

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

ORAL QUESTIONS

Salaries of Crown Corporation Executives

Mr. Mitchell: — Thank you, Mr. Speaker. My question was to be to the Premier, but in his absence I will address it to the Acting Premier, or Deputy Premier, and it has to do with the government's restraint program. And in the course of the last several months now you've been trying to persuade Saskatchewan people that Saskatchewan can't afford an adequate prescription drug plan, and that it can't afford a school-based dental plan, and that it can't afford the salaries of hundreds of civil servants who have been fired from the government payroll. And I want to know how that restraint program has been extended to some of the highest paid people in the public service, namely the executives of the various Crown corporations?

I wrote the Premier nearly three months ago asking for salary and fringe benefit information, and he wrote back to me, in effect, declining to give me the information. My question to the Acting Premier is: — will you agree to release information about the salary and fringe benefits of the Crown corporations so that the Saskatchewan public may know whether these people are also participating in restraint, or are you afraid to do so?

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Mr. Speaker, in the normal course of events, the answers to those particular questions are given in Crown Corporations Committee. The Crown Corporations Committee, unfortunately, hasn't been able to sit this session because there has been, it would appear, a bit of an impasse as it relates to quorums and committees, and so the committees have never been struck. I understand that recently there has been an understanding reached between the members on the rules committee relative to the quorum question. And it is my intention later today to file notice of motion to deal with the question of quorum so that we can get those committees in place.

I might also add, Mr. Speaker, that the long-standing practice as it relates to executive remuneration in the Crowns is that the executive group and the total, if you like, the aggregate sum of the salaries of the executive group, has been provided in Crown Corporations Committee. And that has been the long standing practice, and I haven't yet heard any compelling argument to change that, Mr. Speaker.

Mr. Mitchell: — Well I want to give you a compelling argument, Mr. Deputy Premier, because people in Saskatchewan are being asked to swallow a pill that they've never had to swallow before in the name of restraint. They're being asked not only to pay higher taxes but to accept a much lower level of public service. So the situation in 1987 . . .

Mr. Speaker: — Order, please. Order, please. Order, please. I'm assuming that the member's question is a supplementary, because he didn't indicate. And making that assumption, I must indicate to him that the preamble is getting somewhat long and to put his question, please.

Mr. Mitchell: — You're right, Mr. Speaker. I'll come to the question. Do you not feel, in light of what I have said, Mr. Deputy Premier, an obligation this year to tell the Saskatchewan people what the salary position of senior Crowns is as compared to what it was last year; to show the public that the government is fully participating in its own restraint program?

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Mr. Speaker, I think a fair comparison can be made. If you compare the aggregate sum of the executive group of each Crown last year as compared to this year, I think that comparison can be made quite easily. And I know that the hon. member knows that, and is quite capable of making that calculation.

Mr. Mitchell: — Supplementary, Mr. Speaker. Are you saying, Mr. Deputy Premier, that you refuse to provide specific information about the salary and fringe benefits of each of the Crown corporation executives? It's not enough just to give us a lump sum and say, there, that is restraint. Everybody should be participating in this program. And therefore I ask you whether, in view of this whole situation, you won't release that information to show that these people's salary and fringe benefits are also being cut, along with everything else in this province.

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Mr. Speaker, I think I've answered the question. The question has been raised in the past in Crown Corporations Committee. The answers, as I've explained, have been given in the way that I've explained in the Crown Corporation Committee.

And I can only speak for those Crowns that I'm responsible for, Mr. Speaker. And I personally would continue with the long-standing practice of providing the aggregate sum of the executive group, providing that information, Mr. Speaker. And I'm sure that the hon. member is quite capable of making his own comparisons and doing what he will with the information that he gets from making that comparison.

Salaries of President and Chairman of PCS

Mr. Tchorzewski: — Thank you, Mr. Speaker. I have a question also for the Acting Premier. My question will be more specific and deal with some comparisons, and I want to ask a question about the Potash Corporation of Saskatchewan, which in 1986 lost \$103 million.

Now, Mr. Minister, can you confirm that the new president of PCS, Mr. Chuck Childers of Chicago, has signed a contract with salary and fringe benefits and other

special provisions which total more than \$200,000 a year? And if so, can you tell us how you can justify the size of compensation of that package when you're telling everyone else in Saskatchewan as a taxpayer, that they have to practice restraint?

Hon. Mr. Berntson: — I'm not familiar with the contract that the member is presumably waving over there, but I think that a fair comparison would still bring Chuck Childers in at a lesser rate than David Dombowsky. And so, Mr. Speaker, I invite the hon. member to raise that very question in Crown Corporations when the officials are there, when the minister is there, where he might have that information at his fingertips and where the fair comparison may properly be made. I don't have the information here, Mr. Speaker.

Mr. Tchorzewski: — Mr. Minister, don't you agree . . .

Mr. Speaker: — Order, please. Order. Is it a supplementary question?

Mr. Tchorzewski: — Yes, it's a supplementary question, Mr. Speaker.

Mr. Minister, don't you agree that at a time when you're expecting and you're forcing people to pay several hundred dollars a month in prescription drug fees, that you should be obligated to tell the people of Saskatchewan whether you're requiring people like Mr. Childers to equally exercise the same kind of restraint as you're asking senior citizens and people with families whose children are not going to get dental care any more because of the cuts that you have made to the dental care program?

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Mr. Speaker, we expect from the opposition this particular line because we know that they don't understand how important it is to have the best possible people that we can get into, particularly the Potash Corporation of Saskatchewan, which did lose several millions, I think, what, 153 or something like that, millions of dollars, in the last year. Wasn't it 153?

And, Mr. Speaker, they think that we should run this corporation on and on for ever with the fat that existed there and continue to lose rather than to turn it around. So if we're going to get the kind of people that we must have to turn that corporation around, we're going to have to pay to get people out of the industry, with knowledge of the industry, at a competitive rate. And I think that's reasonable to expect that, Mr. Speaker.

Having said that, we have got, I believe, one of the best from the industry for less than they had in David Dombowsky, who knew nothing of the industry, absolutely zip.

Mr. Tchorzewski: — A new question to the minister, Mr. Speaker. I remind the minister that during the time of David Dombowsky the potash corporation made a profit every year and paid dividends to the treasury.

Some Hon. Members: Hear, hear!

Mr. Tchorzewski: — Now, Mr. Minister, my new question deals with another senior executive of the Potash Corporation of Saskatchewan.

Mr. Speaker: — Order, please. Order. I'll allow the member

Mr. Tchorzewski: — Thank you, Mr. Speaker. I would want the minister to be able to hear my question. My question deals with the former cabinet minister, Mr. Paul Schoenhals, that this government, soon after his defeat in the 1986 election, appointed him as the first time ever full time chairman of the Potash Corporation of Saskatchewan at a salary and benefits which are well over probably \$100,000 a year. Now at that time, Mr. Minister, you justified this expense with the claim . . .

Mr. Speaker: — Order. Order, please. I'm afraid the hon. member's preamble is getting a little long. I realize it's a new question. That doesn't allow anybody to have a two-minute preamble. Now I would just remind the hon. member of that and ask him to shorten his preamble. And also I'd like to ask the hon. members to my right to please allow him to put his question.

Mr. Tchorzewski: — Thank you, Mr. Speaker. I was about to get to my question, and my question is: Mr. Minister, in light of the fact that you justified this expensive appointment in saying that you needed desperately a full-time chairman of PCS (Potash Corporation of Saskatchewan), how do you justify now the announcement carried in the newspapers that Mr. Schoenhals has been appointed to the advisory board of a major insurance brokerage company from Ontario? And if he is a full-time chairman of PCS, why does he have time to take on yet another such responsibility, or are you just developing a way in which to just make another patronage payment to one of your friends?

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Mr. Speaker, I think Dr. Lloyd Barber is the full-time president of the University of Regina, and I know that Dr. Lloyd Barber sits on many boards, including the Bank of Nova Scotia and several others. It's not an unusual thing, Mr. Speaker, for enterprises around the country and around the world to go for talented people, people with some excellence about them, to be representatives of their particular boards.

And I don't know, I'm not familiar with the insurance brokerage outfit that you talk about, but I would, had they asked me, I would have recommended Mr. Schoenhals. I certainly wouldn't have recommended it to the member opposite, and I notice that they didn't offer it to any of them.

Salary of SPC President

Ms. Simard: — Thank you, Mr. Speaker. Mr. Speaker, my question is to the minister responsible for SPC, and this is a question that has been asked before in this house, Mr. Speaker, and there's been no information forthcoming.

I want to know if the minister can tell us what the salary and fringe benefits, including special pension benefits, is for the George Hill appointment to the SPC corporation. And I want to know if he can confirm that the total dollar value is in the \$200,000-a-year range for this past president of the PC Party and past campaign manager for the Premier. And if that is the case, how can he justify that salary level in a period of restraint?

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Mr. Speaker, I think the question has been asked before and answered before. So I think I'll answer it in the same way this time, Mr. Speaker. As a matter of fact, I answered it in response to a question from the member for Saskatoon Fairview when I said that I would be more than pleased to deal with that particular question in Crown Corporations Committee.

And I will deal with it in the way that we have traditionally dealt with that question in Crown Corporations ever since I can remember, since first being elected in 1975, Mr. Speaker. And I think that's the proper forum for those questions to be raised and I'll be more than pleased to deal with them at that time.

Ms. Simard: — Supplementary, Mr. Speaker. Is it true, Mr. Speaker . . . I want to ask the minister whether it's true that there is a special contract with Mr. Hill or with some other company or whatever, on his behalf, which pays him a salary in the area of \$200,000. And I want to know whether the minister will be prepared to table all the contracts that may be relating to Mr. Hill and his employment with SPC, or with some other government body — because I understand he's also getting money from the Souris Valley Basin Authority. I want to know if the minister will table that information in this legislature.

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Mr. Speaker, I can tell you that Mr. Hill is not being paid by the Souris Valley Basin Authority — not. That's simply not true. And I would guess, Mr. Speaker, that that's an indication of the accuracy of all of the information that that particular member has.

And, Mr. Speaker, the answer to the question has not changed. Raise the question in Crown Corporations Committee, which is the forum where all of these questions have been raised in the past, which is where they've been answered in the past in the way that they are traditionally answered. And I'll be more than pleased to deal with them in that particular forum when, Mr. Speaker, we can deal with the matter of quorum on committees and get these committees in place so we can, in fact deal with the very questions that are being raised by members opposite.

Rehiring of Bruce Campbell by SPC

Ms. Simard: — This is a new question, Mr. Speaker. Mr. Minister, is it not correct that the SPC corporation through contract rehired Mr. Bruce Campbell, who was the individual who Mr. Hill was hired to replace? Is it not correct that he was rehired back on SPC to do the job that Mr. Hill was hired to do?

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Mr. Speaker, I want to answer this question because again the member is totally — totally — off base with that particular suggestion, Mr. Speaker. And she does a disservice, not only to Sask Power and president George Hill, but she does a terrible disservice to Mr. Bruce Campbell, who has been a professional engineer in the service of Sask Power, I think, for 33-odd years, and done an excellent job.

One of the things that Mr. Bruce Campbell has done in the last several years that he's been with Sask Power is do all of the work-up, engineering work-up, towards the pre-feasibility of a thing called the Wintergo project. The Wintergo project is the single best hydro project left to be done in Saskatchewan. And he has a lot of knowledge about the Wintergo project, and he is back on a contractual arrangement with Sask Power, working specifically on the Wintergo project to see if and when and how it might fit into Sask Power's future plans.

There is nothing — nothing, Mr. Speaker — that would indicate anything dark or sinister about that. We are capturing this guy's expertise and knowledge — I think right and proper. And I think that members opposite do a terrible disservice to Mr. Campbell by suggesting otherwise.

Grants to Buffalo Narrows Pharmacy Ltd.

Hon. Mr. Taylor: — Mr. Speaker, on Thursday last the member from Athabasca asked a number of questions about loans and grants to the Buffalo Narrows, Ile-a-la-Crosse, and La Loche pharmacies, and I told him I'd get the information. I have it, and I'd like to report it to the House and to the member today.

In 1984-85, as the members knows, there was a loan to the Buffalo Narrows pharmacy from the northern Saskatchewan economic development revolving fund of \$120,000, a loan to establish a pharmacy in 1984. In 1985-86, and if my memory recalls correctly, the member was supportive of this. They expanded into La Loche and Ile-a-la-Crosse, and another loan of \$128,400 was taken out by the Buffalo Narrows pharmacy.

At that time they also qualified for a \$60,000 grant from the Northern Economic Development Subsidiary Agreement. That, of course, is the one I explained a few days ago to the member in the House, where there's a condition of being established for two years, and if you aren't established for that period of time you would pay some of that back. That loan was broken down as follows, with \$39,500 to La Loche, and \$20,500 to Ile-a-la-Crosse.

Added to this, for clarification, it is not peculiar that the Department of Health will sometimes pay to small hospitals a fee for provision of professional pharmacy consulting services. And to that extent, in 1985-86 the said pharmacy got \$30,000 from the Department of Health. In '86-87 they got 45,500 from the Department of Health, and to the end of the eighth month of '87 they've received 13,750.

So to recap for you, Mr. Minister . . . (inaudible interjection) . . . No, I think he asked a number of questions . . .

Mr. Speaker: — Order. Order, please. Order, please. Order, please. I'd ask the minister to briefly wrap it up because he is getting . . .

Hon. Mr. Taylor: — I would be more than pleased to. There is a number of figures there, and for ease of the member opposite, as of this date, Mr. Speaker, Buffalo Narrows Pharmacy Ltd. Has received \$248,400 by way of loans; \$89,250 over the three years for contractual arrangements with the Department of Health, and \$60,000 on the conditional grant from NEDSA (Northern Economic Development Subsidiary Agreement). I should say that all loans at this time are in good standing.

