

The Assembly met at 2 p.m.

Prayers

## ROUTINE PROCEEDINGS

### PRESENTING PETITIONS

**Mr. Kowalsky:** — Mr. Speaker, I rise pursuant to rule 11 to present a petition signed by hundreds of Saskatchewan students some of whom are sitting in your gallery, Mr. Speaker, and residents. They are expressing their opposition to the government's underfunding of post-secondary education which is eroding the quality of education and denying opportunities to Saskatchewan young people.

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

**Mr. Prebble:** — Mr. Speaker, I too rise pursuant to rule 11 to present a petition, signed by hundreds of Saskatchewan students, to this legislature. These students, Mr. Speaker, are expressing their opposition to the government's cuts in the funding for post-secondary education. They are expressing their opposition to the elimination of the Saskatchewan student bursary program and they're expressing their dismay at the lack of an adequate summer student employment program in the province of Saskatchewan, Mr. Speaker. I'm pleased to present these petitions on behalf of the students of Saskatchewan.

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

**Mr. Hagel:** — Mr. Speaker, I too rise to present, according to rule 11, hundreds of signatures by way of petition, signatures from Saskatchewan students and residents around the province. These people, Mr. Speaker, are expressing their opposition to the government's underfunding of post-secondary education and the fact that it is eroding both the quality of education and denying opportunities to Saskatchewan's young people. On behalf of these hundreds of people, Mr. Speaker, I present this petition to the legislature.

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

### NOTICES OF MOTIONS AND QUESTIONS

**Hon. Mr. Hepworth:** — Mr. Speaker, I give notice:

That I shall, on Friday, April 8, 1988, move first reading of a Bill, An Act to Provide for the Resumption of Instruction, Teaching and Examination of students at the University of Saskatchewan.

### INTRODUCTION OF GUESTS

**Hon. Mr. Schmidt:** — Thank you, Mr. Speaker. First of all, I have two groups of guests to introduce. I'd like to introduce to you, in your gallery, 13 adults, ages 18 to 28, who are taking part in the YWCA (Young Women's Christian Association) nanny training program and they are here with Valerie Davies. This is a government sponsored program to enhance their skills in this

particular area, and I would like all the members to welcome them to the Assembly, and I wish them encouragement in their studies and futures. So would you all welcome them.

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

**Hon. Mr. Schmidt:** — Mr. Speaker, secondly, while I have your attention and your indulgence, I would like to introduce in the west gallery the mayor of the town of Balcarres, Saskatchewan, Mr. Gordon Townsend and his wife Myrna. I welcome them here to the legislature. I know that everyone still has to learn something — the mayor has a great deal of knowledge and doesn't need to learn as much as some of the students that come here — but I'm hopeful that the mayor of Balcarres will have an interesting visit here this afternoon. I ask the members to welcome him here.

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

**Mr. Brockelbank:** — Mr. Speaker, I rise on behalf of my seat mate, the member for Regina Centre, who is unavoidably detained this afternoon and won't be here until a little bit later, to join with the Minister of Labour in welcoming the 15 adults from the YWCA nanny training program. They are here in the Speaker's gallery this afternoon, and I will be meeting with them later on on behalf of the member for Regina Centre in whose constituency the YWCA is. In welcoming them to the Chamber, Mr. Speaker, on behalf of the member for Regina Centre, I'm sure all members will join with me in extending a warm welcome. and a question is in my mind, Mr. Speaker, whether the people attending here on behalf of the YWCA nanny training program has any significance that they're also here at the question period today.

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

**Mr. Kowalsky:** — Mr. Speaker, it's my pleasure today to introduce to you, and to introduce to the members of this House, representatives of student bodies in our post-secondary institutions here in Regina and in Moose Jaw. We have with us today the president of the Saskatchewan branch of the Canadian Federation of Students, Lyndon Surjik. We have with us Sean Caragata who is the president of the students' union of the University of Saskatchewan. I think we have with us also the newly elected president, and we have with us Elaine Brogden, who is from the Wascana Institute.

I would ask that these students please rise, and I would ask that all members greet them in the traditional manner.

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

**Mr. Lyons:** — Thank you very much, Mr. Speaker. I'd like to introduce to you, and through you to the other members of the Assembly today, two scholars from the People's Republic of China who are visiting here. They are Zhu Yu Chao and Zhao Zhi Jun, and they're seated in the east gallery, and accompanied by their friend and translator, Mr. Orin Durey. I would ask all members to welcome them to the Assembly today.

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

## ORAL QUESTIONS

### Funding of Post-secondary Education

**Mr. Kowalsky:** — Thank you, Mr. Speaker. My question is to the Minister of Education. Mr. Minister, students from post-secondary institutions in Prince Albert, Moose Jaw, Regina, and Saskatoon have taken the time to organize and deliver a petition to this legislature, and they've done so to show their strong feeling that the underlying problem underlying post-secondary education are your cut-backs. Last year you cut education by \$27 million in real dollars. This year your 1.9 per cent increase is less than one-third the cost of inflation.

Will you listen, Mr. Speaker . . . In fact, Mr. Speaker, since your government has come to power, the university funding per student in real dollars — including the massive inflation caused by your government's policies — in real dollars has dropped by 23 per cent.

Will you listen to what the students are saying; will you restore funding; will you guarantee quality and accessibility to our university?

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

**Hon. Mr. Hepworth:** — Mr. Speaker, we've made a number of changes over the past year to post-secondary education, aimed directly at providing increased accessibility to students from all across this province to post-secondary education, whether they be institutes or universities. Our initiatives relative to distance education were aimed as well at the whole question of accessibility.

And on the other hand, the other part of the triangle, Mr. Speaker, the whole question of quality, because no student wants to graduate from any institution unless that institution has a very high reputation across the world, because that's what ultimately translates into jobs. And along with these changes we've put in place four centres of excellence across this province, used the regional colleges to deliver that programming across rural Saskatchewan, which also speaks directly to the whole question of accessibility, Mr. Speaker.

and the final point of that triangle — accessibility, quality, and funding — our commitment was there again this year in this budget with not a "hold the line" budget in education, Mr. Speaker, but in fact an increase for institutes and for universities and indeed for education across the piece. Four of every five dollars, new program dollars, in this last budget, Mr. Speaker, went directly to two areas that people consider critically important — health and education.

Our commitment to education, Mr. Speaker, is unshakeable.

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

**Mr. Kowalsky:** — Mr. Minister, the underfunding by your government has caused quotas on students at the

University of Saskatchewan. It has reduced the spaces, the number of spaces in the technical institute, by 1,100 spaces. And yet your government feels it's quite all right to spend \$34,000 a day renting empty office space in the luxurious Ramada Inn.

I'm asking you to change your priorities, Mr. Minister. Will you assure these students, and will you assure the people of Saskatchewan, that you will no longer cause restrictions to enrolments at the University of Saskatchewan or at our technical institutes?

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

**Hon. Mr. Hepworth:** — Mr. Speaker, the member for Prince Albert talks about restricted space, or somehow that this government isn't committed to institutes and institute programming. I would ask you, and other members of the legislature, where was he and his party for some several years? Did they build a new institute in Prince Albert, Mr. Speaker? No, they did not.

And let's look at the last four or five or six years and what has been the enrolment, Mr. Speaker; what has been the total enrolment? Well we've gone, Mr. Speaker, from '81-'82, 19,862 people in our institutes, Mr. Speaker, to in '86-'87, 26,077. Now that's a real increase, Mr. Speaker.

And I want to tell you and every member of this legislature and the public of Saskatchewan, despite what they say, despite what they say, the fact of the matter is more young people are having the opportunity to continue a post-secondary education opportunity in this province than ever before, Mr. Speaker, than ever before.

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

**Mr. Kowalsky:** — Supplementary. Mr. Minister, the amount that you have increased operating grants to public schools, universities and technical schools this year equals about half of what your government gave to Peter Pocklington.

Now it's a double standard, Mr. Speaker. Your underfunding has brought out unprecedented labour strife at the university. The institutions and the instructors are under stress, and the quality of education is threatened. So I ask you again, Mr. Speaker: will you make a commitment; will you make a commitment today to increasing funding so that post-secondary education will be up to a fair and reasonable level?

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

**Hon. Mr. Hepworth:** — Mr. Speaker, here is a classic example of a point that the opportunity missed. In their blind ideology, in their blind pursuit of socialist dogma, they again raise this spectre of Peter Pocklington, this rotten multinationalist, that this is somehow bad for this province and bad for our young people. Well I want to tell you what the consequence of Peter Pocklington moving into Saskatchewan means, Mr. Speaker.

Peter Pocklington buys hogs from farmers, and he processes them in a packing plant. And the reason he has

moved here is because hog production has gone up substantially in this province. And what has that meant for some of these young people, Mr. Speaker? One of the new programs that's been put in place at the institutes this past year is a program to give opportunities, training opportunities, in the area of swine herdsman, swine management, and swine technicians.

And I saw a clip on television the other night where they did a feature on this for about a half an hour, and there are young people getting jobs in the hog industry because of the Peter Pocklington of the world, Mr. Speaker, not the other way around, Mr. Speaker.

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

**Mr. Prebble:** — Thank you very much, Mr. Speaker. Mr. Speaker, a new question to the Minister of Education. Mr. Minister, if you were really serious about helping the University of Saskatchewan with its urgent needs, you would have come down this year with a budget increase of at least 6 per cent for the universities of this province. Mr. Speaker, instead we've seen a government that has frozen the budget last year, and in real terms over the last two years you've cut the budget at the U of S by 8 per cent, Mr. Minister.

Classes at the U of S are filled to the brim. The College of Arts and Science at that university has had a 48 per cent increase in enrolment since '82 and hasn't been able to hire a single new faculty member because of your policies.

My question to you, Mr. Minister, is this: if you are serious about helping the universities of this province, will you increase the budget of the two universities in Saskatchewan by at least \$9 million, Mr. Minister, over what they received in 1987? Will you in effect, Mr. Minister, release your stranglehold on the universities of this province?

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

**Hon. Mr. Hepworth:** — As it relates to the funding of universities, Mr. Speaker, last year when I met with both boards of governors and raised with them, in a brief, the fact that over this next four years . . . I gave them some expectation of what they could look for. I suggested then it might well be two years where we had to hold the line.

The reality is, because of this government's commitment to education we did find additional money this year in the budget for education. I'm very proud of that, Mr. Speaker, because it does mean more opportunities for those at universities, whether it be addressing the issue of more staff or more programs or less tuition for the young people.

Just on that point of funding, Mr. Speaker, I reiterate again, if you look at our record, our Premier's record on funding over the last five or six years, we've increased by a greater percentage than any other . . . the funds we've advanced to universities, both operating and capital, have increased by a greater percentage to our universities than any other university in western Canada, Mr. Speaker, and that's a fact.

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

### Employment Prospects for Young People

**Mr. Prebble:** — Mr. Speaker, a new question, and this time a question to the Minister of Human Resources, Labour and Employment. Mr. Minister, the employment picture for young people in Saskatchewan is very bleak. The unemployment rate right now for people age 15 to 24 in this province is fifteen and a half per cent. There are 3,000 fewer jobs available for young people now than there was a year ago at this time. And next week, Mr. Minister, university students will be coming out of classes and looking for work.

Now, Mr. Minister, you have cut the summer student employment budget from \$10.5 million in 1986 to \$4 million in 1988. Five thousand fewer young people will get employment this summer as a result of that policy. And my question to you, Mr. Minister, is with fifteen and a half per cent youth unemployment in this province, why don't you take \$8 million out of your \$20 million government advertising budget, put it into summer student employment for young people, and give young people in this province some hope that they can get a job this summer under your government's policies.

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

**Hon. Mr. Schmidt:** — Mr. Speaker, the member opposite has a very short memory. He can't recall last year when we had record student employment in Saskatchewan under a similar program, and the amount that we spend is more than double what the NDP spent. And so, therefore, I don't see how the member opposite can justify triple the spending when he also denounces the deficit and he doesn't want to have any tax increases.

