program in the oil patch, from Shaunavon. Let's find out.

This program is so successful that we have over 250 brand-new companies — brand-new companies drilling in the province of Saskatchewan, of which the member of Shaunavon knows very well. He likes it so well.

Oil production: oil production, Mr. Chairman — Saskatchewan, Alberta, and Manitoba — Saskatchewan was up 18 per cent in oil production, 1983 over 1982, from 51.6 million barrels to 60 million barrels; Alberta was up 5 per cent, 394 to 412; Manitoba increased from 3.7 million barrels to 4.6 million barrels, for 24 per cent.

Wells drilled — Saskatchewan: the total increase, 128 per cent in Saskatchewan; oil, an increase of 106 per cent; gas, an increase of 1,667 per cent. Alberta: a decrease of 15 per cent; oil, an increase of 43; gas, a decrease of 55. Manitoba: total increase in oil, 35; increase in gas, zero.

Any comparisons that you want to make, Mr. Chairman, with respect to the production, the percentage increases, the economic activity — no province in the prairies touched the province of Saskatchewan. We beat all the records in terms of land sales, in terms of drilling, in terms of new activity, and in terms of bonus bids and in terms of land sales, there's absolutely no comparison. We broke all historic records.

So, Mr. Chairman, I rest my case on the record of revenues for the province of Saskatchewan, the economic activity, the jobs, the new companies, and all the kinds of things that have taken place in the province of Saskatchewan that haven't taken place any place else in the country, or, indeed, North America.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Premier, I think that your performance is entertaining but a little bit separated from the facts. I can't answer all or even most of the allegations of fact you have made, but I'll just deal with a few of them.

If you are saying that our oil production in Saskatchewan is at record levels, you're talking absolute nonsense, and you know you're talking absolute nonsense. Our oil production is certainly not at record levels. You're talking about 60 million barrels or 62 million barrels, and you well know that we have at times produced well over 80 million barrels in the province, and I just make that point so that we shouldn't get carried away with your rhetoric about how much is produced.

You say 250 new Saskatchewan companies, and you know that's nonsense. You know that's nonsense. There may well be 250 companies registered that come from all and sundry, but these are not Saskatchewan companies — only in the sense that they may have registered here because they're trucking into here. There are not many Saskatchewan truckers that work, Alberta truckers are here, or as the case may be.

Let's get at the real guts of your comparison. You took the 1981 and '82 situation, which was brought about by the national energy program, and you projected it to 1984 and said: look what would happen if those had continued. Now that, of course, is totally unfair and invalid comparison. By your own admission, oil production in Manitoba has gone up 24 per cent — more than in Saskatchewan. They didn't need any massive give-away to bring that about. All they needed was a change in the national energy program and a change in our ability to market.

Oil production has gone up in Alberta. They didn't have any program of massive cuts in royalties. All they needed was a change in the national energy program and some new markets. So the change that came about — no one is denying the fact that the federal government program, the national energy program, and a continuation of their policy of closing the border to high-grade crudes meant trouble for the oil patch in 1981 all across the west. And no one doubts that there was going to be a recovery, and there was everywhere. By your own statements, everywhere.

You suggest that the 1981 or 1982 drilling program was somehow a normal drilling program. It was low, and everyone admits it was low. And it was low in every province because of the national energy program. But why don't you take a comparison of 1980, when the oil industry was booming prior to the national energy program, and then you will see that drilling then was twice what it was in 1982 without any . . . I don't know whether you're saying that somehow there were royalty changes between 1980 and 1982 which cut drilling in half — nonsense, and you know it's nonsense.

Federal policy created the recession of 1981-'82. Changes in federal policy created the very substantial upturn in the industry, and we're glad. We're glad that it did that. And it may well be that your recovery program made some small contribution. After all, if you're cutting royalties to that extent, somebody is going to come in. If you're going to cut royalties from 45 per cent, on the average, to 35 per cent, on the average, which you did, there is going to be some pretty handsome rewards for the family of Esso and the family of Gulf and Shell, and they're going to be in here and they are. And the drilling is up above the previous record of 1,500 which is, I believe, in 1980. But no one, I think, should suggest that all of this came about because of your recovery program.

Isn't it fascinating. Isn't it fascinating that the Premier would agree that oil drilling has gone up substantially in Manitoba, that oil production has gone up substantially in Manitoba, and that oil drilling and production has gone up in Alberta, as well. But in Saskatchewan all came about because of his program — or at least 70 per cent of it. That is sheer nonsense! If it's going up in all

three provinces, it is reasonable to assume that it would go up in Saskatchewan to a very substantial extent, regardless of his recovery program. And his allegation — his nonsensical allegation — that 70 per cent of the drilling is because of his program is sheer nonsense.