Cuts in Regina Health Department Services

Mr. Van Mulligen: — Thank you, Mr. Speaker. My question is to the Minister of Health. Your government's decision to chop \$7.4 million in provincial government grants to the city of Regina this year has forced the city's health department to cut staff and services. A number of positions, including public health nursing positions, cannot be filled, thanks to your cut-backs.

I wonder if the minister can explain why city health department services to the public, including the children in our cities, have such a low priority with your government?

Some Hon. Members: Hear, hear!

Hon. Mr. McLeod: — I might say a simple answer to the member's question, Mr. Speaker. The amount of money granted from the provincial Health budget to the city of Regina, and to the city of Saskatoon for that matter, those two cities which conduct their own public health service was exactly the same amount as was granted to them in the year previous.

Mr. Van Mulligen: — Well supplementary, Mr. Speaker. Mr. Minister, you can try and shift the blame. You can duck the responsibility all you want, but the buck stops with you, and it stops with your government.

Some Hon. Members: Hear, hear!

Mr. Van Mulligen: — Regina city council has had to deal with a \$7.4 million cut in provincial grants this year because of the decisions made by your government. That was a decision of your government, and it's the responsibility of your government to take heed of the cuts that follow your decisions.

And I ask the minister this: the work of city health departments in Regina and Saskatoon is preventative in nature and avoids more expensive problems in the future. Why are you so short-sighted as to think that by cutting preventative health programs today, you will somehow save the taxpayer money in the future?

Some Hon. Members: Hear, hear!

Hon. Mr. McLeod: — Mr. Speaker, as I said in my previous answer, the Department of Health and the Government of Saskatchewan, and as it relates to the health grants to the city of Regina and to Saskatoon, are exactly the same grants that were there last year, the money that went to the city for that specific purpose. The city of Regina, the other cities and other municipalities in this province, will make their decisions based on the moneys that they have and the tax base that they have and so on — various decisions across their total administrations.

What I have seen recent days in the press . . . I'm sure everyone else has been watching what the operation is, and what's been happening with the city of Regina. I would suggest that some of what they're doing, and some of the things that are happening in the city administration is a result of the legacy left by that member when he was a city councillor and the kind of decisions that he took at that time.

Some Hon. Members: Hear, hear!

Mr. Van Mulligen: — Supplementary, Mr. Speaker. I might say that his charges were answered by the people of Regina Victoria.

Regina's medical health officer has also expressed concern that on top of cuts in provincial grants to the city, you have dumped a large new work-load on the city's public health nurses. She points out that the elimination of the school-based children's dental program will require city public health nurses to spend more of their time teaching children about dental hygiene — something that the dental plan workers used to do.

How do you justify cutting provincial grants to Regina and Saskatoon, and then dumping this new work-load on their public health nurses — public health nurses that are already hard pressed to do the job that they're doing?

Some Hon. Members: Hear, hear!

Hon. Mr. McLeod: — A couple of things, Mr. Speaker. Points of clarification. The member raises numbers as it relates to that total amount of reduction in terms of the dollars that went to the city of Regina, specifically Regina. I'm informed that the reduction to the city of Regina — everything, from Urban Affairs, all of the other departments across, and with Health remaining the same as what it was before — is less than 4 per cent. So the member is suggesting some numbers here which I submit are not altogether accurate.

As it relates to the suggestion by Dr. Hutchison — and I saw that same report — that the city health nurses may be required to do more teaching of children as it relates to their dental hygiene and so on, I would suggest that there was a misunderstanding there, and I believe Dr. Hutchison would say so. Now, because there is within the Department of Health and the dental plan still dental therapists who will do just that, in terms of the teaching of dental hygiene within the schools of Saskatchewan . . . And that will happen in Regina, as it will in Meadow Lake, and Davidson, and all other communities in this

province.

INTRODUCTION OF BILLS

Bill No. 34 – An Act to amend The Prescription Drugs Act

Hon. Mr. Berntson: — Mr. Speaker, I move first reading of a Bill to amend The Prescription Drugs Act.

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

MOTION UNDER RULE 39

National Railway Dispute

Hon. Mr. Berntson: — Mr. Speaker, before orders of the day, I wonder if I might have leave of the Assembly to deal with rule 39. Rule 39 of yesterday, as you know, Mr. Speaker, was thought to be, in fact, urgent and pressing, and so we agreed yesterday to deal with that — all members in this House agreed yesterday to deal with that particular motion.

Today, Mr. Speaker, it's become even more apparent how urgent and pressing that particular rule 39 was, and is. Today it's been reported that grain shipments are being hampered already, being lost. It's been reported that Ipsco's going to be facing forced lay-offs because of the rail strike. Potash producers are worried and are totally at the mercy of the rail strike. I understand that the New Democrat federal leader is in support of what the federal government is doing and, should negotiations fail, supports more drastic action.

Members opposite, Mr. Speaker, indicated in the media this morning that the reason that yesterday's motion wasn't dealt with to its conclusion was, they ran out of time. With those things in mind, Mr. Speaker, I wonder if we could, be leave of the Assembly, go directly to public orders . . . public bills and orders, adjourned debates, item no. 13, and deal with this motion, Mr. Speaker, immediately, and send the strong, unanimous message to Ottawa that must be sent in the circumstances.

Leave not granted.

Mr. Speaker: — Order, please. Order. Order. Order, please. Order, please.

ORDERS OF THE DAY

MOTION UNDER RULE 16

Regina Heavy Oil Upgrader Project

Mr. Neudorf: — Thank you very much, Mr. Speaker. And I rise in this Assembly this afternoon with . . . It gives me a great deal of pleasure to speak to this motion, for a couple of reasons. I guess the first reason would be that it is a motion that I will be able to move. It is a motion of my own choosing.

Secondly, Mr. Speaker, it is also a motion that is a kind of a follow-up from an opportunity that I had last Tuesday to

speak on private members' day, namely dealing with the topic of diversification.

For the sake of the House, I would take this opportunity now to read this motion into the record, and it states thus:

That this Assembly commend the efforts of Premier Devine and of the NewGrade Energy corporation in making the Regina heavy oil upgrader project a reality, in creating thousands of jobs for the citizens of Regina and of Saskatchewan, and in contributing to the diversification and enhancement of the local economy.

And this motion, Mr. Speaker, is seconded by my colleague from the constituency of Moosomin.

Mr. Speaker, the heavy oil upgrader represents a significant milestone in our province's economic development. And I can say that with a little bit of feeling, Mr. Speaker, because a few days ago, myself, and many of my colleagues, and certainly some of the members opposite, had the opportunity to go to the upgrader site and, on a tour, actually inspect what we are talking about. Needless to say, we were all impressed. A massive project, Mr. Speaker, a massive project of \$700 million worth of investment.

A marvel of engineering, I might add — a marvel of engineering and technology that basically I have to admit I didn't understand much of what I was seeing. It just kind of boggles the mind when you think of what is going on. It's a massive project in itself. And as well, Mr. Speaker, the NewGrade upgrader is also a very, very important step in diversifying Saskatchewan's economy.

Mr. Speaker, I say that for two reasons. Firstly, building the upgrader enables us to utilize a resource we could not really use before, and that resource being heavy oil. And I'll talk about that in just a minute.

But secondly, in helping to construct the upgrader, many Saskatchewan companies are gaining skills and experience in new areas. And they are using these skills to expand the size and the scope of their operations. That is diversification.

Mr. Speaker, the upgrader's ability to process heavy oil gives us an economic boost in more ways than just one. As I have already mentioned, we will soon be able to use our vast reserves of heavy oil, of dirty oil. And that, Mr. Speaker, is important, extremely important, because 96 per cent of the reserves of oil in western Canada are of the heavy crude variety. In Saskatchewan alone we have 25 billion barrels of heavy oil in reserve. Mr. Speaker, I did not say millions, I said billions — 25 billion barrels — which is many times the entire light crude reserves in all of North America, in our entire continent. That is the massive amounts of reserve that we have. And up until this time, unfortunately, it has been crude oil that is of the heavy variety.

But the potential, Mr. Speaker, has always been there. Because heavy oil cannot be processed by ordinary means, it has stayed in the ground; it has been useless.

We have not been able to harness all of the economic activity that could be associated with that.

And there's always been talk, Mr. Speaker, of doing something about processing, about building an upgrader. The members opposite have literally talked the idea to death when they were back in government. But they were too busy; they were too busy buying potash mines; of buying dry holes in the ground; of paying up oil companies for drilling dry holes. And then they were always there to worry about these other things, rather than to seize the opportunities that were there, the opportunities that heavy oil presented to them.

Mr. Speaker, I guess it took vision. It took vision to act. And I suggest to you, Mr. Speaker, that the members opposite had, and still have, their cloudy vision – a cloudy vision that would probably need some form of a cataract operation in order to clear their vision.

But, Mr. Speaker, when the people of Saskatchewan saw the leader of the Progressive Conservative Party back in 1982, they recognized something; they recognized in this leader as a man of vision. They saw someone who can, could, build a heavy oil upgrader, a man who believed in our potential.

And, Mr. Speaker, do you know what the NDP did back in those days? They're doing exactly what the Regina member of Regina West is doing – they laughed. The NDP in those days laughed and said, you can't do that. They said, you won't do that. Well, Mr. Speaker, our Premier thought that Saskatchewan could do it and, much to the chagrin and dismay of members opposite, today we have seen that we have done that.

The upgrader is well on the way to completion. And as I speak, Mr. Speaker, there are many hundreds of construction workers busy working on the upgrader site. And there are many hundreds more across the province, across the province, working for companies who are now supplying materials for that project.

And we owe this activity to the willingness and co-operation of three major partners in this project. Yes, Mr. Speaker, it is because of our government, it is because of the federal government, and it is because of our province's Federated co-ops, that we have worked together as a unit – all three parties – that this project is now being built. It's not that the negotiations were always simple. There were times when it looked gloomy. It looked at times as if there were obstacles that could not be overcome, but perseverance prevailed and the project is being built.

All three partners realized that there's so much more that could be gained from building the upgrader. There were the thousands of jobs that could be created. Mr. Speaker, by this fall there will be almost 2,000 people working on that upgrader. Add to this the 1,000 or so permanent jobs that are being created right now – permanent jobs – out in the oil patch, out in the oil fields across the province because of this upgrader.

But that's not all, Mr. Speaker. You can add to this 100 permanent jobs – more than 100 – 125 permanent jobs

that will be created at this upgrader. And there are literally thousands of jobs right now being sustained by the \$370 million worth of contracts that have already been let to companies throughout Saskatchewan, helping to complete the construction of this upgrader.

As a matter of fact, Mr. Speaker, I just came across a newspaper article from the *Regina Leader-Post* of August 24. I'll just read a sentence or so to suggest to you the impact that this upgrader is having on the job mentality out in the field, where it says: —

Unfortunately we have exhausted the supply and availability of welders in Saskatchewan.

Currently about 100 welders from outside the province (of Saskatchewan) are employed on the site; most (however) of the . . . (other) laborers are from Saskatchewan.

So, Mr. Speaker, I suggest to you that the impact of this upgrader is not something in the future, it's something that's here, and it's something that's now, and it's something that the people of Saskatchewan appreciate.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — I cannot overestimate or overstate, Mr. Speaker, how important this upgrader is to our province's economy, and especially to the oil industry. As I've already mentioned, heavy oil is difficult to process. So in the past, what happened to our heavy oil? Our heavy oil was basically going to make asphalt – a low value product, little value added. And the major purchaser of this heavy oil was the United States, and if they didn't want asphalt, they didn't buy any. So what happened to our oil? What happens to may reserves that we have? It stayed in the ground. It didn't do any good for anybody.

But now we will be able to use it for more than just asphalt. We will produce light synthetic crude oil that can be refined into every type of like kind of an industry; for example, diesel for the motors, gasoline for the motors, and so on. Mr. Speaker, we will even be able to sell off, for profit, many of the contaminants that originally made this oil so undesirable, and namely, as an example, I can use the sulphur as an example that is a by-product now of this process and will be able to be sold.

Mr. Speaker, the upgrader represents a stable, continuous market for 50,000 barrels a day of Saskatchewan medium and heavy crude oil. That will give our oil industry a tremendous confidence because they will know that there is a market for their product. There is a market that will make it worthwhile to explore and to develop the various properties that they have. And likewise, our province's natural gas industry will also benefit from the NewGrade heavy oil upgrader.

In order to refine the heavy oil, hydrogen is needed. Lots of us, and most of us in this House, have a little bit of chemistry knowledge from our high school grade 12 that we know that you can get hydrogen by combining water, steam, and natural gas. And that's what we're going to be doing. And natural gas, the amount that is going to be used is astronomical, in my estimation, with 7 billion

cubic feet of natural gas per year in this upgrader – a substantial new market for natural gas producers.

And together with increased oil industry activity, this should generate for the provincial economy, for the provincial coffers, at least \$60 million in royalties each – another benefit, another benefit, Mr. Speaker, of diversification.

But the oil and gas industry is not the last industry that will benefit over the long term. By building the upgrader next to the Consumers' Co-operative Refinery, we have not only saved one-third of the total cost of building such a structure, but we have helped to secure a source of supply for the refinery and, indirectly, for farmers and consumers across the province and western Canada. As I mentioned previously, the total cost of this structure is somewhere in the neighbourhood of \$700 million. Had we not gone the route that we have taken and consolidated it and put it together with what we have already existing on the present refinery site, the cost could well have been in excess of 1.2 or \$1.3 billions.