What I'm saying, Mr. Speaker, is that we had record student employment last year in Saskatchewan and that we are spending the same amount of money as last year. And I expect that the economy has improved somewhat, that we are out of the downturn. And I expect that it will be a good year for student employment this year because of two reasons: the attitude of this government towards business is healthy and that causes jobs; and secondly, we have government programs designed specifically for students. They denounce the gas rebate, but it will hire students. So they can't have it both ways, Mr. Speaker.

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

**Mr. Prebble:** — A final supplementary, Mr. Speaker, to the same minister. Mr. Minister, in 1986 you created 8,000 summer student jobs for young people. Last summer you created only 4,000, and it'll be no better than last summer this summer, Mr. Minister. The unemployment rate for young people was about 13 per cent last summer. This year unemployment is running at fifteen and a half per cent province-wide, and approximately at 20 per cent in Saskatoon.

Now my question to the minister is: last summer, Mr. Minister, you decided that you would make non-profit organizations in this province and municipalities

ineligible for hiring young people for summer student jobs; and those two groups, Mr. Minister, have the best track record in this province in terms of hiring young people in seasonal work and giving them good experience. And my question to you is: will you now, Mr. Minister, announce that you'll change your policy and that municipalities and non-profit organizations will be eligible for funding under your student summer employment program?

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

**Hon. Mr. Schmidt:** — Mr. Speaker, there's the difference between our government and their policies and the way they operated this province. They do not realize that business creates the jobs, and that last year business created the jobs — that business, agriculture, those kind of businesses, mining, all of the things that people do for profit — that's what creates wealth, that's what creates jobs.

What does not create jobs is government spending — that is spending what other people have produced. We are allowing other people to produce, and when they produce, they create jobs, and I thank business for having a record amount of student employment last year.

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

#### **Faculty Strike at the University of Saskatchewan**

**Mr. Goodale:** — Thank you, Mr. Speaker. My question is for the Minister of Education and it has to do with the current contract dispute at the University of Saskatchewan between the faculty and the administration there.

The minister will know that a serious impasse has developed — the conciliation talks broke off last night. And the minister will know that both sides in this dispute — both sides — have blamed him and his government for dooming the conciliation process from the very outset.

And I would like to know from the minister: were the ill-timed and ill-advised interventions in this matter by the minister and his deputy and the Premier just clumsy and foolish mistakes, or did this government have a deliberate strategy from the outset to provoke an insoluble confrontation and contrive a situation where legislation in this House could be the only recourse?

**Hon. Mr. Hepworth:** — Well, Mr. Speaker, as all members of the legislature know, I put before this House a notice of motion to deal with this very critical issue on behalf of university students in Saskatoon. But having said that, through all of this, Mr. Speaker, very much the preferred by all of us would be to have had the normal process work.

We made what I thought was a very constructive suggestion last week, and that was that the professors go back to work and put the strike aside until students finish their exams. Over and above that, the university has brought in a contingency plan. Over and above that, a conciliator was brought in, and it's unfortunate that last night talks broke down and we find ourselves facing the

situation we do this very day, Mr. Speaker.

**Mr. Goodale:** — Mr. Speaker, whatever this minister's strategy has been in this matter, it has obviously failed. And I wonder if the minister would now abandon that failed strategy and instead make himself and, if necessary, the Premier available personally to both sides in this dispute at the University of Saskatchewan, to work creatively and constructively toward a negotiated settlement in this matter before the proposed legislation for which the minister gave notice earlier today.

**Hon. Mr. Hepworth:** — Our strategy throughout all of this, Mr. Speaker, has been to keep the interests of the students uppermost in our minds, and we'll continue to do that, Mr. Speaker.

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

#### **Delay in Admission of Patients for Surgery**

**Mr. Koenker:** — In the absence of the Minister of Health, to the Deputy Premier: your Premier has said that your government should be judged on its record.

I have a constituent, a woman in Saskatoon who has cancer and is a cancer patient. To begin with, she had a five-month wait from the time of diagnostic procedure being booked until it was done in day surgery. Informed of a malignancy in mid-March, and that her gynecologist had rated this malignancy as urgent for surgery, it was only today that she learned she was booked for April 18. First a five-month delay; now a five-week delay.

That's your record. And what are you going to do to help a woman like this and thousands like her?

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

**Hon. Mr. Berntson:** — Mr. Speaker, I will talk to the member privately and I will get this individual's name and I will look into his allegation. But I have a very, very difficult time taking what he says as being credible when he sits down, as he sits down, Mr. Speaker, he says, and thousands more just like her.

You know, Mr. Speaker, they simply are incapable of dealing with fact. Mr. Speaker, I will be more than happy, more than happy to meet with that member privately and get the details of his allegation and check it out and do whatever I can, Mr. Speaker, to help this lady, if in fact what he says is true. But the people over there simply are not credible.

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

**Ms. Atkinson:** — New question to the Deputy Premier. Deputy Premier, I've another example of your government's record when it comes to health care.

There is a Regina man who has blood clots in his legs, and the doctors want to treat him but he can't get a hospital bed. In view of the fact that these blood clots could develop into a serious problem for this gentleman and currently are impeding his ability to walk, and in view of the fact that these blood clots could lead to gangrene and

other complications, and in fact could become life-threatening, and in view of the fact that your government spends \$34,000 a day on empty office space in this province when you could be supplying 84 new hospital beds per day, how do you justify the choices you make and the priorities that you have when it comes to health care?

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

**Hon. Mr. Berntson:** — Mr. Speaker, if I could just comment for a second on priorities. The priority of the Premier and the Minister of Health today was to open a new wing of the General Hospital here in Regina rather than . . .

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

**Hon. Mr. Berntson:** — . . . rather than come to question period to deal with questions that come from a group of people who have a high degree of credibility problems, Mr. Speaker.

I will take notice as well, and I will be happy, Mr. Speaker, as well, to talk with that member privately if she wants to give me the name and the details as it relates to the allegation that she's making. I'll be quite happy to look into it.

**Ms. Atkinson:** — This government continues to shoot the messenger, and the time has come to listen to the messenger, Mr. Speaker.

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

**Ms. Atkinson:** — I have a case here of a 73-year-old Saskatoon woman who has cataracts in both eyes. In November she was told it would take one year for surgery. In March she was told it would take another year. Her doctor is hoping that there'll be a cancelled bed and she'll be able to get into hospital.

Mr. Minister, the people of Elphinstone and Saskatoon Eastview are being asked to judge you on your record. What excuses will you offer them, Mr. Minister? Tell us the excuses that you will offer them in view of the priorities of your government when it comes to government mismanagement and government spending.

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

**Hon. Mr. Berntson:** — Mr. Speaker, I think we now understand what the real motive of members opposite is. They have no more concern for these people, Mr. Speaker, than flying . . .

**Mr. Speaker:** — Order, order, order. I'm having difficulty hearing the minister's answers. I'm sure other members are. Give him the opportunity to answer.

**Hon. Mr. Berntson:** — They have no more concern about the welfare and health of these people than they have in flying to the moon, Mr. Speaker. They are here with their cheap theatrics for cheap political purposes to try and score a point or two in the by-elections that were called yesterday, Mr. Speaker, and nothing more.

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

**Ms. Atkinson:** — Supplementary, Mr. Minister, these are real people. They are people that live in this province and they are part . . .

**Mr. Speaker:** — Order. Order. Order. Order. We're also having difficulty hearing the question, and therefore I would ask the co-operation of members to allow the member from Saskatoon Nutana to ask the question.

**Ms. Atkinson:** — Thank you, Mr. Speaker. Mr. Deputy Premier, these are real people. They are people who are part of the more than 15,000 people who are on hospital waiting lists in Regina and Saskatoon. And if you got one of these people into hospital every day of the year for the next umpteen years, it would take more than 41 years to wade through that list, and that's if you're prepared to do something about it.

Mr. Minister, that's your record, and the people of this province are being asked to pass judgement on that record. How can you, in face of the staggering numbers, continue to defend your wasteful government advertising, your wasteful spending when it comes to empty office space all over this province, when we have 15,000 people waiting to get into hospital? And they are real people; they are not the figment of anybody's imagination.

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

**Hon. Mr. Berntson:** — Mr. Speaker, that question — at a time when this government is spending more on health than has ever been spent in the history of this province — that question, Mr. Speaker, coming from that party, from that party when, Mr. Speaker, I remember when they were sitting over here and that member, the member for Regina North East was minister of Health, had a complement of nine medical professionals in the whole cancer treatment program of Saskatchewan. They were leaving because that minister would not fund cancer treatment in this province. This minister, my colleague that was minister just prior to the current minister, has funded cancer treatment, has built cancer clinics, has built hospitals. The Regina General, the new wing is being opened today; rural hospitals, urban hospitals, nursing homes — we will stack our record up any day against that party's.

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

#### **Contract Agreement with Saskatchewan Teachers**

**Mr. Tchorzewski:** — Mr. Speaker, I direct a question to the Minister of Education. My question is in regard to the government's long overdue settlement with the teachers and their contract.

Mr. Minister, the tentative agreement, if ratified, will increase the teachers' pay by 3 per cent this year, and it's going to cost the school boards of Saskatchewan an additional \$15 million. You have not provided for that increase in your budget. Your department's school operating budget increased, Mr. Minister, by only \$7

million.

In view of the fact, Mr. Minister, that you are forcing school boards to consider cutting programs and teachers, or drastically increasing property taxes, are you prepared to make a commitment in this House today that you're going to make up for this shortfall that you have provided in this budget so that they don't have to do either of those things?

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

**Hon. Mr. Hepworth:** — First of all, Mr. Speaker, as it relates to the negotiated settlement that has yet to be — at least tentatively — approved negotiated settlement that has yet to be ratified, I'm not about to comment on details of the settlement.

The hon. member is asking, is the commitment in education sufficient to meet teacher salary increases, more teaching positions, more program commitments, more computers in the classrooms; the answer is yes, Mr. Speaker.

And as it relates specifically to the question of teachers' salaries, it traditionally has been a 50-50 arrangement between ourselves and school boards, and my reading of school board officials after the budget was delivered last week was that they were very happy with the demonstrated commitment again to education in this province by the Devine government.

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

## INTRODUCTION OF BILLS

### **Bill No. 3 — An Act to provide for the Resumption of Instruction, Teaching and Examination of Students at the University of Saskatchewan**

**Hon. Mr. Hepworth:** — I, with leave, would move first reading of a Bill, An Act to provide for the Resumption of Instruction, Teaching and Examination of Students at the University of Saskatchewan. and as is customary in these situations, Mr. Speaker, I provided the opposition Advanced Education critic with an advance copy of the Bill, Mr. Speaker, so with leave, I would so move.

Leave granted.

Motion agreed to and the Bill read a first time.

**Mr. Speaker:** — When shall the Bill be read a second time?

**Hon. Mr. Hepworth:** — With leave now, Mr. Speaker.

**Mr. Speaker:** — Is leave granted? Leave is not granted. Next sitting.

## INTRODUCTION OF GUESTS

**Hon. Mr. Tusa:** — Before orders of the day, I would like leave of the Assembly to introduce some guests.

It's my pleasure, fellow members, to introduce to you the

First Southey Girl Guide Company, who is seated in the Speaker's gallery. They are accompanied by Margo Huber, Sandra Schultz, Sylvia Schneider, and Dennis Koch. They have just viewed the question period; they will be having a tour of the building. At 3 o'clock I will meet with them for pictures and for a brief discussion, which I would very much look forward to.

Please welcome these Girl Guides from Southey.

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

## ORDERS OF THE DAY

### SPECIAL ORDER

### ADJOURNED DEBATES

### MOTION FOR COMMITTEE OF FINANCE (BUDGET DEBATE)

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. Lane that the Assembly resolve itself into the Committee of Finance.

**Mr. Calvert:** — Mr. Speaker, it now being 2:39, I would like to resume my remarks in the budget debate, Mr. Speaker, but before I do that, before I resume my remarks in this budget debate, I would like to make a few observations about what happened in this House late yesterday afternoon.