It is simply not credible — not credible that drilling would advance in Saskatchewan, 70 per cent of it would be due to his recovery program. Drilling would advance equally in Manitoba in percentage terms, but none of it was due to the recovery program because there wasn't one. Now no one is suggesting that the Manitoba oil industry is an accurate comparison, because it's a small industry. Everyone knows that. But the fact that the production has gone up everywhere across the Prairies indicates that the reasons were due to national changes in policy — welcome and long overdue changes in national policy — and not to the provincial policy.

The Premier, in trying to defend what he has done, makes it rather clear that he is taking the low point brought about by the national energy program and saying that it would have continued, it would have continued. Now is it reasonable to think that if there had been no recovery program the circumstances of 1982 would have continued in Saskatchewan, where they did not continue in Alberta, and they did not continue in Manitoba? Of course not. Our industry would have responded in the same way that the industry across the Prairies responded. There would have been a substantial increase in drilling, as there was a substantial increase in production . . . (inaudible interjections) . . .

The Minister of Energy is trying to bring in the natural gas picture, where markets disappeared, where markets disappeared . . . (inaudible interjection) . . . I'll just take a little rest here, because I'm getting a little help from the member for Sutherland, who is . . . (inaudible interjection) . . . Well, I'll try again, Mr. Chairman.

The Premier, when he suggests that there would have been no change in the oil industry without his recovery program, is talking something which cannot be substantiated, because there was substantial change in our two neighbouring provinces in the oil industry without the recovery program, and there would have been equally substantial changes in Saskatchewan.

And what is particularly revealing about the Premier's comments is this: that he says it's been enormously successful. For a moment, let's take him at his word. For a moment, let's take him at his word, and say that it has been enormously successful, and it has brought in 185 million extra dollars that wouldn't have been there, and that wasn't there before. That's what he says.

And even with all of this extra money, he is still not able even to come close to balancing his budget. In the year that he took office, there was \$130 million surplus, and now he . . . Even with this bonanza, if you believe him, if you believe him, he has had a deficit of 300 million, and he had this extra 185. Even with an extra 185 million, he had a deficit of 300 million. Surely that raises incompetence to the level of an art.

It's pretty clear that the Premier can't have it both ways. Either he has been grossly mismanaging the affairs of the province — grossly — or he has not been getting as much as he should from the oil industry, and that's why he's having his deficit. Because if he's got even more money than would have been the case from the oil industry, and still having a deficit the like of which we have never seen in this province, surely that is evidence of gross mismanagement. Now his mismanagement has been bad, but it hasn't been that bad.

And a good deal of his problems are not because he's getting 185 million more from the industry, and still producing a 300 million-dollar deficit, but because he's not getting as much as he should from the industry, and producing a 300 million-dollar deficit. That's his real problem. And the more he says we are getting more than we ever would from oil, the more he appears incompetent, because he can't deny the fact that his deficits are massive.

And I ask the Premier: if, in fact, you are getting more than you could possibly have got under

other circumstances from the oil industry, and therefore you are running that sector, in your terms, very well, how can you possibly explain the fact that your deficits, each one of your three deficits, has been more than the accumulated deficit that we have seen in this province from 1905 to 1982. Each one of them; each one of them has been precedent shattering. Each one of them has set new records, and yet he says that all this comes about even when he's doing a masterful job running an oil industry.

Well, I don't think he's that bad. He's bad, but he's not that bad. The deficits are there, and their amounts cannot be denied, but they're come about, at least partly, because not that he's doing a masterful job, but rather that he's mismanaging the amount that we could be getting from the oil industry. And he is giving a little too much to the family of Esso and Shell and Gulf, and a little too little, a little too little to the families who are not getting an extra dime on minimum wage, and the families who are being pinched, being pinched in so many ways — I won't take the time of the committee.

The member from Moosomin suggests that we are saying, "Down with the multinationals." Not at all. We are saying, "Up with the multinationals, up with their tax-paying capacity, and up with their tax collections from them." And there is no reason in the world why we shouldn't — we shouldn't be trying to get some more money from the multinationals. I know that the member from Moosomin says that's socialism to suggest that Esso and Shell and Gulf should pay a little more money. But they are doing rather nicely. I invite anyone to look at the financial statements of the oil industry in western Canada, and they are doing well. I will gather up some and bring them back to the committee if they want. They are doing very well, indeed.

And who else is doing well? Who else's profits are going up 25, 50, and 75 per cent other than the oil industry and the banks? Is it the farmer? Are they getting an extra 75 per cent like the oil industry is? I doubt it. Is it small businessmen? I doubt it. And I think that when people . . . When, as the Premier makes clear, there are tough economic times, then it's reasonable to call for a little sharing. It's reasonable to call for everybody making a bit of a contribution. And if farmers are having a tough time and are unable to pay taxes, and if small businessmen are having a tough time and are unable to pay taxes, it's not unreasonable to call upon the people who are really making money, and that's the oil companies, and it can't be denied. Their financial statement are public property. They are making a great deal of money, and no one can deny it.