(1445)

And as events of the past have shown, Mr. Speaker, it is important that we can count on having a steady, reasonable-priced source of petroleum. And when we talk about benefits, it should be remembered that construction companies, manufacturers, retailers, real estate companies are all benefiting from the money that is being spent on the building of this upgrader. And while the Regina area is seeing a great deal of this activity, it can also be felt across the piece, across the province. In fact, throughout western Canada we can feel the effects of this building of the upgrader.

And as I mentioned at the beginning of my remarks, Mr. Speaker, many Saskatchewan companies are expanding their operations and learning new skills because of the upgrader. These skills and new abilities will stay with them long after the upgrader has been built, long after the experts from Texas and so on have left, gone back home, and left their resources, have left their knowledge, their skills, their technology with us. This is something that is going to stay with Saskatchewan, and something that we will be able to build upon. And they will use this new capacity, this new knowledge, to grow and expand . . .

Mr. Speaker: — Order, please. Order, please. The hon. member's time has elapsed.

Some Hon. Members: Hear, hear!

Mr. Speaker: — I would like to ask you now to move your motion without any further remarks.

Mr. Neudorf: — I thank you very much, Mr. Speaker. I have already read the motion into the records, and I so now move, and turn it over to my colleague from Moosomin.

Mr. Toth: — Thank you, Mr. Speaker. Today it gives me a great pleasure to rise in this Assembly, not only to support but as well to second the motion put forth by my colleague, the member from Rosthern, a motion, Mr.

Speaker, that commends the efforts of our Premier and the NewGrade Energy Inc. for their dedication to a project that will enhance the lives of Saskatchewan residents, and indeed the future of this province, for decades to come. The project I am speaking of, Mr. Speaker, is of course the Regina heavy oil upgrader project.

To emphasize the magnitude of the project and also, Mr. Speaker, to clarify the challenge of processing heavy oil, I would like to share with the House some facts. Mr. Speaker, 96 per cent of western Canada's petroleum reserves are in heavy oil. And to give you an idea of the role Saskatchewan plays in that picture, Mr. Speaker, let me tell you that the province alone has 25 billion barrels or more of this valuable resource – 25 billion barrels. And that, Mr. Speaker, is a lot of oil.

But we're also aware, Mr. Speaker, that heavy oil isn't easy to transport, that there aren't many uses for heavy oil, and that's where the challenge comes in. The challenge is there for us to refine and to upgrade that heavy oil into a state that you and I can put into substantial use. The state in which the heavy oil comes out of the ground is good for making heavy fuel oil and asphalt, and very little else.

The process of processing heavy oil, Mr. Speaker, is so difficult that up until this point in time, no Canadian refinery has been able to utilize oil to make much needed gasoline and diesel fuel, unless, Mr. Speaker, that oil is upgraded, and to upgrade it we needed to build a facility that would be able to change that product from its state of heavy oil.

The process of building that refinery and that upgrader, Mr. Speaker, was a real challenge. It took a lot of commitment. In fact, for a number of years different governments and even oil companies have been talking of ways and means of upgrading that product. And part of the hold-back came in the fact that a lot of dollars were going to be needed to develop a product of that size.

And so, Mr. Speaker, the Government of Saskatchewan and the federal government, together with the Co-op refinery put together a proposal to build an upgrader – an upgrader situated right here in the province of Saskatchewan, right here in the city of Regina. In fact, an upgrader right beside the Co-op, Federated Co-op refinery. And I believe even for the people in the Federated Co-op . . . they're happy to have that upgrader there because it also enhances the use of their refinery.

Through this upgrader, Mr. Speaker, Saskatchewan is going to benefit greatly. We have seen the members opposite choosing many times to ignore all of the positive aspects of Regina's upgrader. The other day, Mr. Speaker, when my colleagues and I and some of the members opposite were able to tour the facility, we were informed . . . and we even saw the magnitude of this project. We saw the men and the women that were working on the project.

We were informed that four million man-hours of construction labour will be performed on site, and of that four million man-hours, 75 to 80 per cent of that is being performed by Saskatchewan people – something that I'm sure we in Saskatchewan are real proud of and happy to know that Saskatchewan residents are benefiting from

that project. Indeed, 10 to 15 per cent of that is native work. There again, it's a very positive point in the development of this project.

When we were on the site the other day we were informed that there were close to 1,600 individuals on site at the present time helping in building that project, as well as the numbers of individuals employed by the refinery itself. Towards the end of this month and the first part of September, there will be up to 2,000 people employed on site — 2,000 jobs created, and men and women being employed in Saskatchewan, in Regina — dollars that are being made here that are going to be spent here, spent to help the local economy.

What are the construction benefits? The construction benefits, Mr. Speaker, there will be processing of 50,000 barrels of Saskatchewan heavy crude per day which will be a big benefit in moving Canada closer to energy self-sufficiency. It will also, we were pointed out, provide a stable market for Saskatchewan heavy oil producers.

As my member from Rosthern has already stated, there will be up to 1,000 permanent, stable, field-related jobs. The constituency I come from, Mr. Speaker, has a number of men and women working in the oil industry working out in the field. In the last year or so, with the price of oil dropping off, we've seen some of those jobs disappearing. But of late, Mr. Speaker, a number of people have been called back to work; a number of companies have come in; there has been more development. And I would suggest a lot of that is a benefit from this heavy oil upgrader going on here in Regina. We also see that once the upgrader is completed there are going to be 125 permanent jobs created at the upgrader facility.

There is an additional benefit of \$60 million per annum additional revenue in royalties to the province of Saskatchewan — \$60 million, which this province can use to provide goods and services, to provide services to the men and women and boys and girls and children of this province to provide them with education and health care and other benefits that they need. And we, as well, are going to utilize seven billion cubic feet of natural gas per year.

Mr. Speaker, I think when we look at all the statistics that have just been related, there isn't any one of us that isn't aware of the importance of this upgrader project. There isn't any one of us who isn't aware of the importance not only to the province but also to the people, the men and women of Regina.

All of these positive things resulting from the Regina upgrader have been ignored many times. But let me tell you, Mr. Speaker, that the people of this province recognize the importance of jobs. The business people of Regina recognize the importance of the jobs and the dollars these jobs bring in, because men and women come in and shop in their business; they spend dollars. It has been a very popular move within this city.

The people of this province, Mr. Speaker, are builders. This project shows how men and women with a vision

can build, and are firm believers in making this province the best it can be through hard work and initiative. It's through that same hard work and initiative that this Progressive Conservative government has been successful in bringing the construction of Canada's first heavy oil upgrader to the province of Saskatchewan.

And so it gives me great pleasure, Mr. Speaker, to support the motion as read by my colleague from the constituency of Rosthern. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Tchorzewski: — Thank you, Mr. Speaker. I would like to speak on this motion during the time that's allotted to me. And in speaking to it, I want to make two points and address two aspects of economic development in Saskatchewan around which this project, I think, is a part.

First of all I want to illustrate, Mr. Speaker, that the NewGrade Energy project involving the Co-operative refinery is a good example of how this province and our citizens can successfully build this province and provide economic development and jobs. I also add, Mr. Speaker, that this project also shows the government's economic strategy, open for business, has been a failure and is dangerous to our future in the province of Saskatchewan.

And the second point I want to make in my remarks is that, notwithstanding the construction of the Regina oil upgrader, the provincial government's policies and performance have failed to provide sufficient jobs and economic opportunities for Saskatchewan people.

On my first point, Mr. Speaker, I say to you that the New Democratic Party members and the New Democratic Party caucus support whole-heartedly the involvement of Co-operative refineries in this project. We support it because this is a good example of a Saskatchewan company, with Saskatchewan people, using Saskatchewan talent, initiative, and energy, to build in the interests of Saskatchewan people.

And I think, Mr. Speaker, just to make a contrast, while this project is successfully proceeding with public and co-operative involvement, the Husky Oil upgrader, which would be in progress at Lloydminster at this time, has somehow disappeared from the news headlines in our newspapers and the screens of our television sets. The evidence, Mr. Speaker, of how this government's doctrinaire and ideological open-for-business policy has failed is clear.

Let me compare this project to one of the government's give-away examples, the Weyerhaeuser project. The NewGrade project, Mr. Speaker, is employing predominantly Saskatchewan people, employees are working in a climate of good labour-management relations, and the majority of the subcontracts have been awarded to Saskatchewan firms. And most of the structural steel, I found, when I toured the site recently, is being fabricated by Saskatchewan firms in Saskatchewan. Now I ask you, Mr. Speaker, to contrast that to the project that is being built by Weyerhaeuser of Tacoma, Washington in their project in Prince Albert.

Do you think, Mr. Speaker, that the Weyerhaeuser project is being built by a Saskatchewan or even Canadian firm? Not a chance. It's being built by a company from Alabama in the United States.

(1500)

Do you think, Mr. Speaker, or do you believe that the Weyerhaeuser project is using as much Saskatchewan-supplied product as possible? And I'll use structural steel for example . . . (inaudible interjection) . . . Not at all, Mr. Speaker.

Mr. Deputy Speaker: — Order. The motion before the Assembly is under rule 16 is dealing with the NewGrade upgrader in Regina. I can . . .

Order. I would ask the member to keep his comments on the rule 16 motion before the Assembly.

Mr. Tchorzewski: — Indeed, Mr. Speaker, and I'm making a comparison between the NewGrade upgrader which is on the order paper and in this motion, and the Weyerhaeuser project in Prince Albert, and that is quite legitimate and in order, Mr. Deputy Speaker.

And the point I was making is that whereas the NewGrade upgrader is using Saskatchewan people and Saskatchewan product, the project run by the Weyerhaeuser corporation of the United States is not. Mr. Speaker, that project is three weeks behind because its structural steel is not being supplied in the timely way, and do you know where it being fabricated? It is being fabricated in Edmonton, Alberta. And that is the difference, Mr. Speaker, between Saskatchewan initiative and using Saskatchewan talent other . . . as opposed to relying outside corporate eastern Canadian foreign interest to do it for us.

Now, Mr. Speaker, the important point in this is that this government's reliance on eastern and foreign private sector economic development investment has been a dismal failure. The upgrader that we talk about here today is proof of that in a very significant way. This very resolution that is sponsored by the member from Rosthern shows how the ideological rhetoric and the stated policy of this government is wrong-headed.

Did this resolution, Mr. Deputy Speaker, talk of a great economic activity provided because of the open for business policy? No, it didn't. This government can only boast, as it did today, about a project which has no corporate money at all. Almost every cent of investment that is being put in this project, the taxpayers of Canada and the taxpayers of Saskatchewan are bearing almost completely.

Mr. Speaker, it is a good project. It will provide some 125 jobs, and that's welcome. But its success only underlies the dangers of this government's blind determination to privatization of important services such as the dental care program and a prescription drug plan and our Crown corporations. What we see happening with the Weyerhaeuser project as compared to NewGrade is clear evidence that the direction in which this government is heading with its economic development programs,

and its open for business policy, is leading us down a path where we, in Saskatchewan, will truly become hewers of wood and carriers of water, and will have to depend on somebody outside of this province to determine our destiny. We object to that, and we make that very clear, Mr. Speaker.

Now the other point that I want to make, which I referred to earlier, was that this government's policies and performance have failed to provide sufficient jobs and economic opportunities for Saskatchewan people. The 125 jobs which this project will provide permanently do not even come close to the several hundred jobs that have been lost, in Regina alone, because of business closures since 1982. Intercontinental Packers, in 1983, closed — 125 jobs gone; Dad's Cookies closed, 1984 — 50 jobs gone; Dominion Bridge closed, 1985 — 110 jobs gone; and the list goes on and on and on, Mr. Deputy Speaker. The record of the failure of this government in economic development is further, further exemplified by the kind of bankruptcies that we have seen happening in Saskatchewan since they took office.

Mr. Speaker, they are at record heights. We had the second highest record of bankruptcies in Canada in the last four years. That's because there are so many businesses closing, and as a result of that, our unemployment is rising and rising, and rising daily.

Mr. Speaker, this project is positive. We have supported it from the beginning. But this project alone, I think more than anything else, because of the nature of the project, shows how badly this government's policy of open for business has failed to develop the economy of Saskatchewan and provide jobs for Saskatchewan people.

And as a result, Mr. Speaker, I move an amendment to this resolution that has been proposed by the member from Rosthern. And I move, seconded by my colleague from Saskatoon South:

That all words after the word "Assembly" be deleted, and the following substituted therefor: regrets that notwithstanding the construction of the Regina Heavy Oil Upgrader, the provincial government's policies and performance are not providing sufficient jobs and economic opportunities for Saskatchewan people.

Some Hon. Members: Hear, hear!

Mr. Rolfes: — Thank you, Mr. Deputy Speaker. Mr. Deputy Speaker, in participating in this debate this afternoon, I want to, from the outset, also indicate that I support the NewGrade upgrader that is being built in Regina today, and certainly want to commend the government for having one major project, at least, that we can all be proud of and can all support.

This certainly, this upgrader, Mr. Speaker, was long in coming, and we all know that. But, Mr. Speaker, having said that, I do have some other critical comments that I want to make about the government's performance — economic performance — and its utter failure in providing a diversified economy for the province of

Saskatchewan.

Mr. Deputy Speaker, in estimates this year I had asked the minister to disclose to the people of Saskatchewan the total agreement that was signed between Federated Co-op, or CCRL (Consumers Co-operative Refinery Ltd.), the provincial government, and the federal government, so that the people of this province could make a knowledgeable . . . not accusation, but knowledgeable determination as to whether or not this would be a viable project.

I can understand the minister's dilemma, Mr. Deputy Speaker, but I do believe that in the future, when the governments make almost a total contribution, we must make certain that the people have an obligation, or have an opportunity to look at those agreements and determine for themselves whether or not those agreements are done in a proper manner, and whether or not the project is viable.