Mr. Speaker, you will know that by playing on some inexperience on my part, the Deputy Premier and a few of his front-bench colleagues over there shut this legislature down. Mr. Speaker, the Deputy Premier and a few of his colleagues shut this legislature down.

Now in the short time that I've been around this place I've learned a little bit about political gamesmanship, and I understand that that has a role to play in this House, but I simply can't believe that the Deputy Premier and his close colleagues on the front bench, for the sake of political gamesmanship, would shut this legislature down — would shut this House down.

Mr. Speaker, I ask why? Why would they do such a thing? Well I don't think you need a degree in political science to figure this one out. Why, why do they want to shut down debate in this legislature? I'll tell you why, Mr. Speaker. It's because they don't want debate on their actions; they don't want debate on their budget; they don't want debate on their tax increases; they don't want debate on their mismanagement. Mr. Speaker, they don't want the people of Saskatchewan to hear about their record and their budget, so what do they do? They shut this legislature down.

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

**Mr. Calvert:** — Mr. Speaker, it's obvious. Monday night of this week, not one of those members, not a one, would stand in this House and defend this budget — not a one of them, Mr. Speaker, last night every one of them stood in this House to shut the House down. Every one of them stood to vote adjournment, Mr. Speaker. It's obvious, Mr.

Speaker, that this government doesn't want debate of its actions or its budget, Mr. Speaker.

Now, Mr. Speaker, if I may continue in my remarks directed to the budget speech and this government's record. as I indicated yesterday, when this government was given the mandate to govern, when this PC Party was given the mandate to govern this province by the people of this province, in many ways the people of Saskatchewan laid their dreams, their hopes and their dreams, at the feet of this government. In the course of the past six years, of seven budgets, they've seen those dreams trampled on.

Mr. Speaker . . . and I was saying yesterday, nowhere, nowhere and among no other group of people is this more true than among the young people and the young families of this province. They laid their dreams and hopes at the feet of this government, and they have seen them trampled.

This is true very much, Mr. Speaker, for the young families of Saskatchewan. Not so long ago, I had a gentleman come into our office to tell me about his 24-year-old daughter who is fully trained at a college level, who wants to live and work in this province, but who, for the past year and a half, has been living at home with her parents. And for the past year and a half she's been sending out resumes — without answer, without an opportunity. Mr. Speaker, there's something tragically wrong in this province when a young person with talents and skills and education can spend a year and a half and not find an opportunity to share those talents and skills and opportunities.

Mr. Speaker, not so long ago I had a couple come into our office who have three grown children, two of them married. Mr. Speaker, they tell me that each of their three children have left this province — left this province to find work and to build their homes in some other province because they couldn't find opportunity here. Those grandparents had dreamed of seeing their grandchildren grow up — had dreamed of watching their grandchildren grow up. They've been denied that dream, Mr. Speaker.

Mr. Speaker, I talk to Saskatchewan families regularly who have seen their wages held at zero for the past number of years. I talk to others who have, in fact, have seen their wages cut back in recent years. I talk to many families who see their hours of work being cut, being forced into part-time jobs. Mr. Speaker, I see these people trying to pay their mortgages, trying to clothe their children, send them off to school, trying to scrimp and save a little bit for a summer vacation.

Mr. Speaker, many of the farm families who I associate with have these days been forced into finding off-farm income, into taking any kind of a job they can to support their dream of holding on to the family farm. Mr. Speaker, I talk to families on a regular basis who have concern about their ageing parents, who wonder if their will be care and health care facilities for their parents.

I talk to mothers who question whether they're going to be able to afford prescription drugs for their children. I talk to families who today are receiving social assistance

who never dreamed — never dreamed — that they would need this kind of help.

(1445)

Mr. Speaker, let me just tell you about one other family, one other family of my experience. Prior to coming to this House, I served as a referral agent for the Moose Jaw and district food bank. And in that capacity I met literally dozens and dozens of families, many of them in crisis, but one that stands out in my mind is the mother of two teen-age children who came to me.

Having been deserted by her husband, she was left to raise those two children on her own. This woman had found her hours of work cut to part time. It was the season of her daughter's graduation, and if her daughter was to have a new dress for graduation, it meant that that money had to come out of the food budget. Her two children pleaded with her, because they were proud, not to come to me, not to join the line-up at the food bank. But she bent her pride, Mr. Speaker, and she came to me.

And I think, Mr. Speaker, it is simply a disgrace when in this province a mother must beg to feed her children or to get her daughter a dress for graduation. And I ask you, Mr. Speaker, what is in this budget, what is in this budget for that woman and that family? — nothing, Mr. Speaker. What is in this budget, what is in this budget for the young families of Saskatchewan? Has this government, with this budget, extended a helping hand to the families of Saskatchewan? No; I'll tell you, Mr. Speaker, where their hand is; their hand is even deeper, even deeper into the pocket-books and the bank accounts and the savings of Saskatchewan families. That's where the hand of this government is.

Mr. Speaker, the figures that I have indicate that since 1981 car insurance rates have risen 38 per cent in this province; telephone rates have risen 23 per cent; home heating rates have raised 55 per cent; electricity has been raised 51 per cent. In addition to those increases, Mr. Speaker, the figures I have indicate that on average, for a family of four with a net income of \$25,000, that family has seen a retail sales tax increase of \$100. They've seen an average property tax increase of \$400. They've lost their property improvement grant of \$230. They've seen an average prescription drug cost of \$144, and add to that another \$31 of miscellaneous license and fee increases.

Mr. Speaker, in addition to those increases, we have the unfair flat tax, increased in 1985, increased in 1987, and what happens with this budget? — increased again. Is there tax relief in this budget for Saskatchewan families, Mr. Speaker? No, not a bit of it; in fact, just the opposite. Is the hand of this government extended to help Saskatchewan families and young families? Not a bit of it. The hand of this government is deep into the pocket-books of Saskatchewan people.

Mr. Speaker, maybe these members opposite have forgotten, or perhaps they never knew, perhaps they never knew what it's like to farm with old machinery, and just to go from repair to repair to repair. Perhaps they've forgotten, perhaps they've never known what it's like to

have to find work off farm, any kind of work, just to hold the farm together. Perhaps they've forgotten, perhaps they never knew what it's like to work for a minimum wage and to see your wages cut back, to see your hours cut back, and in the meantime try to keep up the house payment and the car payment and get the kids off to school and save just a bit for summer vacation.

Mr. Speaker, yesterday the Minister of the Environment stood in this house and talked about the \$300 suits that he buys. Well perhaps he's forgotten, or perhaps he never knew what it's like for some people to try and clothe their family for a year with that \$300.

Mr. Speaker, when I read a headline in the *Saskatoon Star-Phoenix*, in which the Minister of Finance of this province described this budget as "fair," as "fair," I said to myself, how far out of touch with Saskatchewan families can this government get — how far out of touch can they get with the reality of life in Saskatchewan for most families. No, they're not out of touch with their family of corporate friends, Mr. Speaker, not out of touch at all. And you will note, in this budget, who gets the tax breaks. How out of touch they are with Saskatchewan families, and that old truth is just becoming more and more true: the rich are getting richer, the poor are getting poorer, and Saskatchewan families are paying the bill.

Mr. Speaker, given this government's record of mismanagement, given its record of waste, given its record of incompetence, given its record of patronage, this PC government has lost any right to further tax the families of Saskatchewan. Mr. Speaker, they do not deserve the right to govern any longer, and I'll tell you, when the results from Regina Elphinstone and Saskatoon Eastview come in, they are going to get that message loud and clear, Mr. Speaker.

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

**Mr. Calvert:** — Mr. Speaker, I say to you that young people and young families of this province, like many of us, laid hopes and dreams at the feet of this government. They trusted this group of men and women when they said, there's so much more you can be. Mr. Speaker, they've seen those hopes and dreams trampled on, and they've found out just how much less we can become.

And if only for the sake of the young people and the young families of this province, if for only that reason alone, I vote against this budget.

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

**Hon. Mr. Schmidt:** — Thank you, Mr. Speaker. It's a pleasure to rise and speak on this budget. Members opposite think that the members on this side are afraid to speak. That is not the case. As a matter of fact, we have sat here and listened to the members opposite for two or three days now, in their pious form, bring on tirade after tirade upon the members of this side of the government. I think, Mr. Speaker, it's time that there was a reply to some of the nonsense we have been hearing from the other side, and I use that as a polite form.

Now first of all, Mr. Speaker, this budget is a prime

example of the difference between the Progressive Conservatives of Saskatchewan and the democratic socialists of Saskatchewan. And I will proceed to show you, Mr. Speaker, and the members opposite, and everyone in Saskatchewan, how great that difference is.

First of all it is quite clear, Mr. Speaker, that the people of this province have in the past two elections, and will in the future vote for leaders who stand for something. They do not wish to have leaders such as the people now in opposition who stand for everything, anything to get elected. They will change their stance — and I will show that in this speech today — they will their stance from week to week and from month to month.

So first of all this budget, Mr. Speaker, is reasonable. Secondly, it is a balanced approach. Thirdly, it continues services to the people of Saskatchewan and reduces the deficit so that this government is in a position, on behalf of the people of Saskatchewan, to balance the budget when the world economy improves, and we are showing a track, a graph, that is declining so that it is now possible to balance this budget.

But what do the members opposite have to offer? Do they have anything to offer as to how this province should be governed or what kind of a budget we should have?

Well first of all they offer, there should be no tax increases. Everybody agrees with that. Then they say there should be no deficit. Well everyone agrees with that. Then they say there should be no reduction in spending, and everyone agrees with that. They stand for everything. But which of those three do they stand for? What kind of a balance between those three possibilities do they stand for? Maybe if they could pick and choose from those three, maybe they could govern, Mr. Speaker.

But there is a fourth — it is called economic growth. It is a solution that the members opposite don't even think about. This government, Mr. Speaker, believes that we can build Saskatchewan, that we can build an economy based on people working for themselves, building profits to share with others.

Now the members opposite think that wealth falls from heaven. Oh, I retract that, Mr. Speaker, I don't believe they think wealth falls from heaven because I have doubts if they believe there is a heaven. They believe that profits come from someone else. Well profits and the money that they buy and the services that we share have to be built in this province, and our goods have to be exported. And so, therefore, we have to have free trade, Mr. Speaker.

But no, the members opposite think we could build a wall around Saskatchewan. They think we could build a wall around Canada, and we could share — very happily share — a diminishing life-style. As Winston Churchill once said, socialism is equal poverty for all. And, Mr. Speaker, I don't think anyone in Saskatchewan would want to have socialism if they understood it as well as Churchill understood it.

But before I go into the details of this budget, Mr. Speaker, I want to talk about a second element of leadership, and that is moral leadership. You might say, how is that



related to this budget? Well I tell you, everything, Mr. Speaker, is related to the government of this province and how this province should be governed. And the members opposite have raised the very touchy point amongst themselves that this is an immoral budget. all of a sudden, Mr. Speaker, they set themselves out as being experts on morality, and maybe even believing in some. But, Mr. Speaker, when did the members opposite discover morality? And if they accuse this budget of being an immoral budget, Mr. Speaker, I want to show you and the people of Saskatchewan the difference between the Progressive Conservative Party and the members of the NDP opposite.

First of all, Mr. Speaker, let us look at some examples. Let us look at some differences and choices. This government stands for rights, and so do the members opposite, but this government stands for rights and responsibilities. But to the members opposite, Mr. Speaker, "responsibilities" is a dirty capitalist word which they cannot use, or would ever want to implement. So they stand for rights, rights, rights, but they never, ever stand for rights and responsibilities. That's what is causing moral decay, and they are leading the moral decay in this province with their attitude, Mr. Speaker.

Secondly, Mr. Speaker, we care for the people of Saskatchewan, and they say they care for the people of Saskatchewan; and maybe they do, but there is a difference. There is a difference in caring, Mr. Speaker. The government cares for and helps the people of Saskatchewan; they members opposite are caring and scaring. They say they care, but they go around scaring people rather than caring for people. They fill them with untruth. They use every political trick in the book to tell people they are caring while they are out there scaring the people. And they are doing it today in two constituencies in Saskatchewan — out scaring people when they say they are actually caring for people.