The member for Sutherland, who is familiar with Saskoil, will know that Saskoil has made a great deal of money compared with previous years, in no small measure due to the fact that there have been sharp reductions in the royalties they pay. That's right. And that's . . . After all if everybody in the oil patch is making money, it would be surprising if Saskoil didn't. Saskoil is making a good deal of money and we're glad of that. If Saskoil is making \$30 million on 8 per cent of our production, I guess you can figure out what the other companies are making on the other 92 per cent. It works out pretty well; it works out pretty well.

And Saskoil will be by no means one of the profitable companies. It got in late. It has virtually none of the cheap oil. And certainly many companies who were around longer than Saskoil — people like PanCanadian, our CPR friends — are making a great deal more money than Saskoil is. Saskoil is making a paltry \$30 million on 8 per cent.

I think that other companies are making a great deal more money. And I think that, under those circumstances, since they are making more money than they ever had before, since farmers are not making more than they ever did before, that small businessmen are not making more than they ever did before, it's not unreasonable to ask the oil companies to pony up a bit of that to help us in our time of difficulty.

And there are lots of people who are in difficulty. The Premier has indicated some of the people he is assisting. I would expect him so to do, and that's fine . . . (inaudible interjection) . . . But, Mr. Chairman, I hope that when I do sit down the member for Moosomin will enter the debate. I

hope he will. But . . . (inaudible interjection) . . . Why are you offering him help, Mr. Member for Moosomin, if you think the Premier can handle it?

I repeat the obvious point. The Premier admits that the oil companies are doing very well indeed. He can hardly deny it. I hope he is not saying that everybody else in our economy is doing equally well. I wish he would say that. But he won't, and he won't because he can't. Is it therefore unreasonable to ask the oil companies to do a little bit of the sharing of the recession to which the Premier refers? Is it unreasonable to ask them to pay a little bit more, so that we could either have a smaller deficit or better services for some people who are left out, when the Premier is distributing his largess.

And I ask the Premier, I ask the Premier why he feels that with the level of profits in the oil industry that they are now, that they could not pay a little bit more in royalties to assist all of us in dealing with the problems of the recession, which the Premier has enumerated.

**Hon. Mr. Devine:** — Mr. Chairman, let me begin by pointing out something to this Assembly and to the public that's very, very obvious by now. And that is simply this, Mr. Chairman. The NDP have been saying the same line since 1944, and it hasn't changed — the same line. And, Mr. Chairman, we've heard the same line since '44, and today I think it's very clear that that's why they're at 7 per cent in the polls across Canada, because indeed their solutions are not solutions at all.

The Leader of the Opposition knows full well that, if he talks to cattle men, if he talks to cowboys, if he talks to people in the service industry, if he talks to people in the oil industry, if he talks to young people, if he talks to young, small businessmen, he knows that those people don't support the NDP. They don't like the NDP, because they don't think they offer any solutions. And he knows that. And he goes back to the same old lines that say, this is what we have to do, but there's no solution.

Because he knows, first and foremost, the most critical thing that should be done in the country is the creation of jobs. And he knows that — the creation of jobs. He knows that that's the most important thing that we should be doing, is job creation in this province. This province has been focusing on job creation. That's why young people are coming back to the province of Saskatchewan and not leaving, because they're very proud of that.

The hon. member, Mr. Chairman, talks about percentage increase and drilling in neighbouring provinces compared to the province of Saskatchewan. Now let's make the comparisons very, very clear. In Saskatchewan, 1983 over 1982, Saskatchewan increased 127 per cent — 127 per cent. And in good oil oil-boom Alberta, they increased minus 15 — minus 15 oil and gas wells. All right. Mr. Chairman, let's make the comparisons. Saskatchewan increased 128 per cent in total, oil they increased 106 per cent, and gas they increased 1,667 per cent — in Saskatchewan.

Now let's look at Alberta, which was not affected by the national energy program and not affected at all. Alberta: a decline of 15 per cent in oil drilling, compared to Saskatchewan increasing 128 per cent. Now let's make that comparison. Let's stand by it. Did Saskatchewan do any better than Alberta? One hundred and twenty-eight per cent positive versus minus 15 per cent. Is that the same? Obviously, it's a significant difference, as a result of the programs taking place here, and that's why there's 250 brand-new companies in the province of Saskatchewan, creating all kinds of jobs, and particularly 88 jobs for the city of Regina in a company like Ipsco that makes pipe, that is involved in drilling. Those jobs didn't take place in Alberta; they took place here.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Devine:** — And what's the most critical thing that we could do in Regina? Create

jobs. What's the most important thing that we could do on the prairie? Create jobs. That's why we have the lowest unemployment, because we have economic policies that create not only increased revenues of \$185 million over the previous program, but we create jobs.