Mr. Deputy Speaker, my colleague from Regina North East has already expressed his commendation for the government, and we acknowledge on this side the many jobs that are being generated during the construction period. It's upwards of 1,800 jobs, and certainly that is not insignificant . . . and the permanent jobs that will be created by this project.

But, Mr. Deputy Speaker, I want to caution the government that one major project does not make for a good economic stimulation. And I think all the economic indicators that we have, Mr. Deputy Speaker, clearly indicate that this government has failed, and it has failed, Mr. Deputy Speaker, because this province in 1987 will be the only province that will have a negative growth as far as economics is concerned. And I will refer to that very quickly.

In layperson's terms, Mr. Speaker, this means that in Saskatchewan, in Saskatchewan, there will be less income per individual this year than there was last year. And we are the only province, the only province, where this is happening. This means, Mr. Speaker, that in every other province people will be better off than they were last year, but in Saskatchewan, our workers, our farmers, and our businesses will experience an economic downturn. That's what it means.

While, Mr. Speaker, I commend the Premier for the Regina upgrader, I cannot do the same for his economic diversification for the rest of the province. As I indicated earlier, Mr. Deputy Speaker, Saskatchewan's economy will be the worst in all of Canada.

As I indicated, Mr. Deputy Speaker, there are a lot of economic indicators which indicate this. The mover, the member from Rosthern, spoke in very glowing terms about "the man with a vision." And he said that the people in 1982 saw in the Premier a man who had a vision for Saskatchewan.

Mr. Speaker, if he had a vision, we are still waiting to see what that vision is all about, because in 1982, when he took over the reins of this government, this province was a "have" province. We left him with a surplus of \$140

million. What has he done with that? He has turned that surplus into a \$3.4 billion deficit.

Not only that, Mr. Deputy Speaker, not only that. What has this Premier done? He has taken the province from the long-term debt of about \$3.9 billion, which had built up from 1905 to 1982, and he has increased that debt by well over \$5 billion – by well over \$5 billion – so that today, Mr. Deputy Speaker, we are paying out, on our deficit alone, of close to 300 million every year – 300 million.

I want to say to the mover from Rosthern, 300 million is almost half of what the cost of the upgrader in Regina will be. That will go outside the province due to your fiscal mismanagement since 1982 – since 1982. So on the one hand, Mr. Deputy Speaker, while I congratulate the Premier on the upgrader, I certainly cannot congratulate him on his "open for business," because that has been an utter failure.

And, Mr. Speaker, just so that people don't think that I am the one that is saying that we have a slow economic growth, I read in a number of papers . . . here we have one in March: "Saskatchewan economic growth will lag, say the forecasters," and that was the Royal Bank of Canada. And what does the Royal Bank of Canada say about Manitoba?

The Royal Bank of Canada claims that Manitoba will lead the country in the economic growth during the next eight years with an average annual rate of 3.3 per cent, followed only by Ontario and Quebec.

I'm saying to the members opposite: where we have a minus 1 per cent economic growth, Manitoba will have a 3.3 per cent growth. On May 9 I read in the papers again: "Investment dealers say province's economic growth slowing to a crawl," and this, Mr. Speaker, is by the Investment Dealers Association of Canada again.

And we can go on and on, Mr. Speaker. I read in the *Star-Phoenix* on July 3: "Most pick Saskatchewan economy to worsen in six months." In a survey done by CanWest Foundation, 57 per cent of the people in Saskatchewan had a pessimistic view about the economic growth and the economic future of this province. It says:

The mood of the people has shifted. It seems that the people of Saskatchewan will get high marks at forecasting again. The loss of 2,000 jobs so far this year suggests that the average number of people working in 1987 will be less than last year.

And it goes on and on and on. Just this morning, Mr. Deputy Speaker, I read the *Financial Post* of August 17. And what does it say?

No help for Mulroney in provincial forecasts.

No help for Mulroney. And we see here, Mr. Deputy Speaker, every province having a positive economic growth in 1987, with the exception of one province – the province of Saskatchewan.

(1515)

Now the members opposite want us to commend the Premier and the government for its open for business. And as the member from Regina North East, my colleague, has indicated, although we can commend you for this upgrader, we certainly can't, because all the economic indicators indicate that you have failed, and failed miserably.

We have people leaving this province, Mr. Deputy Speaker, at the rate of about 10,000 per year – 10,000 people leaving this province because there are no opportunities for them in this province. They have to leave to Ontario or Quebec or British Columbia in order to receive employment.

And, Mr. Speaker, I want to say to the members opposite: your open for business hasn't worked; your give-aways to the multinationals, the big corporations, hasn't worked. And what you should be doing is stimulating the economy by supporting local businesses, by supporting the Crown corporations, by supporting the people in this province instead of laying people off, firing people and not having the financial wherewith in order to support opportunities in this particular province.

Mr. Deputy Speaker, I, for one, cannot support the motion that is put forward by the members opposite. I will, however, support the amendment brought forward by the member from Regina North East because it clearly indicates on the wider basis, if you take the economics across Saskatchewan, you people have failed. You have driven people from this province. You have caused numerous bankruptcies. And not only that, you have . . .

Mr. Deputy Speaker: — Order, order. The member's time has elapsed.

Mr. Martens: — Thank you, Mr. Speaker. I rise today to address the motion put forward by the member from Rosthern, and I do not necessarily agree with very much of the amendment put forward by the member from Regina North East.

I am going to put into my remarks some information, I think, that deals with the upgrader, and I'm going to stick to that because I think some of the remarks that were made by the member from Saskatoon South need some remarks related to them, but I'm going to forego that because . . . (inaudible interjection) . . . Don't challenge me again.

I want to talk, Mr. Speaker, about the upgrader in Saskatchewan. I believe that it is an important part of an integrated involvement of the people of Saskatchewan, and the federal government, the provincial government, and the Co-op upgrader. I think that one of the things that we have to deal with when we deal with a project of this magnitude is that support systems from the public sector, from the private sector, have to be dealt with in a very rational way.

Upgrading heavy oil is a very important function in the process that we deal with, as it relates to the western side of the province of Saskatchewan. And I'm going to read

an article that appeared in today's paper. And there was mention made by the member for Regina North East that said . . . He said that where is the Husky upgrader? Where is that upgrader in the north-east? He said, we haven't heard anything about it for a long time. Today's paper, he should have read it:

Province's future may be in heavy oil. Upgrading Saskatchewan's huge reserves of heavy oil could be the key to solving the expected shortfall in light oil production in Canada during the mid-1990s . . .

Mr. Speaker, we have a serious problem in this country that we're going to be looking to the other parts of the world to have the kinds of oil developments that we need in order to provide for the energy that we have in this country. And I believe, Mr. Speaker, that we have to deal in a very systematic, rational way in relating to the energy component for Saskatchewan. Because, as the member from Rosthern said, we have vast supplies of heavy oil in this province, and we need to have an option on upgrading it for them.

The study which was released on Monday at the Energy ministers' conference in Newfoundland was prepared by the Energy and Mines department from intergovernmental working group on energy security, made up of federal and provincial energy officials. And the Hon. Minister of Energy for Saskatchewan presented the paper to the Energy ministers' conference in Newfoundland.

And one of the key components of that information was the value of heavy oil in its relationship to energy self-sufficiency within the province of Saskatchewan. It's very important. It's important in my constituency, Mr. Speaker, because of the impact it has on well drilling, well servicing and, in general, the service industry.

The heavy oil was first discovered in the south-west part of the province in Fosterton a long time ago. And if you talk to oil people, Fosterton, Battrum, Shaunavon, Gull Lake – all of these fields have significant impact and they all know where they are because, Mr. Speaker, that oil was one of the first oil exploration finds in Saskatchewan. And what it was, is heavy oil. It's got high degree of sulphur content, and that's what is important in the dealing with this upgrader, Mr. Speaker.

The member from Rosthern indicated that one of the by-products of the heavy oil upgrader is going to be sulphur, and it's an extremely important by-product in the manufacture of fertilizers for Saskatchewan farmers. It's going to be useful there. It's going to be useful in uranium development and other areas. I believe, Mr. Speaker, that these by-products are extremely important.

Heavy oil in the west side of the province is made up of heavy oil in the Kindersley-Lloydminster area, and the medium to heavy in the south-west. What it will do for the area of the south-west, Mr. Speaker, it will provide an opportunity for those producers there to market 20,000 barrels a day – 20,000 barrels a day in a field that has a base production at maximum of about 30,000 barrels. And that, Mr. Speaker, that energy today is flowing down into United States.

Another thing that is significant about the upgrader and that is extremely important, for the first time, when that upgrader goes into place in 1988, for the first time, Saskatchewan people will be burning Saskatchewan gas – for the first time. Till now, Saskatchewan, 50,000 . . . 45,000 barrels a day have been coming from Alberta, light crude, into the plant at Federated Co-op here, and providing their service sector with an opportunity to distribute it.

It comes from Alberta, Mr. Speaker, and I cannot for the life of me ever remember a good enough reason why they didn't build it in the time when they were in power. They should have had that in place at that time. If you take a look at the volume of energy produced in this province and flowing out, when we could have had job diversification, did they ever do anything? They looked at a place here and a place there, and they talked about this place and that place, but they never did anything.

And it is the example of our Premier in dealing with diversification in this province that has activated the private sector and the public sector into doing things for the people of Saskatchewan. And I think that's very, very important.

Another thing that is important is that 20,000 barrels of crude, medium crude, from the South-west will be used by this upgrader – exceptionally important for the south-west part of the province. Another 20,000 are going to be used from the Lloydminster-Kindersley area.

It's extremely important, Mr. Speaker, that the people of Saskatchewan recognize that that upgrader is going to do more for Saskatchewan than any of the potash mines that they bought in any of the times that they were in government. And that, Mr. Speaker, is why we believe that options like the Federated Co-op involving themselves with the Government of Saskatchewan and the Government of Canada are important.

And they want to deal with little incidental things like we've got to put an agreement that sets the value of that oil that they have negotiated with the federal government, and are negotiating with the principal distributors out of the south-west and out of Kindersley. They want us to table those documents so that they can compete, so they can't become competitive with the international market. They want us to table those documents. I think it's ridiculous. What we need in this province is those people given an opportunity to develop the kinds of diversification out in the service field.

Mr. Speaker, I can recall in 1973 when their method of diversification came into place when they put in Saskoil. I can recall that. Everything went down the tubes in the south-west; everybody left. And, Mr. Speaker, those same people had almost nothing to live on by the time it came to 1982.

And what were we doing in energy development in 1982? We had nine gas wells. We had about 800 oil wells in Saskatchewan. And that, Mr. Speaker, is because of their energy policy. If we would have put their energy into place today, we wouldn't have the energy resources and reserves developed in the South and the south-west,

and in the western side of this province to provide enough energy for the upgrader in Regina here.

And, Mr. Speaker, the opportunity for those people in my constituency to provide services to the oil patch – the volume of opportunity there is expanding. It is important for them because that is the way that they maximize their earnings.

And here's another thing: employment, because of opportunity. It's extremely important. Those people have no idea about how money is required by the oil patch in order to develop an income, because it's all risk capital. They don't understand that, and they never have. That's a part of their problem over there.

And, Mr. Speaker, there is no job security when that well goes into the ground. And I'll tell you, their former member from Shaunavon should give them a lesson or two on dry holes. And that would probably indicate some of the kinds of risk capital that are . . .

Mr. Deputy Speaker: — The member's time has elapsed.

Some Hon. Members: Hear, hear!

Mr. Trew: — Thank you, Mr. Speaker. And thanks to my colleague from Regina North West; he tells me I still have 10 minutes left.

I'm pleased to enter this debate today on the NewGrade Co-op upgrader, and I want to preface my remarks by simply saying how delighted I am that the consumer Co-op Refinery is as involved and indeed is the major player in this from a technical point of view. I have some comments to make on the funding of the arrangement a little later in the text of my speech, but I am really delighted for the Co-op.

And it's interesting to note, Mr. Speaker, that over the years other refiners, particularly multinational oil companies that have had refineries in Saskatchewan, have pulled out. The friends of the government, the friends of the members opposite over the years, have pulled out. They've complained when the minimum wage was raised; I remember that when I was a small boy. One of the refineries said: no, we can't afford to go from a dollar to a dollar-ten per hour minimum wage; therefore, we're going to pull out our refinery. And they did.

It's a real treat to see that the Co-op Refinery, which started out as a very modest 500-barrel-a-day cracking plant in 1935, has grown 500 times with a number of expansions over the years. It's now capable of refining 50,000 barrels of crude oil per day. And it's indeed a pleasure to note that it's now going to be capable of refining 50,000 barrels of heavy crude. And for that, I'm delighted with the Co-op Refinery and their part, and I indeed commend the government for their part in making that a reality.

I'm sure that the Co-op pioneers must be pleased as Punch just to see this happening now – the expansions over the years. And the NewGrade upgrader is certainly in keeping with that very fine Co-op tradition.

Mr. Speaker, we welcome the construction that is going to provide nearly 4 million man-hours of work. And indeed, we also welcome the roughly 125 permanent jobs at the upgrader refinery thereafter.

I'm also pleased to note that the upgrader is a . . . the construction project is a union project. Compare that, as the member for Regina North East did, with the Weyerhaeuser operation in P.A. where that construction project is non-union, and is behind schedule, and is buying more of their product from out of the province as opposed to using Saskatchewan firms. And I'm pleased with the NewGrade record on that.

(1530)

There are three concerns that I have with the upgrader as it's proceeding. Briefly, the first concern I have is for that of the safety of workers during the construction and, quite frankly, I've had some reports that are not good. I've had some workers telling me that there's a real good safety program as long as it doesn't cost a penny — as long as there's no money involved — and that's disturbing.