There's a difference, Mr. Speaker. We care and we help because we are the government and we have that responsibility, and we show that in this budget. and they care and they scare, and they care not for the people, but they care for themselves, Mr. Speaker. That is the problem.

Secondly, Mr. Speaker, we do not rant on and on about how we help the needy; we go out and do it, Mr. Speaker. Actions are stronger than words. But the NDP go out promoting government dependency. They are trying to create, and did prior to 1982, Mr. Speaker, a caring industry — caring for their friends, paid by the taxpayers. You pay the NDP's friends to care for the people that they have made dependent. And they have a cycle, a cycle of dependent people that they create, and caring NDP employees who care for the dependent people they have created. And the cycle goes on and on, Mr. Speaker.

However at a certain stage, Mr. Speaker, two things could happen.

And I say, Mr. Deputy Speaker, that I am pleased that you are now paying attention and that Mr. Speaker is going to his dutiful rest, and I address myself to you, Mr. Deputy Speaker.

I say that the members opposite speak only about caring — caring for their friends. And they create a system of dependency and government help — dependency and government help. And this system is financed by the labours of the independent individuals of Saskatchewan who believe in profits, in owning their own land, in owning their own businesses, in owning their own mines, and in harvesting the forest for themselves and the taxpayers of Saskatchewan, not for the NDP and their caring, tax-receiving industry. That is the difference in philosophy. This government believes in helping. The members opposite believe in rhetoric.

(1500)

Next, Mr. Deputy Speaker, this government is based on religious values. And I would say, Mr. Deputy Speaker, they are primarily Christian, but they are not limited to Christian religious values. They are moral values that are more or less universal between Christians and Muslims and the native Indian religions of Canada, and all other religions of the world have very, very common moral standards.

However, what is the position of the NDP? The position of the NDP is basically, do as you please. You have your rights to do as you please. You don't have any responsibility, and you can do as you please so long as you fit into and live under the socialist doctrine. And if you want examples, throughout the world, Mr. Deputy Speaker, you can have examples of socialist countries that are neither free, that do not have rights, that do not have moral values as part of their government, but they all have the freedom to live under the socialist doctrine.

So there is a considerable difference in values between this government and the members opposite. And they have the audacity, Mr. Deputy Speaker, to tell us this is an immoral budget. Then in addition, Mr. Speaker, there are other examples of morality and moral values. We have the members opposite taking several positions on some moral issues. And in particular, Mr. Speaker, I want to quote for you briefly from today's *Leader-Post*, one paragraph:

On the homosexuality issue, (the Leader of the Opposition, the Leader of the NDP) said . . . supports expanding the Saskatchewan Human Rights Code so discrimination in employment and housing on the basis of sexual preference is prohibited.

Now we have the true colours of the NDP and the Leader of the Opposition. At one time there was some doubt of the moral values of the members opposite, the members who would lecture us on what's moral and what's a moral budget and what isn't a moral budget. Well I will tell them, and I will tell you, Mr. Deputy Speaker, that this government has moral values, and that this government is consistent, and our position if quite clear.

First of all, we had the member from Moose Jaw North taking a position on behalf of the NDP that homosexuals should have greater rights than other citizens. They now have all the rights that you and I have, Mr. Deputy

Speaker, but they should have greater rights. They should have the rights to do as they please.

And the member from Moose Jaw North said, yes, the human rights code should be amended. Then the member from Moose Jaw North went into exile and could not be found. And then he pronounced that maybe it shouldn't be amended.

And then the media went to look for the Leader of the Opposition, and he had no position. And then last week, or the week before, on a radio open-line show, when the Premier of Saskatchewan said that this government would be opposed to homosexuals adopting children, the Leader of the Opposition said he had the same position as the Premier. But lo and behold, Mr. Deputy Speaker, now he has come out of the closet and he has told us exactly what his position is. His position is:

. . . the NDP supports expanding the Saskatchewan Human Rights Code so discrimination in employment and housing on the basis of sexual preference is prohibited.

Now they tell us that this budget is immoral, Mr. Speaker. I can tell you that the NDP in Manitoba have introduced such immoral legislation, and I can tell you that the legislation proposed by the Leader of the Opposition is clearly immoral, and I can prove it, Mr. Deputy Speaker.

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

**Hon. Mr. Schmidt:** — It is not only immoral by Christian standards, it is immoral by the standards of any recognized religion in the world. They have the audacity to say this is an immoral budget. What do they know about what is immoral?

Mr. Deputy Speaker, I want to show you further than homosexual activity, Mr. Deputy Speaker, is not moral behaviour by the standards of this government nor by the standards of our society nor by the standards of world religion. And recently, when this government, the cabinet of this government, met with the religious leaders of Saskatchewan, I can tell you, Mr. Deputy Speaker, that with the exception of one Christian church in this province, the Christian churches were unanimous that homosexual activity was not proper, was not a proper example for our children to see. The Christian churches were unanimous with the exception of one.

At that meeting also, the Islamic religion took the same position. And I can tell you, Mr. Deputy Speaker, that I discussed this question with Chief Roland Crowe, Chief of the Saskatchewan Federation of Indian Nations, and he told me that in their traditional Indian culture and religion, homosexuality was not tolerated and is not tolerated.

So if the members opposite think that this government is on a Christian binge, something that they do not tolerate, that it is not fair for a government to be Christian; if they think that this morality is limited to Christians, I tell you it is not. It is common to every religion of the world except the anti-religion of socialism. It is common to every real religion.

Now the members opposite, Mr. Deputy Speaker, are starting to hoot and holler, and they are starting to be edgy in their seats, and I see only one of the men of the cloth on their side that is present, and the other does not see fit to listen to this. But I continue my lecture, Mr. Deputy Speaker — I continue my lecture on what is . . .

**Mr. Deputy Speaker:** — Order, order. All members of the legislature will get their opportunity to enter into the budget debate, or have had their opportunity, so I would ask them to give the Minister of Labour his opportunity to address the budget speech.

**An Hon. Member:** — Not the Minister of Labour.

**Mr. Deputy Speaker:** — The Minister of Human Resources. I would ask you members to give him the courtesy of allowing him to address the budget speech in his way.

Order. The member from Regina North West, I would ask you to be quiet while the Minister of Human Resources is on his feet.

**Hon. Mr. Schmidt:** — Thank you, Mr. Deputy Speaker. So the members opposite, after accusing this government of being immoral, after having the member from Saskatoon . . . there's so many seats there . . .

**An Hon. Member:** — University.

**Hon. Mr. Schmidt:** — No, not University; it's Paul Schoenhals' seat . . .

**An Hon. Member:** — Sutherland.

**Hon. Mr. Schmidt:** — Sutherland — thank you. The member from Saskatoon Sutherland having the audacity to say that the Premier was fundamentally immoral, and we on this side, because their speeches are so boring, we're not quick enough to jump up and take them to task on judging what is moral and what is not moral.

And I say to you, this government has a policy to serve the people, and in comparison the NDP have a policy of the people serving the government. And the policy of this government, in serving the people, includes serving the churches; it includes serving God — serving Allah, serving the Great Spirit — serving God by whatever name you choose God, to call God.

But the NDP has not got that same kind of view, and I was saddened to see what they have done, in particular, to one of our Christian churches, the United Church of Canada. And they have, Mr. Deputy Speaker, made a conscious effort to take over part of that church and gain political control of that church.

And I can tell you, Mr. Deputy Speaker, that the NDP candidate that ran against me in 1982, when she was defeated, when she was defeated in worldly politics went directly into theological politics, and has become a leader of the United Church of Canada in this province and is preaching socialism and their form of morality to

my constituents. And I can tell you that my constituents are tired of NDP politics in their church, and I can tell you also that there are clear examples of the NDP philosophy and the NDP philosophy having taken over the leadership of that church.

My wife was listening to an open line show the other day, and the leaders of that church were on there, and she could not believe what she heard. She heard them say, the Bible is outdated. When the discussion came to homosexuality, they took the NDP line that the Bible is outdated.

That, Mr. Speaker, shows where the NDP stand, and how they try to spread their socialism into everybody else's life and business. Now the NDP stand over there and they lecture us on morality. But I believe, Mr. Speaker, that their view is that morality is outdated. That is the NDP position: is morality outdated?

Mr. Speaker, I said I would prove, I said . . . Mr. Deputy Speaker, I said I would prove what is moral and what is not moral, and I do not believe that the Bible is outdated, even though the NDP might believe it is outdated. I do not believe that morality is outdated, even though the NDP may believe it is outdated.

And now I hear, from his seat, a member of my Lutheran Church, opposite, shouting at me. I say to him: I listen to him, I listen to his sermon, and this time, just this once, he's going to listen to my sermon, Mr. Deputy Speaker.

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

**Hon. Mr. Schmidt:** — And I ask, Mr. Deputy Speaker, the member for Saskatoon Sutherland to pay close attention to Leviticus 18, chapter 22:

You shall not lie with a man as with a woman; that is an abomination. (And) you shall (not have sexual intercourse) with any beast (to make yourself unclean) with it, nor a woman submit herself to intercourse with a beast.

That is a violation of nature. Now maybe, maybe the member for Saskatoon Sutherland thinks that the Old Testament is outdated. Maybe the NDP think that the Bible is outdated. So let us go to the New Testament, Mr. Deputy Speaker, and let us refer to Romans, Romans 1, 26, 27 and it says:

In consequence, I say God has given them up to shameful passions. Their women have exchanged natural intercourse for unnatural, and their men in turn giving up natural relations with women, burn with lust for one another, males behave indecently with males and are paid in their own persons the fitting wage for such perversion.

Now I see that the member from Saskatoon Sutherland, a fellow Lutheran, is paying attention. And I ask him, I ask him: where does it say in Luther's small catechism that homosexuals shall have the same rights as ordinary Christians, as ordinary citizens? Where does it say that that life-style is moral? Nowhere. I believe it does not say that anywhere.

And I say to the member from Moose Jaw South, he should show me that this kind of behaviour is moral. He should go back to John Calvert and think of what he had to say, and ask himself: does he really believe that the Bible is outdated? That is the question, Mr. Deputy Speaker. And they have the audacity to lecture us on morality and say that this is an immoral budget. This is a budget dealing with money and services to the people of Saskatchewan. This budget may have something to do with morality, but it is not an immoral budget.

Mr. Speaker, one more reference, just to satisfy this matter and give you conclusive proof of what is moral and what isn't. I refer to 1 Corinthians, chapter 6, verse 9:

Make no mistake, no fornicator nor idolaters, none who are guilty either of adultery or homosexual perversion, no thieves, no grabbers or drunkards or slanderers or swindlers will possess the kingdom of God.

(1515)

Now, Mr. Deputy Speaker, I do not profess to be a religious scholar. I do not profess to be a man of the cloth. I am not, and have not preached on the pulpit, as the member for Saskatoon Sutherland and as the member for Moose Jaw South. But on behalf of the Government of Saskatchewan and all of the people in this province who know what is right and who know what is wrong, I implore the members opposite to do what is right, to have some moral standards and stop talking about an immoral budget until they understand what morality really is, Mr. Deputy Speaker.

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

**Hon. Mr. Schmidt:** — Now, in addition — in addition, the Leader of the Opposition has now come out of the closet and told us exactly what their position is. And I want it made quite clear for you, Mr. Deputy Speaker, and for the media who are taking clear notes, because I am sure they will find some offence with a member of the government talking about moral issues in address to the allegation that a budget is immoral. I want you to know that this government, nor does this member, wish to persecute people who follow homosexual practices. We wish to discourage them, but we do not wish to persecute anyone.

And I have no doubt, Mr. Deputy Speaker, that there are homosexuals who are members of the Progressive Conservative Party of Saskatchewan. I have no doubt that there are some. And I do not wish to have those people ejected from our party, nor do I wish to have them ejected from their church and, for the most part, from the point of view of a government — maybe not of a religion, but from the point of view of a government — I wish to simply leave them alone. However . . . however, I also wish to discourage them and help them overcome these practices which I believe are not normal and are not moral. And in no way do I ever wish to have people who follow homosexual practices or, to quote the Bible, people who are drunkards, or people who are slanderers or swindlers showing a public example for my children. Nor do I ever

wish them to have the right to adopt children. Nor do I ever wish them to have any rights that I don't already have.