Now, if you compare it to Manitoba — and let's compare Manitoba — in total, they increased 27 per cent, oil and gas. They went up from 165 to 223 wells in oil, and zero in gas — zero. Now, it's a very small margin, and the relative change there can make a significant difference in terms of numbers. They well could have had 1,000 per cent increase, because they have such a small oil industry — but they didn't even match Saskatchewan.

So let's set the record straight with respect to performance, in '83 over '82. No other province in Canada, no other province in the prairies, matched this province in economics activity, in new wells, in the per cent increase, or jobs created in the energy business, except Saskatchewan — number one.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Devine:** — Now, Mr. Chairman, let's look at where the money goes. And the hon. members says, "Why can't we see money going into agriculture? Why can't the money go into agriculture, when you're making money in oil wells?"

Well, let's look at what's going into agriculture. We picked up an extra \$185 million in oil, because of the economic activity. Let's look at what's going into agriculture. Let's add it up. The hon. member brings it up, so let's talk about it, because this is money that wasn't going into agriculture before, that is going in there now. And it's in excess of \$100 million that's going into agriculture today that wasn't going in under your administration, and it's a good deal of the result of what's going on in the energy patch today: making money for the people of Saskatchewan, so that it can help farmers.

Let's look at it. We are passing on the gas tax to rural Saskatchewan, which is worth \$50 million — 100 million for the entire province; 50 alone, 50 million alone, to rural Saskatchewan. That's farmers. That's \$300 per individual. I mean, if you have four people driving, in a rural family, that's \$1,200 alone.

The home quarter tax is worth \$11 million; that's another \$61 million. The tax on power is worth \$5 million; that's \$66 million that's going right off the top to every single, solitary person in the province of Saskatchewan that lives anywhere in the rural areas. Eight per cent money going to farmers; that's adding up to \$40 million. A rural gas distribution program; \$35 million. It's 350 million to 400 over 10 years. The tax reduction on livestock, worth up to \$5,000 per individual; that's \$10 million. That's 60, that's 100, that's 135, \$140 million going into rural Saskatchewan that wasn't going there before. We picked up 185 million in oil revenues. Virtually the whole thing goes into rural Saskatchewan and into agriculture.

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

**Hon. Mr. Devine:** — Mr. Chairman, on top of that, on top of that, who got taxed more in Saskatchewan under the Progressive Conservative government than under the NDP? Who did? I'll tell you two organizations that did: banks and railroads. We tax banks and railroads more today than the previous administration did, and they talk about their great concern about banks. Why didn't they tax the railroads? Why didn't they tax the banks? These are very large companies.

Everybody in Saskatchewan knows that the railroads are going to charge us an extra \$17 million in freight rates, at least, this year in Saskatchewan. What did the Government of Saskatchewan do? We taxed them an additional \$19 million, and that money can be used for all kinds of buildings so that we can set records in this province, and let me turn to records. Let me turn to records.

Mr. Chairman, we have set no end of records — good, solid, positive records during a recession, an international recession, in the province of Saskatchewan. We have set population records. The first time that we have reached a million because young people aren't leaving; they are coming home. Young people don't like the NDP, and it's hard to bite that bullet, but they don't want any part of it. In fact the millionth couple that moved in here moved from NDP Manitoba to the province of Saskatchewan because this is where they could get a job.

Secondly, Mr. Chairman, we have broken records in job creation and labour force and economic activity related to jobs in this province. Never before in the history of this province have so many people worked, and never before have they reached a labour force of 500,000 people. That's a record during difficult times across this country.

We've got records in oil production, in drilling and reserves, and revenue and land sales, the first time we've ever beaten Alberta in drilling, and that occurred in the month of April — 252 new companies, 91 new service and consulting companies, and now a big contribution to a company like Ipsco for 85 new jobs.

Records in towns and villages and farmers receiving natural gas during this difficult time. Record in potash marketings. Imagine during this difficult international time where high interest rates, farm incomes are down around in the United States, and what does this government do? Sets records in potash marketings — records. Beat even the good times. We set records in marketings. Record in new housing starts.

Records in health budget. Never before in the history of the province has anybody spent \$1,000 per capita on health, because people want health care during difficult times - \$1,000.

Record nursing home construction. Record technical school capacity. Record increase in benefits to senior citizens; it's the highest ever in the history of the province during difficult times for senior citizens here.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Devine:** — Record tax reductions to ordinary people. Little people, little farmers, small businessmen, received record tax reductions, while big banks and oil companies or railroads are paying record taxes to the province. The little people, the ordinary families, are paying less tax than they ever did before in the province of Saskatchewan.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Devine:** — So we are taxing railroads because they never were taxed before. We're taxing banks because they were never taxed before like that. And we're passing the benefits on to farmers, to consumers, to small businessmen. Record tax breaks to ordinary people in the province of Saskatchewan. Record reductions in regulations. Record reduction in the size of the bureaucracy. It's the lowest increase in the size of government spending, I would say, in five years. Record number of home owners protected against high interest rates.