I've heard of a chemical process that is being used in the pipe fitting out there where the chemical that they're using is so dangerous that the label says: wash clothes separately from your ordinary laundry. Yet there's no protective equipment provided whatsoever, and that is a concern. So I'm first and foremost concerned with the safety of the construction workers out there and the long-term effects of some of the chemicals and the materials that they will be handling.

My second concern is that as MLA for Regina North, hydrogen sulphide . . . There is a great concern that the amount of hydrogen sulphide that will be captured from the upgrading process is going to be a significant problem, both in terms of storage and in terms of the hydrogen sulphide that escapes during the process, and into the atmosphere that we breathe here in Regina, particularly in the constituencies of Regina North and Regina North East.

The third concern I have with the upgrader project is that of the financial details that are being withheld from us. Mr. Speaker, we know that there is \$300 million plus of Saskatchewan taxpayers' money at risk in this project, and yet the government is unwilling to tell us whether the differential required to make that project pay is \$4 a barrel, \$5 a barrel, or \$6 a barrel, and there's a substantial difference in that. They can't even give us the basic information like that on this very costly project.

I've outlined our pleasure with the Co-op NewGrade upgrader proceeding, but, Mr. Speaker, it is with great regret that the public record shows that the provincial government policies and performances are simply not providing sufficient jobs and economic opportunities for Saskatchewan people.

And I point out that Saskatchewan is one of two provinces that in the past 12 months has suffered a loss of 2,000 jobs. There's 2,000 fewer jobs now than there was 12 months earlier. And at the same . . . Pardon me, not in the same time, but over the first six months of this year, there

has been a net out-migration of over 4,500 people moving out of Saskatchewan — more than 4,500 people more than are coming in. And that's, indeed, indicative of the failure of the government to provide sufficient job opportunities and sufficient economic opportunities for the people of Saskatchewan. The average earnings — the average weekly wages earned in the construction industry are also a cause for some significant concern, Mr. Speaker. In 1982 the average weekly wage in the construction industry was \$499; in 1983 that dropped to \$445; in 1984, again under the Conservatives, it dropped again to only \$430 per week; and in '85 it dropped again to only \$420 per week; and today it has dropped again, and it is only \$416 per week.

Mr. Speaker, I can think of no other single item that so clearly shows the lack of opportunity of Saskatchewan working men and women as this drop in wages, as more and more people are scrambling for fewer and fewer jobs, and they're willing to accept lower and lower paying jobs because of the inadequate opportunities provided by the members opposite.

Look at some of the promises, Mr. Speaker, that there was in terms of tax relief. And then I look at the record at what has been happening, and it is indeed disturbing to note that we now have a 2 per cent flat tax on all income in the province. It's also disturbing to have members opposite, many of whom were elected on a promise to eliminate the gasoline tax for ever — no more gasoline tax ever, was what they were saying in 1982, and now we have a seven cents a litre gasoline tax imposed on Saskatchewan citizens, with a rebate program, Mr. Speaker, that requires you to hang on to each and every receipt. And I doubt it if every one of the members opposite have every single receipt for every litre of gas they have purchased. Only the member for Regina Wascana, who has nothing better to do with his time than count his bloody gas receipts; he says he has them all. Congratulations to you.

Some Hon. Members: Hear, hear!

An Hon. Member: — He's probably got extras too.

Mr. Trew: — Probably has extras too, the member for Regina North West says. I'm not sure. At the same time, Mr. Speaker, we've had these increases . . .

Mr. Deputy Speaker: — Order. Order. Why is the member on his feet?

Mr. Martens: — I want to raise a point of order on the basis that the member from Regina North raised the question about the conduct of an illegal matter with the member from Regina Wascana, and I do not believe that that's in order, and I would just ask you to rule on that for me please.

Mr. Deputy Speaker: — Order. Members shouldn't make reflections on other members of the legislature in their speeches.

Mr. Trew: — Thank you, Mr. Speaker. I will not make any further comments on the gas tax receipts and that particular program.

It is with a great deal of concern that we watch our taxes escalating at a faster rate now than ever before in Saskatchewan's history. It is for those reasons, outlined earlier in my speech, that I sincerely regret the lack of jobs and economic opportunities for Saskatchewan people — Saskatchewan men and women who are struggling valiantly to try and keep their heads above water in these tough Tory times.

Mr. Speaker, I am pleased with the Co-op involvement and with the NewGrade upgrader project. I will be supporting the amendment from the member for Regina North East, and seconded by the member from Saskatoon South, and I regret to say I am unable to support the initial motion of the members opposite. But I am in support of the amendment.

Some Hon. Members: Hear, hear!

Mr. Martin: — Mr. Speaker, it is with a great deal of pleasure that I have the opportunity to speak this afternoon on this positive project and the impact it will have on the citizens of Regina, as well as the province of Saskatchewan and western Canada.

You know, Mr. Speaker, it's interesting to sit in this House day after day. In an issue like today where we have the largest single project ever put together in the city of Regina, the largest oil project in the country, in North America, going on right now, a project that involves 700 millions of dollars — and I will go into the employment figures a little bit later, but my point is this: and listen to the members opposite find something negative to say about everything positive that this government tries to do.

Now I'd be the first one to admit that everything this government has done has not been perfect. But, Mr. Speaker, it's nice to be with an organization . . .

Some Hon. Members: Hear, hear!

Mr. Martin: — It is indeed a pleasure, however, to be with a government that tries to do things on behalf of the people of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Martin: — How clearly I remember in the '70s when the potash debate was going on and I would sit in the galleries and listen to debate going on, and what a great thing this is going to be for the people of the province — \$600 million of our money which today translates into \$1.3 billion of debt to this province. Mr. Speaker, I say to you that the members opposite can find something negative to say about everything that's ever been done since 1982, and they are directly responsible for much of the debt we have today.

Mr. Speaker, I'm proud to say that if it were not for the determination and the negotiating skill of our Premier, the member from Estevan, that the deal would not have been completed. The heavy upgrader, the NewGrade, is a project that is so important in so many ways to the people of Regina, and to Saskatchewan, that our Premier knew he had to make the deal. And he did. The people of Saskatchewan should never forget that.

It was interesting, Mr. Speaker, when they were talking about negative features. For instance, they talked about the Weyerhaeuser, and of course they find something very negative to say about that. It's interesting that today that Weyerhaeuser has a productivity improvement of 17 per cent — 17 per cent increase in productivity today. It didn't have this last year when we were losing \$91,000 a day. That's performance, Mr. Speaker.

When they were talking about . . . they always bring in Peter Pocklington for some reason or another — a nasty word because the man knows how to make a dollar. Mr. Speaker, Gainers Meats has offered to the pork producers of this province an opportunity for competition. Pork producers all over this province know now that they can go to another outlet to sell their pork. And pork producers around this province will look for other opportunities. They now have an alternative, where they can go and get the best price for their pork. That's something that pork producers understand. So if Mr. Pocklington has done nothing other than create . . . other than having created employment in North Battleford, he's offered the pork producers of this province an opportunity for some fair competition.

Mr. Speaker, when you stop and look around at the positive influence that this upgrader has had on so many sectors of the city's economy, the prospects are staggering. Two hundred million in purchases of Saskatchewan goods and services alone — \$200 million of purchases in Saskatchewan goods and services, four million man-hours of construction that labour will be performed on the site, 75 per cent by Saskatchewan people, representing \$100 million in wages. I remind the member from Regina North East that many of those people working the upgrader are his constituents. People who are now employed will be part of that \$100 million in wages. Mr. Speaker, in jobs alone countless Regina families will benefit and have benefited.

And what about those workers and supervisors who are moving into the city of Regina from other areas of Saskatchewan? What will result from this? Mr. Speaker, I've had people in the real estate field tell me that they're having a difficult time keeping up to the housing demand of these families. These individuals and their families will be injecting funds into our local economy that will supply Regina with that much needed shot in the arm. And this will not be short-term, Mr. Speaker.

Regina heavy oil NewGrade upgrader will help to diversify and enhance our local economy for decades. And that will mean job opportunities and a more secure future for Saskatchewan's youth.

Mr. Speaker, because the University of Regina is in my constituency, I pay particular attention to that institution — an institution that two of my daughters attend, I'm proud to say, having attended it myself. They have a highly respected chemistry department, and I feel confident that many of the students in this field will have an opportunity to direct their knowledge into the Regina upgrader over the years.

Our philosophy, Mr. Speaker, is to create opportunities

that will keep our youth in this province. And as a father of four daughters attending university in Saskatchewan, in Regina and Saskatoon, I'm delighted that we now have a government that looks to the future, that will try to provide jobs for our young people. And I know that members opposite who also have children, boys and girls in universities in Saskatchewan, will be delighted to hear that there will be more job opportunities in the future for their children graduating from universities.

The spin-off of jobs will sky-rocket in conjunction with the progress of the upgrader. And I would again like to emphasize the point that these benefits, Mr. Deputy Speaker, are not short-term. The government takes responsibility, a responsible long-term approach to difficulties facing Saskatchewan, while at the same time ensuring that the needs of those Saskatchewan residents who require assistance are taken care of today.

Mr. Speaker, this government recognizes the value of an upgrader to Saskatchewan and to Canada – not just to Regina. Others may say it was their idea. The promise of an upgrader was made by the previous administration, but like other promises it was never fulfilled. The fact is, Mr. Speaker, the previous government couldn't put the deal together. It took our Premier, with his negotiating skill, to put the deal together. And make no mistake about it, it was our Premier that put that deal together, and you know it.

The people of Saskatchewan don't want broken promises. They don't want hollow words. And they know that from the member from Estevan, our Premier, that these were not hollow words.

(1545)

He said, we'll put that deal together, and indeed he did — \$700 million worth, Mr. Deputy Speaker; hundreds of millions of hours of work for people of Regina and Saskatchewan; highly skilled people, professionals, coming into this area, trading interests among our chemistry students at the University of Regina to have a future in Saskatchewan. And they will be hired, Mr. Speaker.

The people of this province see ideas and promises put into action. And that is where this government surpasses the NDP time and again. But I won't have to go into that, Mr. Speaker; the people of this province know that is, indeed, the case.

We will continue to follow through with projects that will ensure this province keeps up with the times for the benefit of Saskatchewan people – people, Mr. Speaker, that deserve nothing but the best opportunities for the future. The Regina heavy oil upgrader project is just one example of this government's expertise in co-operating with others to ensure Saskatchewan can take full advantage of the many opportunities presented by the resources and her people.

Mr. Speaker, I've mentioned a couple of them – the Gainers packer plant; Weyerhaeuser deal; the Hunter's camper trailers in North Battleford, an organization that previously sold 50 per cent of the recreation vehicles that

were produced in any other area of the county. Now they not only sell 100 per cent of them, they produce 100 per cent of them.

Mr. Speaker, I've listened for the last 74 and one-half minutes to the negative attitude of the members opposite. And I know that they don't really mean it, Mr. Speaker, because I know that they too, like myself and my colleagues over here, are indeed proud of our Premier for bringing to Saskatchewan and Regina the largest oil project in North America at this time, and the largest single project in the history of Regina – 700 millions of dollars, Mr. Speaker, that will bring in hundreds of millions of dollars of wages to the people of Saskatchewan.

Mr. Speaker, I will be supporting the original motion as read by the member from Rosthern. Thank you.

Some Hon. Members: Hear, hear!

Mr. Mitchell: — Thank you, Mr. Speaker. I'm not sure where the member from Regina Wascana was when the people on this side of the House were making speeches in response to this resolution.

I think we set out quite clearly that all members on this side of the House regard the upgrader project as a good idea, and all members on this side of the House are feeling positive about that program. Most of the members on this side of the House were part of the tour that went out to the site the other day and saw the upgrader project in its glory, and we came back with a good feeling. We think that's an example of the kind of a project that governments ought to be proud to be involved in, and I and my colleagues are very glad that you're involved in it.

One of the characteristics of that job that deserves special commendation is the fact that it is a union job. And I want to state clearly, very clearly, the importance of that so far as the construction industry in this province are concerned. The attitude of this government towards the organized part of the construction industry has not been seen as being very good. The construction trade unions have been facing very, very difficult times, and in part it's a result of this government's not having responded to some real problems that have arisen that directly affect the unionized sector of the construction industry.

There has been a practice, which has grown up in this province over the last five years, in which unionized employers have been creating new corporate entities, and those entities are doing the construction work formerly done by the unionized employer. They've been doing that work on a non-union basis. The existing labour legislation of Saskatchewan has proven unable to cope with that particular development, and as a result, contractors, who have for years been working on a unionized basis, are now doing their work on a non-union basis, and that has had a very serious effect on our construction industry.

The most serious effect that it's had is that construction tradesmen, who have been born and raised in Saskatchewan, who have been educated in their trade in Saskatchewan and who have been working in this

province for many years, are now sitting idle while these new spin-offs or new corporate creations are hiring unskilled people, very often from outside the province, to come in and do the work formerly done by our people. And that has been a most unfortunate development in the construction industry in this province. And it's one, I suggest, that the government ought to have responded to some time ago.

Now this is not a new proposition so far as this government is concerned, Mr. Speaker. This government constituted a board of conciliation in the construction industry . . .

Mr. Deputy Speaker: — Oops, sorry. I'm sorry I cut it off too soon. The member from Regina Fairview.

The member for Saskatoon Fairview, I cut it off a little too soon. I'm sorry.

Mr. Mitchell: — Now, I was making one of the best speeches that my friend across the aisle has ever heard.

Some Hon. Members: Hear, hear!

Mr. Mitchell: — And I'm distressed to think that it's not being recorded for posterity. In any event, the government opposite appointed a board of conciliation . . .