Mr. Deputy Speaker, you have to draw the line somewhere, and this is where we are drawing the line, Mr. Deputy Speaker. The Bible also refers to bestiality. Now how far do the members opposite want to let people go in their sexual orientation. There has to be a limit. Where are we going to draw the line? We have said, we will draw it right here, and we will try to help people. But we will certainly not give them rights above and beyond what the ordinary citizen of Saskatchewan has got, except for the members opposite, the members of the NDP in Manitoba and the Leader of the Opposition, who now proposes to bring in immoral legislation giving people the right to follow their own wishes regardless of what the majority believes is correct.

Well, Mr. Speaker, now that we have established what is moral and what is not moral, now that we have established the position of the NDP and their expertise in morality, let us now look at the real true measures of this budget and consider them from the point of view of what is fair rather than what is immoral.

First of all the member for Moose Jaw South, a man of the cloth, a man who knows the Ten Commandments, has told us that there are further . . . we are digging deeper into the pockets of the citizens, there's further tax increases. Let us look at tax reform and the income tax situation.

First of all, in this budget the flat tax has been raised one-half of 1 per cent, Mr. Deputy Speaker, to a percentage of 2 per cent. Now I recall — and the member for Moose Jaw South and the member for Saskatoon Sutherland were not here — but I recall when the members opposite, all nine of them, stood up and said that this was a disgusting tax, it was immoral, at the time when we brought it in. I can say that we were not pleased to have to raise taxes at that time, but it was necessary. But I remember all of those comments. And then I remember the NDP in Manitoba implementing the same tax. Oh, did their view of this tax change? Most definitely. In Manitoba it was reasonable, it was necessary, but in Saskatchewan it was totally opposite.

Let us look at what has happened with this flat tax. Alberta adopted it; Manitoba adopted it; it is now in Saskatchewan. Nobody on this side of the House likes taxation, and the people on the other side of the House would say that they are opposed to raising taxes, but look at their example, Mr. Deputy Speaker.

When they were first elected in Saskatchewan — not first — we won't go back to 1944, nor will we go back to 1932, the time warp in which they function; we will go back to 1971. From that period of time until the period of time that they were thrown out of office in 1982, they changed the Saskatchewan tax rate from 26 per cent to 52 per cent; doubled it — doubled the Saskatchewan income tax. They had no qualms about raising taxes.

They said we will tax, tax, tax, and we will hire more people, and we will provide more services, and more of our friends will be hired, and everybody will be happy, at

least in the NDP Party. And they were, until they were turfed out in 1982. Doubled, the income tax doubled during their last term of office, and they come along and say that this tax is immoral.

Now the next thing we have to look at is federal tax reform. The Progressive Conservative government in Ottawa is bringing in tax reform, and if the province of Saskatchewan did nothing, our tax revenue as a result of that reform would drop \$30 million on the spot. Now the members opposite say, well that would be good; yes it would, but the deficit would go up \$30 million on the spot.

Now in order to avoid that we could reduce some government spending. Now where would the members opposite want to start? It is not easy to reduce government spending, as this government has proven in the last year, nor is it very popular. So all sides of the House are agreed that there is a limit to how much you can reduce government spending.

So what our government has done is that we have said, because the federal government will take less, because the federal government has more and because Saskatchewan's economy is in the state it's in, this government will have to pick up some of that slack. So here's exactly what was done, and I'll give you examples, Mr. Deputy Speaker.

If you have a family income of \$5,000, did you pay taxes? No, as a matter of fact, if you filed in 1987 you would receive a tax credit of \$1,106. As a result of tax reform, and even with an increase in the flat tax, that family will receive an additional \$322.

Is that a tax increase for that family? I would say no. I would say that anybody who could add and subtract would say no. But I suppose maybe the members opposite, even after they added and subtract, would say yes. Who knows? But it's clearly there — \$322 for that lowest income family.

In addition, a family that had an income of \$10,000 in 1987 does not pay income tax but really receives a negative income tax payment. That means a supplement from the tax system of \$1,099, an additional \$329 even after tax reform and the flat tax change.

A family with an income of \$15,000, Mr. Deputy Speaker, has a payment from the tax system of \$411 in tax credits and will receive, after tax reform, an additional \$550, flat tax calculated into the calculation.

After that, Mr. Deputy Speaker, at an income of \$20,000, a family will receive an additional \$524. and it goes on and on that way.

And, Mr. Deputy Speaker, there is one family that as a result of tax reform will receive a tax increase, and that is a family that earns \$50,000 will pay \$14 more in taxes. Only in that category will anyone's actual tax go up. At \$50,000 your tax will be an extra \$14 — half the cost of a bottle of whisky, and about half the cost of a carton of cigarettes. So I do not believe that this is hardship.

But consider what we get with that additional flat tax. We get added health care. We get added education — things that the members opposite have been asking for, and out scaring people on. We are solving that. We are following a policy that they started — raise taxes, improve health care, improve education. We're doing just what they always did in practice, except we are doing it more thoroughly, Mr. Deputy Speaker, and that is why we are government and they are not.

Now, Mr. Deputy Speaker, let us look at the situation with respect to other elements of the budget. Let us look in particular at social services and some of our welfare system.

In 1982 we had a welfare system that offered little hope to people and encouraged dependency and abuse. Now, Mr. Deputy Speaker, I am pleased to tell you that we have a reformed welfare system — I admit it is not perfect — and we are making changes every day, and we will continue to make changes until we get it as close to perfect as possible. But, Mr. Deputy Speaker, I cannot stand here before this Assembly and declare that the system is perfect without having the 2,000 workers I have in my department implementing the system. I cannot do it by wish, as the NDP do; they wish everything were good. I must do it by action, and that's what we have started to do.

Now in 1984, Mr. Deputy Speaker, we started welfare reform. We believe, as a government, there should be alternatives to simply existing on welfare, that there should be hope for people. And so we have a three-pronged approach to welfare reform.

There are those people, first of all, who cannot be self-sufficient and we believe they should be helped. And I will show later on in this address, Mr. Deputy Speaker, that we have helped them more than any government in the history of Saskatchewan and, in some cases, more than any government in Canada.

But with this three-pronged approach, we believe that people who could be self-sufficient should be sent in three directions. First of all, completion of education. And since we started welfare reform, 11,000 people have been able to complete or further their education so that they can become self-sufficient. The second element, Mr. Deputy Speaker, job training — training on the job in businesses in Saskatchewan; and the third element, community work.

We believe that people who have time on their hands and are able-bodied should be able to do something to help others in society. We will assist them with their needs, but they also have to assist others. This sounds a lot like the NDP philosophy, and I can't see why they are against welfare reform. They believe that everybody should help each other, that we should all share, and our government is implementing this policy of: those people who can help, will help.

What we have then is 11,000 people completed their education since 1984. We have 8,500 people who have been able to take on-the-job training or community work.

In particular, Mr. Deputy Speaker, we have the New Careers Corporation through which 800 people have been able to take job training, on the job, building things, building roads in parks, learning to operate heavy equipment, improving beaches, building marinas, building a golf course — all in provincial parks. They are now building a golf course at La Ronge — all part of welfare reform. Things that will not only help the people of Saskatchewan directly, but will also improve our future benefits in tourism, to bring more money in to create more jobs so that fewer people will be on welfare.

In addition, the success rate of the New Careers Corporation has been tremendous, running in the 70 to 80 per cent range of people going through that program now full time employed, self-sufficient.

But that hope was not there before 1982. Before 1982 the philosophy of the NDP was: keep them dependent on us and they will have to vote for us. Our philosophy is: make them self-sufficient and they will thank you and they will vote for the Conservative government that made them self-sufficient. And it worked in 1986, I might say.

Now in addition we have other projects. The Par Industries project has assisted about 269 people in Prince Albert. They're now into actual logging. They started as clean-up work. They're now into actual logging. They have a contract with Weyerhaeuser — the dirty word.

(1530)

Now the members opposite have become so quiet that the word "Weyerhaeuser" does not even rouse them any more. I think maybe they are learning and they are now paying attention, Mr. Deputy Speaker. But they have a contract at Par Industries to deliver pulpwood to Weyerhaeuser. They have a lease from the province of Saskatchewan, and this non-profit organization is behaving like a small corporation: creating jobs, creating profits, paying off their mortgage, and training people to the extent that, Mr. Deputy Speaker, nearly everyone in Prince Albert that is single and employable now has a job or is continuing their education.

And the members opposite accused me . . . And here's another one of their wild accusations. They accuse us of being immoral. They accused me personally, Mr. Deputy Speaker, of being a slaver. Well I can tell you that the people working on these projects, to dispel these scares of the NDP, are paid more than they would receive on welfare in every case.

And in those cases where their job does not give them an income sufficient to get them off welfare, we top up their income. And we have about 1,500 people in this province who are working and are on welfare, because we pay welfare to people who are trying their best. If they're trying their best and they still don't have sufficient income to support themselves or their families, we top up their incomes.

In addition, the success rate of this Par project has been phenomenal. Two of the people that graduated from there, that I know of, are working at Weyerhaeuser on construction jobs at hourly wages in excess of \$13 per

hour. In addition, there are people who came to this project and got motivated. And they tell me the story of the woman who showed up and said, I won't cut trees, I'll get a real job, I'll go to McDonald's, and she did. And we were very pleased. But you have to sometimes motivate people.

And this project has been a motivation to the extent, Mr. Deputy Speaker, that the P.A. Raiders hockey club decided that they had 10 hockey players last fall who were not working and were not going to school, and so therefore the coach decided that on a . . . at 8 a.m. on a Wednesday morning those 10 hockey players should go out and volunteer to work alongside the other people on the project for their exercise — these hockey players were not being paid — but for their exercise in assisting in the logging operations.

Now a lot of this logging is by hand. They use chain-saws, but then they load the logs by hand, and they haul them away — sometimes they pull them out by horse, by horsepower — and what they do is they haul these logs out, and then they sort them and they cut them, and it's a lot of hand labour.

So 10 of the P.A. Raiders hockey team went on a Wednesday morning last fall to assist out there. And the coach said that the motivation of that project was phenomenal because that evening six hockey players said: hey, coach, do we have to go out there tomorrow because we think we would like to go to school tomorrow? So in one day alone, six P.A. hockey players were motivated to go to school, and I can tell you that there is a motivation factor in projects like the P.A. Par Industries project.

And not only is there motivation, but there is opportunity there. And you know, Mr. Deputy Speaker, that the forewoman of this project is a very versatile woman, and I was truly impressed that she was a forewoman there, working out there with these men and women in the logging operations. She's a non-traditional forewoman, you might say. And I was also impressed to meet her later with her boots off and with her coat off and her hard hat off, and she's a very charming woman.

I was totally impressed with this operation and the rehabilitation they are doing and the training they are doing in Prince Albert. And I might say that the people of Prince Albert and area are also impressed with that project.

And what caused it was two things: the people of Prince Albert and this particular project had the motivation to go out and do something; and this government had the flexibility to allow people to do something, rather than sit around. So people are learning; people are working; society is benefitting.

In addition, I might say, Mr. Deputy Speaker, that there's another good example of community work in my home city of Melville, Saskatchewan. And I didn't want to show any favouritism so I didn't push a project in my home city, but as we had 140 people out working in skating rinks and hockey rinks throughout the province this winter; the word spread to my city, the city of Melville, that we could

have welfare recipients doing community work and learning on the job. and they asked, would it be possible for the city of Melville to have welfare recipients work to complete the new Merve Moore Sportsplex.

Now the Merve Moore Sportsplex in the city of Melville is named in honour of a First World War veteran who died just this spring — I believe he was 88 years of age — and a true sportsman in the city of Melville, a true leader of youth, a true sportsman. And this complex, this new arena, is named after Merve Moore. But it wasn't being completed because we didn't quite have the money to complete it.