And, Mr. Chairman, we have some record lows. We have the lowest unemployment in Canada. We have the lowest gasoline prices in Canada — lowest gasoline prices in Canada. We have the lowest bankruptcy rate per capita in Canada. We have the lowest income tax now in Canada. We have the second lowest debt in the nation. And we have the lowest interest rate of anybody for farmers and home owners in this nation.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Devine:** — Mr. Chairman, this has been a commitment to the people of

Saskatchewan during some difficult times. We said that we would put the province up to buffer any international problems that hit this province, and we have done that. We didn't say that we would cut back on health care or on education or in agricultural programs.

There's record expenditures on agricultural programs, some of the best ever — over \$100 million a year. And that revenue is coming from oil companies, coming from banks, coming from railroads, like it never did before in the history of this province under the NDP, under the Liberals, under anybody. Record revenues coming into this province in taxes from big business and record cuts to ordinary people. Never before in the history of this province have there been so many tax cuts to the ordinary families and the ordinary farmers and the ordinary home owners. Never have they had tax cuts like this, and never before have there been such tax increases on railroads and banks.

Mr. Chairman, the record of this administration in the last two years is one of record caring, record compassion, record listening to ordinary people all across this province —and indeed, the whole country is watching this province perform during difficult times — and we break records.

Mr. Chairman, all we have to do . . . (inaudible interjections) . . .

**Mr. Chairman:** — Order, order! The members will get ample time to get into the debate. Allow the Premier to finish his answer.

**Hon. Mr. Devine:** — Let me close, Mr. Chairman, and say . . . Mr. Chairman, let me just close by saying the four western premiers sent three communiques to Ottawa, to the federal government, and those three communiques endorse everything that's going on in the province of Saskatchewan. I couldn't have written them any better myself; in fact, I wrote a good part of them.

And they were endorsed by the Premier of Manitoba; endorsed by the Premier of Alberta; endorsed by the Premier of British Columbia, on transportation, on communication, and on economic activity, and taxes, and so forth. They endorsed our budget, they endorsed our programs, they endorsed our transportation policy — four western premiers agreed. Through different political parties, they said this is the direction we should be going; let's keep our eye on Saskatchewan, because it's providing the lead.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Blakeney:** — Mr. Chairman, and Mr. Premier, you are indeed right with respect to several of your statements, including that you're setting records. You're setting records on unemployment — that the unemployment rate has gone up faster in Saskatchewan since you came to office than in virtually any other province; that where we used to be the lowest in Canada, we are now . . . And have our rate go down . . . We may still be the lowest in Canada, but we are only infinitesimally lower than other provinces, where we used to have a wide gap between ourselves, particularly ourselves and Manitoba.

The very idea of Manitoba having a lower unemployment rate than Saskatchewan would have been laughable two years ago or three years ago. It's not laughable any more. It was true for one month, and our rate is just about the same as Manitoba's now — a sad, sad story. A sad, sad story, because their rate has been going down; our rate has been going up; and we are indeed setting records. When was the unemployment rate in Saskatchewan higher than it is now? When was it higher? Certainly not in the 1970s. Certainly not in the 1960s. You've got to go way back into history to find a time when our unemployment rate was higher than it is now.

The Premier talks about per capita expenditure on health. And of course, he's achieved substantial increases in the per capita expenditure on health by the simple device of transferring nursing homes from the Department of Social Services to the Department of Health, thereby



increasing health spending and thereby declaring that spending on health is now over \$1 billion. Of course it is. You could have put the highways in the health department and had the spending on health even higher. After all, they're used for ambulances.

And any sort of grouping of government agencies will allow you to make your spending in health anything you like. That's what you did, that's what you did, in order, first, to lower your spending on social services — for the books — and to increase your spending on health — for the books. And you certainly have not increased spending on health to any massive degree, not such as you suggest.

And as for education, "No cut-backs in education," the man says. You try selling that to the school-boards in Regina, and school-boards in Saskatoon. You try to tell them that a 3 per cent increase across the board, and an actual decrease in grants to the Regina Public School Board, and the Regina Separate School Board, and many other boards across the province, isn't a cut-back in education.

I invite your members to . . . You should listen to your members — and how many school-board members are talking to them about how many cuts are going to have to be made? You can't pick up a daily paper without finding which school the students are now out on strike because their teacher is being demoted, or their teacher is being fired, whether it's Hafford, or whether it's Leader, or wherever else. When have we had this before, when there has to be a wholesale firing of teachers because the money isn't there? And that's true; that's true.

And ask school-boards whether they think there hasn't been a cut. They know better. They know better, when across the whole province you are increasing school grants; when across the province you are increasing operating grants, effective operating grants, by less than 4 per cent. And when there are increases of much higher than that with respect to many of the things that school-boards have to buy — the electricity, the natural gas, and the rest — you know, and I know, and we all know, that that represents a cut across the province — a cut across the province.