Mr. Deputy Speaker: — Order. I'm sorry the 75 minutes has elapsed now.

Some Hon. Members: Hear, hear!

MOTIONS

Resolution No. 20 – Implementation of the Saskatchewan Pension Plan

Mr. Martin: — Mr. Speaker, I rise in the House today to put forth a motion that deals with this Progressive Conservative government's innovation in developing and implementing a province-wide pension plan for Saskatchewan, the first of its kind in North America. Just one more example of the forward-thinking attitude of this government, Mr. Deputy Speaker, an attitude of concern for the welfare of the people of this province.

Mr. Speaker, when this government first discussed the idea of establishing a pension plan for home-makers and others not covered by private pension plans, we did some research in the area of pensions as they relate to Saskatchewan. The statistics show, Mr. Speaker, that 60 per cent of people in Saskatchewan are not covered by pension plans. Only four out of every 10 working women are enrolled in a private pension plan.

Mr. Speaker, the facts we faced were that the opportunities simply did not exist for the rest of those working at home. Saskatchewan's part-time workers, 70 per cent of whom are women, were simply under-represented in government-sponsored pension plans . . . that is company-sponsored pension plans. The need was there, Mr. Deputy Speaker, and the government responded.

The Saskatchewan Pension Plan encourages the people of our province to plan for their own future. It provides a real and direct incentive to help people plan for their own retirement. Mr. Speaker, we introduced and implemented the Saskatchewan Pension Plan because we believe in enhancing the future security in Saskatchewan people and for Saskatchewan people.

This government believes, Mr. Deputy Speaker, that the Saskatchewan Pension Plan has, and will be, of particular value to women. Of all those members who joined the plan last year, 86 per cent were women. Half of all the contributors to the Saskatchewan Pension Plan refer to themselves as home-makers. We, as members of the Progressive Conservative government, believe that women have the right to have a fully vested pension in their own name. And we believe that home-makers and part-time workers have a right to the same type of security given to people who make other career choices.

Let me take a minute to explain how this innovative and important plan works. A home-maker who contributes \$25 a month for 30 years – less than \$1 a day – that home-maker could receive a pension plan of between 600 and \$1,025 a month when the individual reaches the age of 65; individual's own money, with the government matching the contribution over the years, dollar for dollar – the first of its kind in North America, primarily directed to women and home-makers of our province.

People recognize the opportunity here. Last year almost 80 per cent of the contributors to the plan received the full match of \$300 from the Government of Saskatchewan. We were there to get them started on the road to a secure future. This government recognized that it is also long overdue that the same pension opportunities be extended to those builders and risk-takers who want to plan for the future – our farmers and small-business owners. Last year, next to home-makers, farmers and part-time workers were the next largest groups of people who joined the Saskatchewan Pension Plan.

The Progressive Conservative government has also demonstrated that it cares about those people now between the ages of 55 and 65 who haven't made a great deal of money and thus haven't been able to save for their retirement. We made special provisions for people in this pre-retirement age group, Mr. Deputy Speaker. For each fully matched \$300 contribution by this government, we guarantee a minimum monthly pension of \$15. If, for example, an individual is 55 years of age and qualifies for the full match for a period of 10 years, the individual will receive a guaranteed minimum pension of \$150 a month. We recognize that \$150 doesn't go a long way these days, but it helps. It helps, and it is a beginning – far more, Mr. Speaker, than was provided by the former government who prefer to spend money buying potash plants. The NDP investment costs us \$1.3 billion today.

This pension plan introduced by our government gives people the incentive to act now to protect and enhance their future, an incentive so large, in fact, Mr. Deputy Speaker, that in the short three-month period that people last year had to get into the plan, more than 31,000 people from Saskatchewan responded to this

encouragement and joined the plan, investing almost \$9.4 million — \$9.4 million in their future. We provided the opportunity; they had the choice, and they responded — 31,000 people in this province investing almost \$9.4 million.

Mr. Speaker, 70 per cent of Saskatchewan part-time workers are women, and 86 per cent of those who took advantage so far in the pension program are women, as I mentioned before.

Because this issue is of such importance to women, I'd like to talk for a minute or so on other initiatives that are of particular interest to women — the initiatives brought forth by this government, Mr. Speaker, let me talk with the future in educational social assistance. These are some of the initiatives that have been brought forth by this government in the last year or so. Single parents, most of whom are women, are eligible for special incentive education loans. These are forgivable loans if the program is completed. One can appreciate the difficult and frustrating circumstances many of these young mothers find themselves in. We can't solve their difficulties, but we can attempt to make their life easier through education.

The Department of Education has made a concerted effort to move women into management positions and has been successful. The department has recognized that more and more women are seeking managerial positions. I am pleased to say that there are now more women in management positions in Education than ever before; 50 per cent of senior management are women in the Department of Education — 50 per cent.

Let's talk about access to educational opportunities for women. Many of these women, I'm sure, took advantage of the pension plan. Women who live on farms and in small community areas did not have pension plans before. Regional colleges, former community colleges, will have a large role to play in education throughout the province. The ministerial consultor process that carried on through the early spring indicated that those living in centres outside of major cities wanted more education.

(1600)

Mr. Deputy Speaker: — Quiet. Order. Why is the member on her feet?

Ms. Simard: — Mr. Speaker, point of order. We're talking about the Saskatchewan Pension Plan, the first pension plan of its kind in North America. I fail to see how education and how many women there are in management in Education is now related to the pension plan. I think the member is off topic.

Hon. Mr. Andrew: — Mr. Speaker, we've heard for 65 days now the members opposite ranging in such wide field from the subject matter. Now clearly the member from Regina Wascana is dealing with this subject. He's dealing clearly with the subject, and I would suggest, Mr. Deputy Speaker, that the point of order is clearly out of order.

Mr. Deputy Speaker: — Order. I have on many occasions

allowed the debate to wander quite a bit on all motions that have been before the House. And I've asked members on few occasions to bring their comments back to the motion. And I would ask all members this afternoon to please keep their comments to the motion before the legislature.

Mr. Martin: — Mr. Speaker, I felt that because the pension plan can be viewed as a social program, that it might be appropriate at this time to talk for a moment about some of the other social problems that have affected women in the province.

I'd like to talk about child care, Mr. Speaker, as it relates to women.

An Hon. Member: — Mr. Speaker, I object to that.

Mr. Martin: — Is that a . . .

Mr. Deputy Speaker: — Why is the member on her feet?

Ms. Simard: — You have just made a ruling, Mr. Speaker, that we should stick to the topic. Now talking about child care has nothing to do with a very specific motion that's drafted to speak about pension reform.

Mr. Deputy Speaker: — The motion before the Assembly is:

That this legislature commend the Government of Saskatchewan for implementing the Saskatchewan Pension Plan, the first pension plan of its kind in North America.

And I would ask all members speaking on the motion to relate their comments to the motion.

Hon. Mr. Andrew: — Mr. Speaker, I still argue that the member opposite is not founded in her criticism. Her problem, Mr. Speaker, seems to me to be that she is still envious of the fact that it was our side that brought in the pension plan and not their side, and that's the basis of the complaint.

Mr. Deputy Speaker: — Order. Order! Order, order! Would the member from Moose Jaw North please keep order while the Speaker's on his feet.

I would ask the member for Regina Wascana to relate his comments to the motion that is on the order paper.

Mr. Martin: — Well, Mr. Speaker, the member from Regina Lakeview may say she doesn't care about child care; I happen to, and that's why I want to bring it in today.

Some Hon. Members: Hear, hear!

Mr. Martin: — I feel, Mr. Speaker, that it is . . .

Mr. Deputy Speaker: — Order. Why is the member on her feet?

Ms. Simard: — Point of order, Mr. Speaker. I never said any such thing about not being concerned about child

care. I criticized him because that wasn't part of this motion. And he knows that, and he's attempting to mislead this legislature by saying that.

Some Hon. Members: Hear, hear!

Hon. Mr. Andrew: — Mr. Speaker, if the member from Regina Lakeview wants to continually interrupt — the point that she raised is clearly a question of debate. It takes place in this House day after day after day. And if she's not prepared to face up to that or only wants to see from one side . . . So clearly that is not in order, and I would suggest, Mr. Deputy Speaker, that you caution her from simply standing up every minute. Her time will come to get into the debate and we can listen to her at that point in time.

Mr. Deputy Speaker: — Order. All members will get an opportunity to debate the motion. Anything that's brought into the debate is debatable. And I would ask the member from Regina Wascana to relate his comments to the motion before the Assembly.

Mr. Martin: — Mr. Speaker, it was my contention to point out that many of the people who work . . . many of the women who are working in child care areas may not have pension plans, private-sponsored pension plans, and therefore would have an opportunity to take part in the government-sponsored pension plan. So I thought that might work in that area.

Some Hon. Members: Hear, hear!

Mr. Martin: — However, Mr. Speaker, I will not then talk about the 85 per cent increase in child care that this government has brought in since 1982 to day care centres. I'll save it for another day, Mr. Speaker, when I have an opportunity to talk at greater length about the wonderful things this government has done for the women of this province and will continue to do in the future.

I won't talk about the women in business or the increased opportunities for women in management positions in the Government of Saskatchewan.

Mr. Speaker, let me conclude by saying that the Saskatchewan Pension Plan shows Saskatchewan to be the innovator. It is under good management. People from other provinces and even other countries are interested in the Saskatchewan Pension Plan because, after all, it is a first in North America. And we fully expect that other provinces will soon be following our example. Mr. Speaker, all around the province the obvious benefits of the Saskatchewan Pension Plan for the Saskatchewan residents are evident.

People want to invest in their futures, Mr. Deputy Speaker, and I'm proud to be a member of a government which can offer that incentive to the fine people of our province. Mr. Speaker, I'd now like to move the motion, seconded by my colleague from Moosomin:

That this legislature commend the Government of Saskatchewan for implementing the Saskatchewan Pension Plan, the first pension plan

of its kind in North America.

Thank you, Mr. Deputy Speaker.

Some Hon. Members: Hear, hear!

Mr. Toth: — Thank you, Mr. Deputy Speaker. It is again a pleasure to stand in this House in support of a motion put forward by one of my colleagues, the member from Regina Wascana. A motion, Mr. Speaker, which commends this government on the value of the Saskatchewan Pension Plan that we are debating here today.

This plan represents the strong confidence that we have in Saskatchewan people — a confidence that this government is willing to put forward and offer the people of Saskatchewan something that they can invest in. It represents the vision and the foresight of this Progressive Conservative government that is so much a part of the policies and programs that it represents.

Mr. Deputy Speaker, the incentive we have given Saskatchewan residents through this pension plan is one that will help Saskatchewan people build for their future. And that's what we in Saskatchewan are made of. We're made up of builders — people who want to be the best they can be today and in the future years to come. Future years, Mr. Deputy Speaker, when they want to retain their sense of pride and dignity, their sense of confidence and security.

The Saskatchewan Pension Plan, under this government, offers security. It offers security to Saskatchewan people — men and women like you and I. It offers security to people who have never had the opportunity to benefit from a company-sponsored pension plan; people, Mr. Speaker, who have contributed greatly to our homes, our families, and our work place; people like home-makers, part-time workers, self-employed small business proprietors and their employees, farmers and their spouses.

And, Mr. Speaker, when the pension plan was announced last in the spring of 1986, many people in my constituency were saying, thank you. They were saying thank you for the opportunity to invest in their future; their opportunity to put money — dollars aside right now — in a pension plan that would help them when they retired because they realized that even the pension plans that are available such as the Canada Pension Plan . . . The dollars are there, people are thankful for them, but they realize that they don't go very far. And when we look at the way inflation goes and the uncertainty of tomorrow, people are more than happy to be able to invest and to put money aside for themselves for future years.

This government wanted to implement a plan that was fair. We wanted to give the people of this province a responsible incentive that would allow them to feel confident about preparing financially for their retirement years. And I say "a responsible incentive," Mr. Speaker, because that's what the Saskatchewan Pension Plan is.

To emphasize the message of my colleague from Regina Wascana in his remarks earlier, this government

researched the pension needs of Saskatchewan people before it developed the pension plan. Finding that approximately 60 per cent of our residents were without retirement planning by any way of a pension, that, Mr. Speaker, was a fact that required immediate action. Saskatchewan people want to plan for their own future. They don't want to burden children of the province with their financial needs upon reaching the age of 65. They wanted the choice. The choice, Mr. Speaker, and now Saskatchewan residents do have a choice, the first such opportunity of its kind in North America.

And this Saskatchewan Pension Plan, Mr. Speaker, is very unique. It gives people opportunity to pursue a very real goal and that being a financial, secure future. And let me emphasize that point, Mr. Speaker. This plan not only ensures financial security, but it is a voluntary plan. It isn't a plan that is forced upon people. People make the choice themselves whether they want to get involved in the plan. Housewives, like men and women in our area, who haven't had the opportunity, they now have the opportunity of investing in their future. Our government believes that people should have a choice in planning for their futures. We do not believe in the socialist maxim of forcing people to join whether they want to or not.

The Saskatchewan Pension Plan, Mr. Speaker, is successful because the people who have joined, and are now joining, do so because they want to. Yes, Mr. Speaker, as my colleague has already said, some 31,000 people made the choice to invest some \$9.4 million in their futures through the Saskatchewan Pension Plan. And this was in the short period of time they had a chance to do so last year.

I think, Mr. Speaker, that shows that the Saskatchewan Pension Plan is fulfilling a vital need in our society. And what really convinced me of that, Mr. Speaker, was the fact that some 60 per cent of last year's applicants were over the age of 51. I dare say, Mr. Speaker, that these people would have appreciated the opportunity to invest in a plan like our Saskatchewan Pension Plan back in the '70s.