So, through this welfare reform project, Mr. Deputy Speaker, 11 persons in Melville were hired to do something — complete the arena, rather than to do nothing. They were being paid, are still being paid to do something, rather than being paid to do nothing. And all of a sudden this arena project took off and things got done.

And I walked into that arena and my son played hockey there, so I suppose I have a conflict of interest, as the members opposite might say, that my son plays hockey in this arena, and I do not hide it. And my little eight-year-old plays hockey in this arena, and when I went there these people on the project were happy. I saw a man that had been in my office earlier, and he was driving the cleaning machine, cleaning the ice, and it just so happened that he was skilled at tractor operations. And that man had a big smile on his face, and I went up and I talked to him, and he said, thank you for helping me get this job, he said, I like it here. And he's driving a tractor, the ice machine, and does a very good job. And before that they couldn't get anybody who wouldn't crash into the boards. And now this man is very proudly doing this job and I would hope and I would expect that he will probably be hired back next winter and the winter after that, and probably this man will have a job for many years in the future because he was given an opportunity to help himself and show what he could do.

Others, Mr. Deputy Speaker, others at this project in Melville — I had city . . .

**An Hon. Member:** — Did you give him a membership card?

**Hon. Mr. Schmidt:** — Did I give him a membership? No, he will buy his own membership card. We do not buy memberships for people in this party. The members on my side are testing me, and they know that there's morality on this side. We do not buy memberships for people on this side. This man has got a job; he can now buy his own membership.

In any event, there are other people working there, and aldermen in the city of Melville would come up and say, these are a good crew. Two or three of them are excellent carpenters. We don't know why they didn't have jobs. Well they didn't have jobs because nobody ever gave them a break. Now they will have a reference from the city of Melville.

These are more examples of welfare reform, giving

people a chance to help themselves, rather than, in comparison, the NDP philosophy of keep them dependent, keep them poor, buy them memberships, buy them memberships and they will be with the NDP for ever. We will let people achieve their full potential, Mr. Deputy Speaker. We will not hold them down or hold them back as the NDP have tried to do for years and years.

In addition, there are other elements of welfare reform, some so new that the public is not yet aware of them; some so new that the media has not yet discovered them. And I will give you a brief listing of some of the new things that we are doing.

In addition, we have a new job search training program, Mr. Deputy Speaker, which we started in Saskatoon a few weeks ago and have expanded to Regina. And what we did with this program is we decided that employable people probably couldn't get a job because they didn't know how to look for a job and they didn't have the skills, the knowledge, or the habits which would allow them to land a job.

So we decided that we would have a three-week training program and we would phone up welfare recipients and ask them if they will come and take this training program. And the program runs from 8 in the morning until 5 p.m., Monday to Friday, for three weeks — a normal working day — and you learn how to apply for a job, you learn where to look, you learn how you should try to dress. You learn all of the skills that maybe not everyone was able to learn in their home family, or the unfortunate that didn't have parents that taught them these skills.

So we decided that we would ask people to come to Saskatoon for this training. And, Mr. Deputy Speaker, we decided we wanted 20 people to start, and so we made 50 phone calls. After making 50 phone calls we found 34 people — 16 people could not be located. So since we couldn't locate these people, we invited them to come in and pick up their welfare cheques so we could talk to them about why they couldn't be found, and 16 just could not be found.

Of the 34, 20 agreed to come to the training program. And of the 20 that agreed, 13 showed up on Monday morning. So we located another seven and we started with this training program. And I might say that the program has been going very well, so we moved it to Regina in addition.

As part of this program, you receive the same welfare benefits you would have, you always did, but in addition you get your lunch because we felt that these people could not afford to eat out, so we decided to provide lunch. And so for the first part of the program, we provided lunch. But as you work on this, you get brighter, and we said: now just a minute, why should we bring caterers in? We will provide materials and the people could make their own lunch. So we have now got these people becoming more self-sufficient, making their own lunch during the training program, and the government supplies the food.

This program is going very well. One example, one man after three days phoned in and said he wasn't coming for

the fourth day; and we asked why, and he said, because he had landed a job as a welder. As a result of this program, he decided that if to find a job he had to do these certain things, he went out and he found one. So after three days he got a job as a welder. And we congratulated him and wished him well. We like to have our people in this program graduate early if possible. And so this program is going very, very well.

In addition, Mr. Deputy Speaker, we initiated earlier this week a pilot project in the city of Regina and in the city of Prince Albert and the city of Moose Jaw to have people who are able-bodied and under the age of 50 come and pick up their welfare cheques every month rather than us mail them out. Now we found that when there was a postal strike last June, 480 people did not show up to pick up their cheques. And in order to have more money for the needy, we have to cut the abuses out of the system, Mr. Deputy Speaker, so we've decided that we would try to cut the abuses out of the system, and then we would have more money for the people who are truly in need.

So we have implemented, starting this week, for this month in those three named cities, welfare cheque pick-up for people who are first of all, able-bodied, under 50 and have no dependents, no children to support. and we have found so far that 14 per cent of those people did not come to pick up their cheque. Now we will inquire as to why they were not able to make it, and we will probably find that some had good reason.

And I will report later, Mr. Deputy Speaker, as to the final result of this pilot project, and I will tell you also that we will expand this program into the city of Saskatoon next month.

I will tell you that this is a program designed not only to have single employables, the most transient element of our case-load, be responsible enough to pick up their cheque, but also to do some controls. And we spend five minutes asking how they're doing in their job search, give them advice, ask them if they need any help in any other way, because our department provides services beyond the simple provision of cheques.

So, so far this pilot project is working relatively well, Mr. Deputy Speaker. And in addition, we've started a pilot project for the joint payment of rent cheques on welfare recipients who are single employable and under the age of 50, and we will consider extending this if it works.

Now there may be some flaws in this. This is our first month, and we're trying to get it down to working properly and as fairly as possible. But so far it seems to be quite popular, and what happens here is simply this. I hear a constant barrage from the members opposite about the plight of the homeless, and it is the policy of this government and the Government of Canada that everyone shall have shelter and that everyone shall receive an allowance for rent. And if that allowance is spent on rent, then everyone should have a home.

So what we have done in this pilot project is we've made the cheques payable jointly to the landlord and the tenant, so that the tenant can only spend the rent on rent. But to prevent landlords from abusing tenants, the tenant

must also co-sign the cheque, because if we simply send it to the landlord, the landlord could abuse the tenant. So in order to have a degree of fairness and responsibility, the welfare recipient must take the joint cheque, endorse it over the landlord, and deliver it.

(1545)

So far we haven't had any complaints. We haven't had any questions from the members opposite in question period on these proposals. We haven't had the media report them. So I will assume, Mr. Deputy Speaker, that this is working very, very well, because the opposition has not opposed it, the media has not yet found fault in it, and the opposition is not even rushing out right now to find fault.

So I presume that this program will work very well and that we will continue to correct abuses because, Mr. Deputy Speaker . . . The members opposite are suggesting time is up, it is not up; they must listen to what is right, it's their turn to listen. Mr. Deputy Speaker, because we have been able to correct abuses in the welfare system, we have had more money to spend on the true, needy citizens of Saskatchewan.

And I can tell you today — here is the status in my department, Mr. Deputy Speaker. We have 5 per cent fewer people on welfare today than we did a year ago. So we have fewer people on welfare, but we are paying more money to the people who are still on welfare, more than we did a year ago, or ever. So what we are doing, Mr. Deputy Speaker, is accomplishing the goals of welfare reform — fewer people on welfare, correction of abuses, and helping those needy people who have to be on welfare. Certainly, Mr. Deputy Speaker, I do not say that everyone on welfare is an abuser. That is not the case at all.

And we have to start categorizing people by their needs. People who are disabled cannot be self-sufficient and we want to help them in every way possible. People who are partially disabled can be partially self-sufficient, and these people have done a very, very good job of trying to be sufficient to their very best. And that's why, as I indicated earlier, we do supplement work income, we supplement that with welfare payments so that people who are partially employable can fulfil themselves and do as much as possible.

And we do have, Mr. Deputy Speaker, single mothers, and these are people who either never did have a husband to support their children, or had a husband who ran away. And I might say that there are such men in Saskatchewan — too many of them I might say — and I would say that their behaviour is immoral. And I think for once the members of the opposition . . . I think one of them nodded their head and said such behaviour is immoral. Yes, there is one nodding her head.

So because these people are in these circumstances through no fault of their own, we have no objection with assisting them. We try our best to assist them, and here is the example of what we have been able to do, Mr. Deputy Speaker. Here is the situation of Saskatchewan's welfare rates, and what we are today, Mr. Deputy Speaker, is as

follows.

For a single employable person, Saskatchewan pays \$405 per month, which puts us sixth in Canada. I would like to be higher, but due to the economic situation we can not lead in all categories, Mr. Deputy Speaker. We are sixth in that category.

A disabled person would receive \$635 per month, Mr. Deputy Speaker. We are third in Canada, and I will make every effort to increase that.

For families, Mr. Deputy Speaker, we are first in Canada. One adult with one child, which would usually, nine out of ten times, be a single mother, we pay \$828 per month, which is the highest in Canada at \$828 per month. For a family of two adults and two children, we pay \$1,176 per month, which is also the highest in Canada, Mr. Deputy Speaker.

So we've been able, by having welfare reform abuses corrected, raise our rates so that we are the highest in Canada for families and the third highest for disabled people.

If you think, Mr. Deputy Speaker, that the NDP could do better than that, if you at all believe that with their great morality they would show greater leadership, I ask you to consider Manitoba, where the disabled are ninth in Canada at \$461 a month compared to \$635 in Saskatchewan.

I would ask . . .

**An Hon. Member:** — How is day care in Manitoba?

**Hon. Mr. Schmidt:** — The members opposite ask, how is day care in Manitoba? I will tell you later.

Now we are talking about the payments to the disabled — ninth in Manitoba for families. One adult, one child, Manitoba is ninth. For two adults and two children, Manitoba is fourth. Saskatchewan is number one in those categories. and the NDP, the last socialist government in North America, is ninth and fourth in the family category, where Saskatchewan is number one.

Now who are the mean and nasty people? Are they the Conservatives? I would say not. I would say to the caring, rhetorical members of the NDP on the other side, and to those that are now in Manitoba campaigning, why have they not raised those rates in Manitoba where they do have power for another 30 days or so?

**An Hon. Member:** — Twenty-eight.

**Hon. Mr. Schmidt:** — Twenty-eight days, I'm reminded. 28. In 28 days, Mr. Deputy Speaker, socialist government, the blight of socialist government will be wiped off of the map of North America. And for the first time, we will have freedom right across the continent.

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

**Hon. Mr. Schmidt:** — For the first time in my lifetime, I might say, and it will feel like a burden off of the people of



western Canada. So I have pointed out, Mr. Deputy Speaker, that we have raised the rates, reformed the system, made general changes, and in addition, Mr. Deputy Speaker, and I saved this for last because the members opposite would say, oh, you are harsh, you are harsh.

In addition, the Department of Social Services, contrary to what the critic opposite has said — he said that the Department of Social Services budget is down \$1.9 million. That is only a paper transaction. The budget is actually down; it is down \$13 million over the prior year. Last year we spent \$13 million over the prior year. Last year we spent \$13 million less than the year before and raised the rates and had the highest rates for families and the third highest rates for the disabled. And while doing all that, we did it because we reformed the system and there are 5 per cent fewer people on welfare. We are paying fewer people more money.

And how could we accomplish that? Well it wasn't easy, Mr. Deputy Speaker. I would say that we balanced the budget last year at Social Services for the first time in approximately 12 years. We're researching — it may be 18 years since the Department of Social Services ever came in on budget, and we did it through good management. And, Mr. Speaker, I thank the employees of the new management team in that department for coming in on budget in that manner and reducing the overexpenditure by \$11 million last year.

And how did we do that? First of all we had to change the management, because I cannot stand here and say the department will run well when the NDP's fifth column is managing my department, running it as badly as possible. And so I can tell you, Mr. Deputy Speaker, the NDP are correct on one thing: they wanted . . .