And for many school-boards, like Regina and Saskatoon, it has been a very deep cut. Members from Moosomin may not feel that the Regina and Saskatoon school-boards have any need for money, but I believe they have need for money. I believe they need to offer quality education, and I believe they believe there's been a cut in the amount of money they have — and they believe it because it's true.

And when the Premier says there hasn't been a cut-back in education, he's not being frank with the public. He is indicating that there have been many, many substantial cuts in taxes for ordinary people. Venture tax credits will be very useful to the ordinary people of Elphinstone. I know that they will line up to invest in venture tax credits. But I'd be interested in knowing how many will take advantage of that, for many people in constituencies like mine, who think they are ordinary people, but who don't spend their time wondering how they are going to cut down their income tax by looking for shelters like venture tax credits, or MURBS, or any other types of similar shelters.

And we will see how many ordinary people, as the Premier refers to them, take advantage of this range of tax shelters which were included in this budget. We will see. We will see.

And the Premier takes credit for the lowest income taxes in Canada, when he hasn't in any way lowered them since he came to office — indicating that they weren't too bad under the previous administration.

But what I really want to do is to pick up on the Premier's suggest that somehow there are a whole lot more jobs and a whole lot less unemployment in Canada, or in Saskatchewan, than there was two years ago. And I've armed myself with the StatsCan figures. The Premier is always

very forthcoming with figures, but they frequently are remarkably unreliable. So I won't use his figures. I will use StatsCan figures. I would use statistics Saskatchewan figures as well, and I would invite him to use them sometime.

But let's talk about the StatsCan figures. And I've got April 1982 compared with April 1984, and that's a pretty fair comparison for two years of PC government. Let's consider just what has happened with respect to opportunities for people to work in this province.

Two years ago the unemployment figure was 28,000. It is now 39,000. Does anyone deny that? Does anyone deny those figures when you're shouting? Do anyone deny that those are facts?

Now, let's talk about the number of people who are working: youth who were working two years ago, 103,000; you who are working now, 95,000 — 8,000 young people fewer working now than was true two years ago. And there's no use denying these, because these are StatsCan figures, and if anyone thinks that this is offering opportunities for youth, then I invite somebody to tell me how come this is true. I'm not now talking about the fact that there may be a higher unemployment rate among youth; there's a massively higher unemployment rate. But there are fewer working. It is not because people are pouring in to take the jobs that the number of unemployed is going up; it is because fewer people are working that means the unemployment rate is going up.

Let me go over these figures slowly, for several members who have a little bit of difficulty grasping them. Let me go over those again. The number of young people working in April of 1982 — 103,000; the number of young people working in April of 1984 — 95,000.

**An Hon. Member:** — I guess some of them got to be middle-aged people.

**Hon. Mr. Blakeney:** — That's right. Some of the members are suggesting that in the two years they have grown up to be middle-aged people. I doubt it. I think that most of them are still young, and they're still looking for jobs, and they are increasingly fruitless in their search.

If members opposite believe that young people are finding it easy to find jobs, I would be grateful to them if they would send me a list of the jobs that are available, so that I can talk to young people who are talking to me, asking whether I can help them to get employment — because it simply isn't true. It's all very well to laugh and joke, but there are young people not getting jobs, and even the figures which are published about the number of unemployed are, in some sense, to be questioned.

Do you know what's happened to the number of non-agricultural jobs in Saskatchewan in the last two years? From April of 1982 to April of 1984, the number of non-agricultural jobs has gone down from 343,000 to 335,000 — 8,000 fewer jobs in endeavours other than agriculture. You will say, well, how can this be, because the number of people who are working has supposedly not gone down?

Well, if you look at the number who are supposed to be working in agriculture, the number of people who are working on Saskatchewan farms has gone up from 77,000 to 91,000 — 14,000 more people are said to be working on Saskatchewan farms today than was true two years ago.

Now, I know the Minister of Agriculture will explain why there's a need for 14,000 more people to work on Saskatchewan farms than there was two years ago. The farms which used to be, provide jobs for 77,000 people, are now providing jobs for 91,000.

But if anyone believes that there are, in fact, 14,000 more jobs on Saskatchewan farms than there were two years ago, then that same person will buy the Brooklyn bridge and believes in the tooth fairy, because those are simply not facts.

The real reason is that these people are not able to find jobs where they want to find jobs. They're going back to the farm where they came from. They are working there, yes, but they would certainly leave that farm to take up other employment if other employment was available. But other employment is not available. And other employment is not available because of the fact that this government is not creating economic opportunities for people, young or old.

In manufacturing, where I would expect this government to create some jobs, the number working in manufacturing in 1982 was 27,000, and it is now 24,000 — 3,000 fewer people working in manufacturing than two years ago. And this is the government which says that it's creating all of these wonderful new opportunities.