In fact when the pension plan was introduced, I remember talking to individuals who were in their 60s already, and they were asking me if they could invest. They were asking, is it worthwhile for me to invest? I'm 63; I've got two years, only two years to invest. And yet the realization that 15 or \$30 more a month in a pension plan was something they felt was worthwhile, and they were very glad to become a part of it.

(1615)

Over the years, many governments – including the government of the members opposite – promised such a plan. And when times were good, where were they? Where was that pension plan? It wasn't developed until this government looked ahead, planned for the future, and with definite foresight believed in the people of Saskatchewan and offered them a plan they could become involved in. The members opposite talked a good game, but they didn't deliver a pension plan.

Instead, Mr. Speaker, we just see how they invested,

where they invested their money. Where did they invest their money? They invested it in potash mines. And they say to create jobs. Well to buy a potash mine that already had a number of jobs, is that creating jobs? Were those new jobs? They were already there. Had they developed a new mine they might have created a new job.

That was why, Mr. Speaker, the Saskatchewan Pension Plan has built in minimum pension and a government matching contribution for those who qualify. For those between the ages of 55 and 65, many of whom haven't been able to save a great deal of money for their retirement, there was a special minimum pension. And we've already heard of how a \$300 contribution per year, matched by the government, a person will benefit by \$15 a month for the rest of his or her life.

What this means, Mr. Speaker, is that a person who is 55 years old and who qualifies for a full matching pension plan for 10 years will receive a guaranteed minimum pension of \$150 a month for the rest of his life. This is something that many people can be proud of, and many people are proud of it.

What's more, the Saskatchewan Pension Plan is set up to help those who do not have the disposable income available to set up their own retirement funds. While anyone can join and contribute to the plan, those with lower incomes are the only ones who qualify for matching government grants. And since this works on a sliding scale, as incomes increase the government's matching contribution is helping people according to their need.

Concrete evidence of this can be found, Mr. Speaker. Almost 80 per cent of all contributions to the plan receive the full match of \$300 from the provincial government. That shows that the people who needed the plan are making use of it and are getting the help they need.

Remember the cries of members opposite about the wives of rich men taking advantage of the plan? All I can say, Mr. Speaker, is that every person has the right to plan for his or her future regardless of his or her spouse's situation. I believe we, as individuals, even as parents, not only have the right to plan for our future, but we can have an equal responsibility of planning for our children's futures.

But we realize that there are many individuals who, as much as they would like to plan for their children right now, do not have the finances to put aside that money, so much a year, to build for their children. And so we find many children over the years, as they've grown older, become housewives, or men and women or teenagers working in small stores in rural Saskatchewan where there isn't a pension plan available.

They now have the opportunity to develop and to become involved in a pension plan where they can feel . . . They feel better within themselves because they know that they are not only responding to something the government has given them, but they are also able to put something aside themselves. And I believe most Saskatchewan people believe and feel better if they can contribute to something that they are a part of, knowing that the government is there to help them in their time of

need.

Saskatchewan people can join the Saskatchewan Pension Plan, a plan, Mr. Speaker, and work with the Saskatchewan government to build a better financial future for themselves. This pension plan, along with this Progressive Conservative government's recent upgrading of the Saskatchewan income plan, is part of our commitment to ensure that our residents can retire with dignity. We saw how, since '82, the minimum income for seniors went from 25 up to \$50 a year in pension.

Mr. Speaker, this government realizes how difficult it can be for those with little disposable income to save for their retirement. Mr. Speaker, the pension plan introduced by this government will meet the needs of this province's rapidly ageing population. And we feel that we have acted responsibly by taking the initiative, where others ignored the needs of the future.

The pension plan is a bold and innovative step, Mr. Speaker, which I am confident in predicting will be viewed as such by Saskatchewan residents, both now and in future years. And I don't doubt that governments all across this country, and even in other parts of the world, will take a look, serious look, at this pension plan.

And no doubt many people are asking the same question. Go to Manitoba, people living right beside us, housewives, men and women employed in small businesses, and they're saying, why doesn't our government offer the same pension plan? Give us an opportunity to invest in our futures.

Many thousands of Saskatchewan people will reap the benefits of this program, which will go a long way towards enhancing the quality of life in their retirement years.

Mr. Speaker, I am pleased to stand here today in support of the motion as read by my colleague, the member from Regina Wascana, in support of the Saskatchewan Pension Plan. Thank you.

Ms. Simard: — Thank you, Mr. Speaker. Thank you. Mr. Speaker, when the Minister of Finance originally introduced the Saskatchewan Pension Plan, he said that the plan was an important milestone towards the goal of ensuring that all Saskatchewan residents will be able to retire above the poverty line. And, Mr. Speaker, New Democrats are in favour of a pension plan for home-makers, and part-time workers, small-business men and women and their employees, and for farmers.

But this plan, Mr. Speaker, this plan does nothing for people on low income and for poor women and poor small-business men and women who may be having difficulty in their small businesses. This PC plan sells short the poor, Mr. Speaker — it sells short the poor.

It appears home-makers are the largest group taking advantage of the plan. And New Democrats are pleased that home-makers have an opportunity to plan for their retirement days. There's no question we're pleased with that, Mr. Speaker. But unlike medicare which was premised on the notion that everyone has a right to

quality health care, the Saskatchewan Pension Plan is based on providing opportunities for those who can afford them. There's no question about that. And it does nothing for low income and poor men and women. It sells short the poor, Mr. Speaker.

The need for pension reform has gained widespread public support in the last few years. In 1966 the Senate committee on ageing reported that the most serious problem it encountered was the extent of poverty among the elderly. And the concept of pensions for home-makers emerged in the early 1970s, and by December 1983 the idea, of course, had taken root. And this is evidenced by the parliamentary task force on pension reform, Mr. Speaker.

In the 1984 federal election campaign, the issue of pensions for home-makers became prominent. And over the course of the last two or three years, the federal government has been negotiating — the federal government, Mr. Speaker, has been negotiating pension reform with the provinces.

In early 1986 the federal government and Ontario and Quebec agreed to the principle of including home-makers in the Canada-Quebec Pension Plan. But what does Saskatchewan do — what does Saskatchewan do, Mr. Speaker, instead of continuing negotiations with the federal government? It jumps the gun. It introduces its own plan as an important election strategy, then it puffs itself up full of self-congratulatory praise and it claims Saskatchewan's taking the lead on pension reform.

But in spite of all this rhetoric and back-patting, Mr. Speaker, in spite of this by the PCs, the fact is that this plan is geared to provide opportunities for those who can afford to make the \$300-a-year contribution, and it sells short the poor. And it does not, Mr. Speaker, in no way does this \$10 million investment, which is what it was last year, in no way does it solve the very serious problem that exists out there, that is, the problem of poverty amongst our seniors in Saskatchewan today.

Some Hon. Members: Hear, hear!

Ms. Simard: — And had the PC government been less anxious to score some political points, and had the PC government been less anxious to buy votes in the last election, it could have taken the time to think through a real good pension reform package and to negotiate a true package, a fairer package of pension reform for the men and women of Saskatchewan. But as usual, Mr. Speaker, as usual, they didn't think it through — no way. They didn't think it through.

Mr. Speaker, the plan allows any resident of the province between the ages of 18 and 65 to contribute up to a maximum of \$600 per year to the plan. The contributions of individuals earning less than \$9,133 per annum are matched dollar for dollar up to 300. The difficulty for poor and low income families is coming up with the first \$300 a year so that you can benefit from the government's offer to match the contribution. And if you can afford that \$300 on an income of less than \$9,133 a year, then great. I think that's great. But if you can't, Mr. Speaker, tough luck for you, and that's the PC philosophy — tough luck for

you if you can't afford it.

And low-income people, Mr. Speaker, the people who will need this pension plan the most, 25 years from now, the people who will need those \$150 a month payments, Mr. Speaker, those people cannot benefit from the plan today. They cannot benefit from it because they cannot afford to make that \$300 contribution.

Access to the plan is being denied them because of the way the plan is designed to preclude them from participating in it. And so what does that do for the problem of poverty amongst seniors, Mr. Speaker? What does that do for that problem? It does nothing today, and it does nothing tomorrow, and it does nothing 25 years from now. But in spite of that, we hear this hollow bravado from the members opposite, patting themselves on the back with self-congratulatory platitudes.

And, Mr. Speaker, approximately 450,000 men and women in Saskatchewan are eligible to benefit from a government match in contribution – 450,000, Mr. Speaker. But as of February 20, 1987 there were only 20,000 people involved in the plan – only 20,000. I ask you, Mr. Speaker, where are the other 430,000 people? Is it possible they couldn't afford to make the contribution?

Surely, surely the government must realize, Mr. Speaker, that the long-term objective of the plan should be to eliminate poverty amongst seniors. It should be, Mr. Speaker, but that's not the case with this plan; that's simply not the case. It clearly fuels the provincial deficit without helping men and women who need it the most.

And the plan was estimated in March 1986 to cost \$5 million. In March 1987, Mr. Speaker, it was costing Saskatchewan between 10 and \$11 million. So I ask: was this another deliberate attempt by the government to underestimate costs before an election? Was this another attempt on behalf of the government to mislead the public with respect to what their budget deficit would be for the year '86-87?

The Minister of Finance, Mr. Speaker, has been quoted as saying, unless we begin to encourage people to make provisions for retirement now, we face a tremendous financial cost down the road in terms of welfare and income supplement programs.

So the Minister of Finance realizes that, Mr. Speaker. But yet the PC government refuses to gear this plan to those individuals who are going to need welfare or income supplement in the future, down the road, 25 years from now. They refuse to gear the plan to deal with those people now, and that's a very fundamental and basic element that's missing from that Saskatchewan Pension Plan and which changes the whole context of the plan.

If one cannot afford the \$300 now, Mr. Speaker, tough luck, one cannot participate in this plan and gets no matching contribution. We need only think, Mr. Speaker . . . We need only think of a single parent mother who earns minimum wage, many of whom need all their income to feed and clothe and house their children – all their income – and who cannot scrape up the \$300 a year for a contribution. And I ask you: — is that fair? Is that fair that

that hard-working, conscientious, single parent mother cannot participate in this plan? It's not fair, Mr. Speaker, and this plan is lacking for it.

(1630)

Some Hon. Members: Hear, hear!

Ms. Simard: — And, Mr. Speaker, if a person is 18 years of age, for example, and earning less than \$9,133 a year and living at home with mom and dad, who could be earning 25,000 each or perhaps a combined family income of 100,000, or they could be earning \$200,000 a year, it doesn't matter. If this person is earning less than \$9,133 a year and living with mom and dad, they get the \$300 matching contribution, Mr. Speaker, and that single mother doesn't get it.

Some Hon. Members: Hear, hear!

Ms. Simard: — And the members on the government side of the House, Mr. Speaker, are laughing, and they're mocking this because they don't think that's important. Because they don't care about those things very much . . .

Mr. Speaker: — Order. Order, please. Order. Order. Order. Please allow the member to continue.

Ms. Simard: — Mr. Speaker, they feel that that's fair. That's their philosophy on life. That single parent mother doesn't matter to them, Mr. Speaker, and that's evidenced by the jeering that's taking place on the members' side of the House.

This is absolutely ridiculous, Mr. Speaker, that that unfairness is built into this plan – it's absolutely ridiculous. The president of the National Action Committee, Status of Women was quoted as saying, Mr. Speaker:

Experience in other countries (as the Saskatchewan government must surely know) has shown that such an approach leads to the exclusion of all but the well-to-do.

And not only does this plan sell short the poor, but it undermines the emerging federal-provincial consensus on pensions – on pension reform to be more precise. A provincially-based plan, Mr. Speaker, is a poor second to a federally-based plan. A provincially-based plan is not as good as a federally-based plan would be.

A federally-based plan would have more portability and more flexibility, Mr. Speaker. But what happens by the Saskatchewan government jumping the gun on pension reform – jumping the gun – is that it makes it very difficult to negotiate a federal plan that would satisfy all Canadians, or at least that Saskatchewan could mesh into and participate in.

The other thing that presents a problem with respect to the failure to negotiate a federal plan is the fact that on the guaranteed income supplement payments, Mr. Speaker – the guaranteed income supplement payments that seniors are entitled to that are a federal payment to seniors – the amount that they receive under the Saskatchewan

pension plan will be deducted from the guaranteed income supplement. And that's the most recent information that I have.

Now I hope the Government of Saskatchewan is negotiating so that that will not be the case, because that's totally and absolutely ridiculous. What it means is that Saskatchewan taxpayers are paying out that money instead of that being spread across the country. And that's an example of the shortsightedness that the PC government when they put this plan together and didn't think all the implications through. That's an example, Mr. Speaker, of what happens when you jump the gun.

Another aspect, Mr. Speaker, of the plan that I would like to see the government take a serious look at is the fact that it doesn't take into consideration family income. It doesn't take family income into consideration. So a spouse, for example, who earns a \$100,000 a year can pay for the spouse who may not be working, to invest in the plan and get the \$300 matching contribution. But two spouses who may be working each at \$26,000 a year get absolutely no contribution – no matching contribution, Mr. Speaker, even though their income may be half of the other family. They don't get a matching contribution. And that's unfair in this plan, and it's another example of not thinking through all the implications – another example, Mr. Speaker.

And I just want to make another comment. One of the speakers on behalf of the government said that most of the people that invested in the plan receive the matching contribution, were earning less than \$9,133 a year. But, Mr. Speaker, they didn't have one single statistic to show us what the family income was of the people who invested in the plan – not one single statistic. And I have been asking them in this House since last December to be compiling statistics to show us what the family income is. And none of that information is forthcoming, Mr. Speaker, and I'm beginning to ask myself why it's not forthcoming, because that criticism has been there about that plan since its inception.