**An Hon. Member:** — Where are they now?

**Hon. Mr. Schmidt:** — They're in Manitoba.

**An Hon. Member:** — Where are they going to go next month?

**Hon. Mr. Schmidt:** — I don't know where they're going to go next, in answer to your question, but I would say we had better be careful after April 26 as to where they're going to go.

But here is the situation: last year the NDP in estimates were concerned as to how much money it cost my department to make management changes. I can tell them exactly how much it cost today. I've done the exact calculation. It cost \$202,000 to pay their friends to go away.

And I would have outright fired them except their friends had written up their own reports on how wonderful they were. And they were so wonderful that they were \$11 million over budget, but they still had all these reports in their files — excellent worker, fine work.

And when I checked it all out, when I checked it all out, some of them didn't even have the degrees that were in their resumes. And I went so far as to phone the University of Manitoba. My chief of staff did, and he found out that

the members the NDP had hired had listed degrees from the University of Manitoba that they did not own or exist.

But I will not ever mention names because those people are not with us any more, and they are on with their lives and their careers, some of them in the province of Manitoba.

Mr. Speaker, I say my department spent \$202,000 to pay NDP fifth column managers to go away, because that is the state of the law, and that is how they had rigged the evidence.

But, Mr. Speaker, let them tell the whole truth when they run out and shout \$202,000. They saved, they saved . . . the new management saved \$13 million. That is the best investment the people of Saskatchewan have ever made, is a better return than we ever got on a potash mine, or on a paper mill, or on a salt mine, or anything that the socialists ever invested in in this province. I can't even calculate how many thousand per cent return on investment that is.

So I do not, at all, ever apologize for paying \$202,000 to have their friends go to Manitoba, but I am sorry that they will probably be paid to go away again. That bothers me.

Well, Mr. Deputy Speaker, we have made management changes, and the new management is doing excellent work. And I might say, Mr. Deputy Speaker, that some of the new management is old management which has been re-educated and rehabilitated, and they are doing excellent work. And I can tell you that there is a great improvement in that department.

And it is not a philosophical problem for the workers in the field as long as they get some direction. But it was not possible to reform welfare, it was not possible to change the welfare system with management that was philosophically opposed to changing the welfare system.

And in addition, Mr. Deputy Speaker, it was not possible . . . The members opposite ask about credentials, the credentials of my deputy minister. Well I will tell you: my deputy minister — without going too much into his personal life — was born into a CCF (Co-operative Commonwealth Federation) family, worked for the co-operative movement, was a union organizer at one time; he rose to management, was management in the co-operatives. He then was also in various other elements of management. He did a brief stint with the church — a church — the church of his choice in British Columbia, and he came back and he now manages the Department of Social Services. Now I don't know if he's still CCF; I don't really care, but he does an excellent job, I tell you, Mr. Speaker, and that's all that I'm interested in.

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

**Hon. Mr. Schmidt:** — Now they want to know about my new associate deputy minister. Well, I have two, both of them were hired by the NDP government, and both of them are doing an excellent job. And I am afraid that after April 26 some of this good management will be lured to

Manitoba to clean up the mess. And I'm going to have to work hard to keep these good people here because there's quite a challenge in Manitoba, where my past deputy is now in charge of Social Services, and I understand they are not on budget, and other people that are no longer with me are in Manitoba. so beware of exiles passing through Saskatchewan heading somewhere in the next while.

Now members opposite ... I think they're satisfied I've answered their questions. Do you have any other questions? They don't ask any questions in question period, Mr. Speaker. If they want to ask during my speech, I'll oblige them.

Well, Mr. Deputy Speaker, I've covered large areas of my department, but there is one other area that I wanted to cover that is also the responsibility of my department, and that is senior citizens. And I want to give you, Mr. Speaker, and the members here and the public, a brief run-down of what this government has done for senior citizens in the past six years.

First of all, the first thing this government did was this government started building nursing homes, and since 1982 we took off the moratorium set by the NDP, and we have built 1,741 additional nursing home beds. The construction costs alone were over \$119 million.

In home care we have brought it from \$12.8 million to \$23 million — nearly doubling it in the last five years. We have implemented a chiropody program for foot care; the home improvement program, which applies to senior citizens as to everyone else — \$1,500 for home improvements; enriched housing projects throughout Saskatchewan.

(1600)

The members opposite believe that senior citizens in rural Saskatchewan should live in duplexes and should run, at 40 below with their coats and boots on, to visit their neighbours to play cards or just to get help if they needed help.

So this government said, enough of that. We're not going to build any more of those duplexes. It is not our policy to force senior citizens to go out in the cold in winter, and so we have built enriched housing projects where senior citizens can either go out for fresh air if they wish, or walk down the hallway and visit their relatives if they wish.

And I submit, Mr. Speaker, what we have given the people and senior citizens is choice. Now the NDP, in their socialist theories, do not believe in choice, because if you are given choice, you may not choose socialism. We give people choice, and senior citizens are very happy for that choice.

In addition, Mr. Speaker, we have implemented the seniors' heritage program which pays out \$39.19 million to 75,000 senior citizens' families — a total of 107,000 senior citizens who receive either \$500 for a single person, \$700 per family, or half that if their income is between 25 and 30,000, and none of that if they are over 30,000. One hundred and seven thousand senior citizens

benefit from this program out of a total of 136,000 senior citizens — the great majority.

I can tell you, those that are over 30,000 think it's not fair that they don't benefit. But I can say to those people that it is an awful lot more than they ever did get, or would have gotten from the NDP, because senior citizens have benefitted in many, many ways.

In addition, we have announced in this budget ... I ask you, Mr. Speaker, is it immoral, as the opposition says, to raise senior citizens' income plan benefits by another \$15 per month? Is that immoral? That will be done in November. I can tell you what might be immoral: to have senior citizens' benefits of \$25 per month, as the NDP did, and then to accuse a government that raises them to \$80 a month of being immoral. That accusation might be immoral, Mr. Speaker.

So now when we've raised the rates, more people qualify, so it is anticipated that as a result of raising the rates 27,000 senior citizens out of the 136,000 that there are will qualify for some of these benefits which are a maximum, when the implementation goes into effect, of \$80 for single and \$135 for a couple, as compared to the \$25 that the NDP paid. And they are so pious over there to say they care. Oh yes, they care, Mr. Speaker. They care for the poor. They care and ...

**An Hon. Member:** — Nice, big words.

**Hon. Mr. Schmidt:** — Yes, agreed. My colleagues say: in nice, big words they care. We care in cash, Mr. Speaker. That's how we care for senior citizens.

Saskatchewan ... the question is seniors' telephones. Well here's what's happening with seniors' telephones. We offer specialized products to assist individuals with physical disabilities, to help with hearing and speech impairment. And that was what happened with senior citizens' telephones.

And the members opposite say: you lied to them; you didn't give them free telephones. Well listen, I tell you, member from Humboldt, that an extra \$50 per month will more than cover the cost of their telephone. That is more than a free telephone. What would you do? What would the member from Humboldt do? Would he give them the free telephone and take back another \$50 a month? I don't know.

We are flexible. We changed our mind. We did what was better. Instead of giving them \$8 a month for their telephone, we gave them \$50 a month.

**An Hon. Member:** — And they appreciated it.

**Hon. Mr. Schmidt:** — They certainly did appreciate it. My colleagues point out they appreciated it. Yes, they did. In my constituency they appreciated it, and in many, many constituencies they appreciated it.

Now do the members opposite have any other questions? Would they want to ask about insurance? Let them ask about government insurance. Saskatchewan Government Insurance provides a pension pack — 15 per

cent discount for senior citizens. Not free, but 15 per cent discount.

Do they know anything about foreclosures? No, we don't foreclose senior citizens . . . (inaudible interjection) . . . Oh, foreclosures. Yes. Well they do know about foreclosures; yes. That's the Leader of the Opposition's foray — foreclosing farmers and then going out and promising to save them. See, that's how you do it. First of all you beat them down under the NDP policy, then you come along as a Messiah and you save them.

Our philosophy is, you let people help themselves, and if they can't help themselves, you help them, but you never, ever let them get down. That's the difference in the philosophies.

With respect to transportation, senior citizens get a discount on bus fares, and they do not pay anything for angling licences. Senior citizens in Saskatchewan are better off than they ever have been. And I say to the 136,000 senior citizens in Saskatchewan, that if they honestly think back as to how things were financially and how they are now, that almost every one of them is better off now than they were under the NDP — financially, health-wise, and in many, many ways. And yet the NDP will go around scaring them, saying: they'll take your pension away; oh, they'll take away your medicare. That is the tactics of the NDP — the “mediscare” party.

**An Hon. Member:** — Oh, they'll take away the drug plan.

**Hon. Mr. Schmidt:** — Now the members opposite refer to the drug plan, and they say we took it away. It's still there. Senior citizens are still getting their drugs. Senior citizens are still paying for their drugs.

Let us compare the incomes of senior citizens to what they might have received under the NDP. If you are a single senior citizen in this province, you are entitled to the following benefits, disregarding anything that you may have saved: old age security pension, \$308.19; guaranteed income supplement, \$366.28; Saskatchewan income plan, \$65 rising to \$80. This is an annual income of \$9,603.64 — not a large amount of money, I agree, but more than senior citizens who are single ever received in the history of Canada and more than the NDP ever paid them.

For a senior citizens couple, they are guaranteed an income under this government and the federal Progressive Conservative government, a guaranteed income of \$15,542 for a senior couple. This is regardless of any money they may have saved or any other pensions they may have earned. That is a guaranteed minimum.

And I say that senior citizens, while they cannot live high, senior citizens can get by, and they are. In my constituency, they are grateful and they have smiles on their faces, and they are living longer than they ever did and they are living happier than they ever did, and they would continue to be happy if the NDP didn't go around scaring them every month.

So could the NDP please stop bothering senior citizens. Leave them alone. Let them enjoy life, and keep out of

their lives. They are not interested in socialism. They are not interested in your scare tactics. Stay away from senior citizens. They are happy; leave them alone.

Well, Mr. Deputy Speaker, I've gone on maybe a little longer than I had anticipated. Mr. Deputy Speaker, there is a reason I have gone on that long, because the members opposite have stood up there for days and days on the budget and the throne speech and said, the members of the government are afraid to speak. The members of the government won't defend what they're doing.

Mr. Speaker, I am not here defending anything. I am here praising what we are doing. It needs no defence. It is right; it is moral. It is proper and it is best for the people of Saskatchewan. And we're going to keep doing what we are doing, and we don't care how long the NDP snivel on the other side. We don't care how long they hoot and holler, and we don't care how hypocritical they ever get.

This government turns a blind eye to the socialism on the other side, and we will govern for the people, and that is that. We will do what is right. and that's how it will go in this province because there will be leadership from this government — fiscal leadership, managerial leadership and moral leadership.

And that's how it's going to be, Mr. Deputy Speaker, and I'm going to support this budget.

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

**Mr. Mitchell:** — Thank you, Mr. Speaker. I am pleased to have the opportunity to take part in this debate, and I want to apologize in advance for the quality of the recording. I want members to know they should not adjust their sets. I want the television audience to know it's not their television set that's not working, it's my voice box. That is to say, if we still have an audience after what we've been listening to for the last hour.

I don't know why I allow myself to be surprised by anything that that man says, Mr. Speaker. I mean, we've been hearing him going around this province for the last few years saying some of the most outrageous things that any of us have ever heard and today, I think, he topped all of his previous records.

Who would have expected us to come here today and hear some of the things that we heard? I guess we could have expected the vicious right-wing attack on the homosexual community. I mean we've heard words like that from him before and from some of his colleagues, and so I guess we could have anticipated that.

I am not qualified to answer his scriptures with other scriptures. That's not within the area of my competence, although I could observe in passing that one wonders how our Saviour would have reacted to the degree of intolerance and hatred that underlay the words that the member used. My understanding of the life of Christ is one of love — a life of love, and a life of tolerance and a life of acceptance, and not a life of intolerance and hatred as we heard spewing forth from the mouth of the member today. But I shouldn't have been surprised about that, although I was surprised about the severity of the attack.