Well, yes, they're working on the farm. A member opposite says: is there anything wrong with all this increased number of people working on the farm? And I say, yes, indeed, there is something wrong with it, because at least 15,000 of those people would take employment off the farm if given the opportunity to do so.

And it is the fact that they have been deprived of the opportunity to work in manufacturing or in construction, which has also gone down, that they are back on the farm. And I say that's a deplorable performance on the part of a government which says that it is opening this province for business. It's a deplorable performance.

You know, when you look at all of these lists, there are two areas which have gone up in the number of people employed — two areas that have gone up.

**An Hon. Member:** — The banks and the railways.

**Hon. Mr. Blakeney:** — Well, there's a little bit in finance and real estate. This is probably . . . but two main areas. The big increase in the number of people supposedly working on farms, and we saw that in the 1969, '70, and '71 period, and when there were jobs in '72 and '73 and '74, these people came off the farm, and they took the jobs, and they were very, very happy. They were very, very happy to take the jobs, but there are no jobs that they can take . . . (inaudible interjections) . . .

**Mr. Chairman:** — Order! Members on both sides of the House are making a lot of noise. I would ask them to give the Leader of the Opposition time to make point.

**Hon. Mr. Blakeney:** — Yes, people were leaving the farms. Yes, some were going to Alberta, but many were going to Regina and Saskatoon. Look at the growth rates of those two cities during that period. Many of them were going to Yorkton to work at manufacturing industries, which weren't there 10 or 15 years ago, and increased their employment substantially, and now do not employ as many as they did three or four years ago . . . (inaudible interjection) . . .

What other area has gone up? Well, it's public administration. The people who are working for governments has gone up from 32,000 to 34,000. These are pretty interesting figures, pretty interesting figures. A government which has opened this province for business, but has fewer people working in manufacturing, fewer in construction, fewer in transportation and communications, fewer in trade, a few more in the service industry — 4,000 more in the service industry, and many more in agriculture. This is the record of a government which is opening the province for business. This is the record, and it is a sorry record. And it is true, it is true, that there are more people in this province, and as a result the number who are unemployed goes up, and up, and up.

Again, Mr. Chairman, I want to make that point. The number who are unemployed, for whom opportunity is closed . . . The province may be open for business but opportunity is closed for an extra 11,000 people in two years.

And the situation is much worse, Mr. Deputy Speaker, if I analysed the figures with respect to all of those who are supposedly working, but who are working, short time. The number of people who are working a full week, or 30 hours or more, is going down very substantially — and pretty clear — I'm getting a very great deal of assistance from members opposite because they simply don't wish to face the facts that they have not provided employment; they have not provided jobs; their policies have not worked; they are trying to buoy themselves up with rhetoric, when they will not address the fact that there are tens of thousands of people in Saskatchewan who want jobs, who want full-time jobs, who cannot now get jobs because of the failure of the economic policies of this government.

Those are hard, cold facts which cannot be laughed off, much as people would like to laugh them off. And I see a couple of members from Saskatoon, and they would like to make light of the fact that Saskatoon has an unemployment rate approaching 12 per cent.

But you can't make light of that, because that cuts into the life of a great number of people in Saskatoon and elsewhere in Saskatchewan. It's not a laughing matter. It's a matter of lives for families and others, and this strikes me as suggesting that we ought to be addressing these problems instead of attempting to deal by way of rhetoric with them.

**Hon. Mr. Devine:** — Mr. Chairman, let's make a couple of points very clear in the few minutes that we have, probably, before we break. One: I don't think that Saskatchewan, in the history of our province, ever had lower unemployment than Alberta. I don't think it ever did until we took power. Alberta always had lower unemployment than this province — always did.

For the first time in, I believe, Canadian history, Saskatchewan has the lowest unemployment in the nation. Now, that must stand for something — the lowest unemployment in any province across Canada — and it used to be the case that Alberta always had the lowest unemployment. Now, for the first time, we find that Saskatchewan has the lowest unemployment in Canada, during a time when, what's the most important issue? Job creation. So when is a record most important? At a time when it's most important in the people's mind.

This is the first time in the history of this country that we have had the lowest unemployment. And Alberta used to lead, and now it doesn't. I think it's important that we point that out.

Secondly, Mr. Chairman, I went to some length earlier to point out, never have there been so many tax cuts to ordinary families at time when we are getting record tax revenues from big companies — ever in the history of Saskatchewan. We are getting more revenues from oil companies, more revenues from CNR and the CPR, more tax revenues from banks, than ever in the history of the province — and at a time when we are cutting taxes and cutting interest rates to who? Ordinary people.

Ordinary farmers get 8 per cent money. Ordinary home owners are guaranteed 13 per cent interest rates. Tax cuts on gasoline that will provide the biggest cuts in the history of the province for ordinary people at a time when big companies, oil companies, are paying more; CPR is paying more; CNR is paying more; and, Mr. Chairman, the banks are paying more.