But you know, having made these criticisms with respect to the Saskatchewan Pension Plan, I want to say, Mr. Speaker, that more pressing is the immediate need to deal with the immediate problem, and a very serious problem of poverty among seniors – poverty among seniors today. Many seniors are very poor today, and they didn't plan it that way, Mr. Speaker. They didn't plan it that way, but that's the way it turned out.

Many of these men and women lived through the Depression and they worked hard, they were frugal, and they saved what they could. But with escalating costs, it's become impossible for many elderly men and women to make ends meet. They barely manage to scrape together enough money to feed and clothe and house themselves on a daily basis, not to mention paying unexpected home repair costs and increasing utility bills.

And it's important to note, Mr. Speaker, that more than half of the single women, 65 and over, live on incomes well below the poverty level. But many of these men and women, Mr. Speaker, say nothing. They've learned acceptance. They're not complaining, but that's no

reason to neglect them. Just because they're not complaining is no reason to neglect them.

And the Saskatchewan Pension Plan, Mr. Speaker, does virtually nothing to solve the distressing problem of poverty among seniors. And the \$15 a month payment that the member from Wascana referred to does nothing to help a person that's living below the poverty line, or does very little. It's insignificant in the total scheme of things. And for the government to pat themselves on the back with self-congratulatory praise and hold this out as social reform for seniors is absolutely ridiculous when the best they can offer is \$15 a month to someone who's living under the poverty line.

You know, we must ask ourselves, Mr. Speaker, we must ask ourselves whether a plan that costs us \$10 million last year, and could cost us \$45 million a year or more, whether this money is being well spent when it does nothing to solve the immediate crisis, and it does nothing to solve the crisis that will be upon us in the year 2000 because low-income families simply cannot afford to participate. Is this money well spent, Mr. Speaker?

There's no question that we need a pension plan – absolutely no question. No question that home-makers, small business men and women and farmers need a pension plan. We need it. But we need a pension plan that includes everybody, Mr. Speaker, every person in this province, and not just the people who can afford it. Because I seriously question whether the money's being well spent if all it does is help those who can afford to contribute, and leave out those who cannot afford to contribute, and leave out seniors now who are seriously suffering from poverty in this province.

And the Minister of Finance's attempt, the Minister of Finance's . . .

An Hon. Member: — Ludicrous.

Ms. Simard: — And the member from Regina South says this is ludicrous. He thinks the problems of the seniors in his riding are ludicrous, Mr. Speaker. And he's talking . . . he thinks this is ludicrous, and I just want his comments on record.

The Minister of Finance's attempt, Mr. Speaker, to link the Saskatchewan Pension Plan to medical care is ridiculous. It's absolutely ridiculous because the Saskatchewan Pension Plan is founded on a philosophy that is not geared towards making it universal. It is not a universal plan. It pays little attention to the poor, whereas medicare was universal – it was universal. It made no distinction on the basis of income – absolutely no distinction.

And once again I want to reiterate, Mr. Speaker, that I am pleased to see the members opposite were directing their attention towards pension for home-makers. I'm pleased to see that, for home-makers, and small-business men and women, farmers, and others. The idea was good. But no, we don't want a plan, we don't want a plan that leaves out those who need it the most. We want a plan that's fair, fair to seniors today, fair to seniors tomorrow, fair to all people in Saskatchewan.

We want our tax dollars spent fairly. We want competent planning for the future and not a hit-and-miss approach, an approach that misses those who really need this pension reform the most, those who 25 years from now are going to be in serious problem because this pension plan overlooked them. And I urge the government – I urge the government to consider that, and to consider reforming their pension plan so that it brings in those people who, 25 year from now, will really need that pension plan. Thank you.

Some Hon. Members: Hear, hear!

Ms. Simard: — Sorry, sir. Mr. Speaker, there's an amendment I wish to move:

That all words after the word "legislature" be deleted, and the following substituted therefor:

regrets that the provincial government's Saskatchewan Pension Plan fails to address the needs of low-income Saskatchewan people.

It's an amendment to the main motion, Mr. Speaker, moved by myself and seconded by the member from Saskatoon Sutherland. Thank you.

Some Hon. Members: Hear, hear!

Mr. Koenker: — Thank you, Mr. Speaker. I'm pleased to speak, both to the original motion and to the amendment, because of the importance of pension reform – the vital necessity of having reform that deals with the real problems that people face. People in Saskatchewan, and across Canada today, need real security and protection in their old age, particularly low income people. And that's the thrust behind the amendment to the original motion, the failure of the government's pension plan to provide realistic protection, reasonable protection for low income people.

The problem is this in a nut shell: — the people who have the money can provide for their own pension plan, and the more money that an individual couple has, or an individual has, the more proportionately they can provide for their own pension welfare down the road, the more that they can put into their own private plan. And so the problem with this PC pension plan is that the poor won't be banking on it. They can't afford it.

Now, Mr. Speaker, what we have with this PC pension plan is fundamentally a plan for the rich. It's a plan that is fundamentally unfair and it's predicated on the ability of an individual to provide for their own pension protection – a plan where a high income earner, for example, a medical doctor, can make a \$300 payment on behalf of his spouse into the pension plan, the spouse who presumably wouldn't be working and has no income of her own. And lo and behold, this spouse is eligible for \$300, dollar for dollar matching contribution, from the Government of Saskatchewan, from Saskatchewan taxpayers.

(1645)

Someone who doesn't need government money,

someone who can afford their own pension protection within their own family, this is the person who gets a government grant from the PC pension plan. And so the real beneficiaries of this PC plan are primarily wealthy home-makers, those who can afford to take advantage of it.

And so because individual income and not family income is used as the basis for calculating contributions, we have an inequity – an inequity where taxpayers end up subsidizing the spouses of wealthy people who could well afford to put in the contributions themselves.

And so I say, as a positive pension reform measure, I say to the government opposite and to back-benchers opposite, talk to your cabinet about making changes which will eliminate this particular provision in the plan. It would be a real improvement and it would be one cut-back that would affect a reasonable, desirable savings for Saskatchewan taxpayers. Amend this plan in the following fashion, by eliminating that provision for the rich to benefit, and you would have a real and meaningful pension reform, not the kind of hollow reform that we have right now.

Now we need to take a look in order to understand this plan, at what it means for a home-maker on a low income, or on a fixed income, for someone who is a single parent with dependant children earning less than \$9,133 a year. And it's a very different plan indeed. In fact, it's no plan at all.

And it seems almost that this plan was calculated, deliberately calculated, to exclude such an individual from securing any pension benefits from the Government of Saskatchewan. Why? Because in order to benefit from this PC pension plan, one has to be able to afford it. One has to be able to contribute to it in the first place. And that's precisely why a single parent or a person on minimum wage with two dependants can't afford to participate.

And the numbers that the government members take such pride in talking about – that fact that 80 per cent of the contributions, the contributors, were eligible for government assistance – I think is a testimony to failure of this plan. You can bet that very little of the \$9.4 million of taxpayers' money that was invested into this plan, was invested by people in low income situations. Imagine how ludicrous someone who's forced to go to a food bank in order to feed their family, freeing \$300 a year to put into this pension plan. This plan is cruel in the extreme.

Mr. Speaker, when the National Council of Welfare had set the '86 poverty line at \$10,108 a year for a single individual living in a city the size of Saskatoon or Regina, those people at a poverty level of \$9,133 are not in a position to invest in their future, to invest in this bogus pension plan.

And the problem then is that this plan sounds fine but it fails to give benefits to those who need it. It betrays Saskatchewan's poor. And far from being a forward-looking pension plan, it's an incredibly backward step in pension reform.

It's part of the PC agenda to privatize poverty, to put the burden of retirement on individuals who can't even begin to pay for it in the first place, and at the same time to privatize big government grants to people who have the big dollars to provide for their pensions in the first place, who can well afford to pay for their retirement.

Another fundamental flaw with the Saskatchewan Pension Plan is that it's a poor second-best to a comprehensive plan, to a plan that meets the real needs of Saskatchewan people in terms of portability. This plan lacks portability even as it lacks credibility. This plan is not portable. As long as the individual lives within Saskatchewan, it's portable — only as long as the individual lives within Saskatchewan and contributes to the plan and gets the government's matching grant. But should the individual leave Saskatchewan and move to Ontario or Alberta, there would be no corresponding plan and his or her pension contributions and provisions would cease. This lack of portability then is a major weakness in this plan. Dollars put into the plan aren't lost when a person moves, but they certainly are frozen. And there is no way an individual can have the sort of continuous pension protection afforded by the Canada Pension Plan.

And so I say, Mr. Speaker, that Saskatchewan people today need a pension plan that provides real protection, meaningful protection, a plan that is portable, and a plan that is fair. And this PC plan fails on all of those scores. It is not only a flawed plan, a plan that is second-best, but it is a plan that is fundamentally unfair.

New Democrats place a high priority on meaningful pension reform, particularly pension reform that's aimed to help those who need it most. This plan is not that kind of pension reform and I feel compelled, therefore, to second the amendment moved by the member for Regina Lakeview, and to condemn this plan fundamentally for its failure to help those who need pension reform and pension protection the very most — namely, those on low and fixed incomes.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Britton: — Thank you, Mr. Speaker. I am pleased to rise and speak to the motion of my friend from Wascana. For the benefit of the Assembly I will repeat the resolution: —

That this legislature commend the Government of Saskatchewan for implementing the Saskatchewan Pension Plan, the first pension plan of its kind in North America.

Mr. Speaker, let us briefly look at exactly what the plan is, what it does, and what it is not.

First of all, Mr. Speaker, it's not another welfare plan. Members opposite would like it to be another welfare plan, another welfare program, but that is not what the plan was designed for and that is not something which I could endorse. But I do believe that the treatment of our elderly poor is worth commenting on in this debate, as I

know members opposite need to have their memories jogged every once in a while.

The province does in fact have an income support program for the elderly poor. That program, of course, is the Saskatchewan income plan. Now, Mr. Speaker, the NDP will say that they set up this SIP (Saskatchewan income plan) plan, and that is in fact true. They set it up to give the poorest seniors in our province 25 whole dollars a month. That's right — \$25 a month, Mr. Speaker.

Well, Mr. Speaker, any thinking person knows that you're not going to raise anyone out of desperate circumstances with \$25 a month. In today's world that is a pittance. So when this government, the Progressive Conservative government, took power it set a high priority on assistance for our poor seniors. First, we raised the SIP payments 100 per cent. Then we raised it again another 100 per cent. Payments are \$100 per month instead of the paltry \$25 per month provided by the NDP.

I think it's fair to pose the question: — if the NDP are so committed to helping the elderly poor, why is it that it took a PC government to provide meaningful income support? The member from Lakeview, I believe it was, suggested that this program didn't go far enough. Well, Mr. Speaker, we on this side of the House don't always suggest that everything is 100 per cent. But it is a start; it's something no one else ever done.

The member also suggested that you had to have \$300. You don't have to have \$300. You can put in \$1. Whatever you can afford you can put into this plan.

Another thing about this plan, Mr. Speaker, is you can start the plan and you can move to another province and you can come back to the province and start in and start up the plan again. It's never happened in North America before. A remarkable plan, Mr. Speaker.

The government also instituted the heritage grant program for seniors, that provides \$500 for every single senior and 750 for every senior couple in the province. The members opposite keep talking about a pension for seniors. This is not a pension for seniors. This is a pension for the ordinary working class people. A pension when they reach retirement age, not old age; retirement age is what we're talking about, Mr. Speaker. The heritage program by itself provides greater assistance to seniors than the NDP ever could with their \$25 plan.

Mr. Speaker, the record speaks for itself on those who best assist the elderly poor in this province. But, Mr. Speaker, the Saskatchewan Pension Plan was not designed to be a social assistance program. It was designed to be a mechanism to provide spouses, self-employed people, and small businesses with a workable and successful pension plan. That is the purpose and that is exactly the function it is serving.

Mr. Speaker, the facts bear out that the plan is working, with tens of thousands of Saskatchewan residents joining and contributing to the plan. If the plan was no good, Mr. Speaker, I submit to the members opposite: why are people joining it? Is everyone over in Saskatchewan don't

know a good thing when they see it? Is it only those people over there that have got common sense?

I also want to point out, Mr. Speaker, that this plan is of special value to low income people and to women. Low income people are eligible for 100 per cent matching contribution to the plan. If they wanted to put in \$1, Mr. Speaker — \$1 — the plan immediately puts in another dollar, and those two dollars together earn interest and perform along with the pool of investment created by all investors. You don't have to have \$300, Mr. Speaker — \$1, if that's all you can afford.

And again, I would like to suggest to the member from Lakeview, if this plan is not 100 per cent, where were they for the years that they were in, when there was money in the till — money in the till that they could have used for a pension plan? They didn't spend it for the pensioners. They blew it, Mr. Speaker, they blew it.

Now, Mr. Speaker, this plan is particularly of benefit to women because it allows them to have a separate and secure pension plan in their own right, Mr. Speaker, in their own right. A woman whose husband may earn a significant income, but who, on her own, does not have a significant income — and I need not remind you, Mr. Speaker, that there are a large number of women who have no income at all, independent of their spouse — such women are entitled to the full benefit of the matching contributions. In this way they build up a security for their own retirement without being completely dependent upon income and arrangements from their spouses. You know, Mr. Speaker, the tragedies that occurred when women were forced into total dependencies upon their spouses for security of income in their retirement.

Mr. Speaker, I would like to make a lot more comments on this, but as I see the time, I would beg leave to adjourn debate.

Some Hon. Members: Hear, hear!

Debate adjourned.

The Assembly adjourned at 5 p.m.