Let's look at the record. The record is now in the province of Saskatchewan: record tax cuts to ordinary people, farmers, small businessmen. Home owners get record protection — record interest rate protection, record tax cuts — at a time when we are receiving record tax revenues from large companies like banks, railroads, and oil companies. I just wanted to point that out, Mr. Speaker.

Let me point out, Mr. Chairman, the Leader of the Opposition talks about employment generation and job creation in Saskatchewan, and he mentioned Saskatoon — Saskatoon. *The Financial Times* did a bulletin on cities across Canada. What does it say about Saskatoon?

Saskatoon has the second highest job growth in the nation among large cities in this country, the second largest job creation in all of Canada.

That record, Mr. Chairman, is a result of economic opportunities provided to the people of this province. And I might say, a very astute mayor in the province of, or in the city of Saskatoon, to Saskatoon, holds the record — two-times record — the record in 1982 and the record in 1983, and I wish them well in 1984.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Devine:** — The Leader of the Opposition also mentions Manitoba. He mentions Manitoba. He says, “For the first time, Manitoba is getting close to Saskatchewan in terms of unemployment.” For the first time. He doesn’t like to talk about Alberta, but he wants to talk about Manitoba.

All right, I mentioned Alberta, because we beat Manitoba for the first, Alberta for the first time in history. Manitoba has changes, because people don’t like Manitoba as well as they like the province of Saskatchewan. Look at the record of people coming into the province of Manitoba — record number of people.

**Mr. Chairman:** — Order. The member from Assiniboia-Gravelbourg will have all kinds of time to get into the debate.

**Hon. Mr. Devine:** — Mr. Chairman, I just wanted to point out that people are not all that happy with the administration in Manitoba. They don’t particularly like the administration, and they’re moving into Saskatchewan. People don’t particularly like the administration and the high taxes and the big government in the province of Manitoba, so they are moving into Saskatchewan.

And he knows, and the hon. member knows, and the members know: we are experiencing record population growth, over a million people coming into this province. So we see economic opportunities that haven’t taken place in this province for years, and records break.

Let me take a few moments, Mr. Chairman. Let me take a few moments to summarize what it was like in April of 1982, when we took over from the former administration, so people can recall what it was like. Let’s take a look at what it was like. And this is the reason, Mr. Chairman, that people are coming into this province, when before that, as the hon. members know, they were leaving Saskatchewan.

One: in April of 1982, we had just witnessed a bureaucracy that grew by 10,000 people from 1971 to ’81. Government was getting bigger — bigger and bigger and bigger.

Number two: what did we find? We found very high taxes, very high taxes in April of 1982 — high income tax, high sales tax, high gas tax, high commodity taxes. Look at the taxes in April of 1982.

Number three: what did we find? We found Crown corporations that were just running away, intruding on all kinds of people’s lives. Mr. Chairman, the leaders of the opposition don’t like to hear this. Let’s listen. Let’s listen to what it was like in 1982. They don’t like to be reminded of why they lost, Mr. Chairman, and why they are at 7 per cent in the polls. Let’s remind the folks in Saskatchewan, and all across Canada, why the NDP is at 7 per cent in the polls. Why are you at 7 per cent? Why are you at 7 per cent in the polls? Let’s take a look. Let’s take a look.

The fourth thing we found, Mr. Chairman, was no Heritage Fund at all in the province of Saskatchewan. In April of 1982, there was \$10 billion Heritage Fund in Alberta. Here in the province of Saskatchewan there wasn’t any. There was no Heritage Fund.

Towns and villages were dying, Mr. Chairman. We found in April of 1982 people were leaving towns and villages. They were going all over Canada, but they weren't staying here. We had no end of government farms. Imagine, Mr. Chairman, government farms. The NDP had a whole series of government farms. We'd lost 10,000 family farms as of April of 1982. What was the government of the day doing? They were buying farms for the government; buying farms for the government. And do you know how? That wasn't very popular — 10,000 families lost their farms in the province of Saskatchewan, from 1971 to 1981, because the NDP administration was buying farms.

Housing starts were an all-time low. We had a government that was clearly out of touch. We had high taxes. We had a stagnant population, and people were saying, isn't there something that we could do to bring the children home to the province of Saskatchewan? Isn't there something that we could have them do to build and grow here? So, Mr. Chairman, they said, yes, there is. And as a result, as a result, we have some successes in the province of Saskatchewan that have never been here before.

Let me just read one, Mr. Chairman, I would like to take this opportunity to read this into the record.

**Mr. Chairman:** — Order, order! Allow the Premier to finish.

**Hon. Mr. Andrew:** — Mr. Chairman, I move the committee rise, report progress, and ask for leave to sit again.

**Mr. Chairman:** — Order, order!

The committee reported progress.

The Assembly adjourned at 5:05 p.m.