What I did not expect, Mr. Speaker, was that we would also hear attacked here today the United Church of Canada. The United Church of Canada is, I believe, the largest Protestant denomination in the province. I'm not going to answer the member's charge, I'm not going to answer the minister's charge about whether or not they're being run by some political party. I'll leave that to members of the church itself, Mr. Speaker. But I don't recall having heard any minister of the Crown ever make more shocking allegations with respect to a major church in Canada than I heard from the minister today.

I think it was an inappropriate and pathetic attack, and I think quite below the level of dignity, the level of decorum that we expect from ministers of the Crown and, indeed, from all members of this House.

The minister said that he could make the assumption, he could make the assumption that we were accepting of his programs because we haven't been asking him questions in question period. I want to assure the minister that we're not staying away from him at all. There will be times, many times in this House when we'll be able to come after him with respect to those ridiculous, absurd, right-wing programs that he is instituting in his department.

My constituency has the misfortune of having a very large number of welfare recipients. There are many, many welfare recipients in my constituency. My office deals with those problems all of the time. We have a keen understanding, a keen understanding of the kind of programs that he has instituted in this province, and if he believes that those so-called welfare reforms are being accepted by the unfortunate people who are on welfare, he should come with me sometime around my constituency and talk to the people, the people who have been affected by these so-called reforms.

To call what he has done "reforms," is a perversion of the English language that almost defies description. These are not reforms. This is the imposition of some foolish, red-neck, right-wing agenda that has caused untold hardship — untold hardship, Mr. Speaker. My constituents must laugh when they hear that minister lecture this House about morality. For what can be a greater immorality than to squeeze and crush the poor in the way that his programs have squeezed and crushed the poor in this province.

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

**Mr. Mitchell:** — When he was talking about senior citizens, Mr. Speaker, he talked about the fact that we should leave them alone, let them make their own choices, Mr. Speaker, we can't leave them alone. We can't leave them alone for the simple reason that wherever we go, and wherever we meet senior citizens, they want to talk to us. They want to complain to us about program after program of this government, about cut after cut, about abolition of programs that they've enjoyed, and these are the experienced people in our society, Mr. Speaker. These are people who have seen governments come and have seen governments go, and what they want to tell us, Mr. Speaker, is that this is the worst government

Saskatchewan has ever had. That's what they want to tell us.

(1615)

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

**Mr. Mitchell:** — And so we can't follow the advice of the minister. We can't leave the seniors alone simply because they won't leave us alone. They await the day when a general election will happen in this province and we'll see a return to sanity in government.

But speaking of choices, Mr. Speaker, these seniors, and a lot of other seniors in this province living in the two constituencies of Eastview and Elphinstone, are going to have a choice, and we will see then how they judge the program of this government and this government's record. We'll see then how they judge that program.

Now I had no intention of addressing myself to those remarks; it just happened to be my misfortune to follow that particular minister in the speaking order. I earnestly wish that I could have followed anyone else on that side of the House.

I want to talk about the budget, Mr. Speaker. I want to talk about that part of the budget that referred to the free trade agreement. The budget makes a number of references to the free trade agreement which, I submit, are naive and which are misleading expressions of hope about the effect of the free trade agreement.

The budget refers to the agreement, saying that "(it) will provide us with flexibility to deal with changes in the international market-place." Mr. Speaker, the free trade agreement will do no such thing. Secondly, the minister says that it will "ensure the building of a more diversified Saskatchewan economy." That, Mr. Speaker, is a bunch of bunk; that will not happen. The members opposite know it will not happen, and it ought not to have been included in this budget statement.

The budget says that the free trade agreement "will strengthen (our) position . . . by offering us new economic opportunities." That, Mr. Speaker, is not true. Taken overall, the free trade agreement is going to destroy jobs in this province . . .

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

**Mr. Mitchell:** — Thank you, Mr. Speaker. I was saying that it is not true, by saying that this agreement offers us new economic opportunities. The fact of the matter is that overall this agreement is going to cost us economic opportunities, that this agreement will cost us jobs in the province of Saskatchewan.

The budget also says, Mr. Speaker, that it . . . the agreement reduces the threat of protectionist measures from the United States. That is not true, Mr. Speaker.

We went into these negotiations precisely because we wanted to reduce the threat of protectionist measures from the United States, and everyone knows we did not accomplish that. The American trade laws remain exactly

the same as they were before these negotiations started. Not only that, the agreement recognizes that the United States is free to amend its trade laws in any way it wants to, and it acknowledges that they have the right to do that. Now how is it, how could it possibly be considered that this reduces the threat of protectionist measures?

The fact of the matter is that the omnibus trade Bill, about which we've heard so much in the last three years, is now practically out of Congress. The discussions between the members of Congress have . . . to produce a compromise Bill are near an end, and the fact of the matter is that the Bill will apply to Canada. Canada is not going to be exempted from this Bill, and the fact is that it is going to impact on Canada. And we did not receive any reduction in the threat of protectionist measures — those measures continue.

And I think it ironic that, considering that it was the threat of the countervailing duties that more than anything else brought us into these negotiations, that we stand now in April of 1988 in exactly the same position as before with respect to countervailing duties. We are not one whit better off than we were before this started.

The answer that I may get from the minister, if he chooses to respond to any of this, is that there is now a binational panel which is somehow supposed to make this process more fair.

The answer to that, Mr. Speaker, is that the binational panel will do no such thing. The binational panel plays about the most insignificant role in the application of the American trade law that you could possibly conceive. You had a trade agreement, or trade laws in the United States, which set up a system in which the courts have no role. The courts have no role.

Under the American trade law, as in the Canadian trade law, the only way you get into the courts is if some tribunal makes an order which it has no power to make, or where it somehow otherwise abuses its jurisdiction. The incidents of that happening, either in the United States or Canada, are practically nil. It is almost unknown that that would happen, and all we've done in this agreement is take out the courts from the system and replace it with the binational panel.

Well, Mr. Speaker, it is a wild exaggeration to think that more than 1 per cent of our trade cases could ever get before this panel. This panel is going to be the most non-news item of the 1980s and the 1990s. It simply isn't going to have any work, and anybody that goes around this province or this country suggesting that the binational panel protects us, with respect to the application of the American Trade law, is just dreaming. It is not going to happen, Mr. Speaker.

Now some of the magpies opposite have asked me why I'm opposed to free trade, and the answer simply is that I am not; I am not opposed to free trade.

**An Hon. Member:** — Why are you opposed to the Americans?

**Mr. Mitchell:** — The minister from his seat asked why I'm

opposed to the Americans, and I am not opposed to the Americans, Mr. Speaker. I am not opposed to the Americans, and I am not opposed to free trade. What I am opposed to is this agreement — this agreement, which for the most part has nothing to do with trade, and which does not provide us with free trade with the United States. It provides us with something else altogether.

Now, Mr. Speaker, Saskatchewan has for many, many years hated the tariff. The tariff has cost this country a great deal of money. It has cost this province a great deal of money. And generally speaking, there is a reservoir of sympathy in this province for the reduction and for the elimination of tariffs, and I share that view — and I share that view.

The problem, the problem, Mr. Speaker, is not the reduction of tariffs. If that's all this agreement were about, we wouldn't be having a debate about it. But that's not what this agreement is about. That's only a small part of this agreement. This agreement goes on, in chapter after chapter, to do things which horrify Canadians — which horrify Canadians.

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

**Mr. Mitchell:** — And the federal government knew this, and the members opposite would know it if they'd take the time to read the agreement. The federal government knew it, and we know they knew it, Mr. Speaker, because one of the documents that were leaked to *The Toronto Star* in 1985 was the federal government communication strategy. And that communication strategy, Mr. Speaker, made it clear that the federal government understood that the more Canadians find out about this agreement, the less likely they are to support it.

And the fact of the matter is that the more Canadians are finding out about this agreement, the more opposed to it they are. And the polls taken by the party of the members opposite and by private polling agencies show that. Canadians generally favour the notion of free trade, but a growing percentage of Canadians are opposed to this agreement, and it comes back to the point that this agreement has, for the most part, nothing to do with free trade.

Let me tell you some of the provisions of this agreement which are causing so much concern across this country, and which ought to concern the members of this House. Let me say, first of all . . . first of all point out the provisions respecting investment.

The provisions respecting investment, Mr. Speaker, have to do with who owns the Canadian economy. The question of who owns the Canadian economy has been a public issue in this province for at least 25 years. For 25 years we have been worried about the fact that such a large percentage of non-Canadians own the mines and the factories and the businesses in this country — indeed own our resources. We have, according to recent numbers, Mr. Speaker, something like 36 per cent of the Canadian economy is owned by non-Canadians.

Now to give that number some perspective, let me tell the members opposite that if you compare it to the countries

of Europe, for example, the difference is shocking. The extent of foreign ownership in European countries varies between 1 and 2 per cent, Mr. Speaker — 1 and 2 per cent — compared to our situation where 36 per cent of our economy is owned by non-Canadians. It happens that the majority of those are American.

You would be thinking, in light of those circumstances, that Canada, in order to ensure that in the future we will be in charge of our own country, that we would be introducing measures to ensure that we watch that situation very carefully. I'm not saying, Mr. Speaker, I'm not saying that foreign investment is not welcome here. Very often we are in situations where . . .

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

**Mr. Mitchell:** — I am obviously striking a nerve, Mr. Speaker. I brought them up to the front desks. I've got the largest audience that we've seen here for some time, and the din over there just is non-stop.

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

**Mr. Mitchell:** — Let me go back to what's at stake here. What's at stake here is the ability, is the capacity of Canadians to control their own economic future. We have here a situation where 36 per cent of our country is owned by foreign capital. We have a situation where our government ought to be taking steps to ensure that that situation does not deteriorate. Neither I nor the member from Lloydminster wants to see our economy owned by non-Canadians. He does not want that to happen.

But instead of strengthening the laws to ensure that we are reviewing foreign take-overs, that we are reviewing purchases by entrepreneurs from outside Canada, we find an agreement that is going in exactly the opposite direction. The fact of the matter is, Mr. Speaker, that by 1992 the only transactions, the only purchases by Americans that will be reviewed in Canada are purchases where the selling price exceeds \$150 million. Now was the member aware of that? — \$150 million dollars.

Apart from that, any American can come up here and buy any business at all and pay his money and take over the business. Now why would we be doing that? Mr. Speaker, why is that a good idea? At the very moment when we should be alert to the dangers of the situation, we face our face exactly in the opposite direction, and we say we're not even going to review these transactions.

And this, Mr. Speaker, this is not a statute that we are debating. This is not some new regime where we are going to, by legislation, change the way in which we view foreign take-overs. This is being incorporated into an international treaty, into a binding treaty which we cannot amend if we want to, which we can only amend if we have the consent of the United States to its amendment. It is being cast in stone, Mr. Speaker. Our option, with respect to investment, is to do what we should do, and that is to ensure that our children and our grandchildren don't live in an economy which is entirely owned by non-Canadians. That's our alternative.

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

**Mr. Mitchell:** — And, Mr. Speaker, the part about this that is so outrageous is that the federal Conservative government is taking this very important public issue, which has been debated across this country for 25 years, and is putting it into a trade agreement — into a trade agreement — in such a way that it is irretrievable. We can't get it back. The only way we can get it back is to abrogate the whole agreement. Now that is stupid. That is not fair, and that is certainly not in the best interests of Canada.

(1630)

And that's only one example, Mr. Speaker. That's only one example. I would like to hear someone from the other side explain to this province, and to this country, why they would treat energy in the way in which it is treated in this agreement — why they would treat energy in this way. What they have done by this agreement, Mr. Speaker, is to take away from Canada, to take away from Canada crucial, crucial powers with respect to the management of this important resource.

Instead of our energy resource decisions being made in cities like Ottawa and Edmonton and Regina, those decisions are going to be made in cities like Washington and Denver and Houston. That's what this agreement does, and I ask myself: why would any government want to do this? Why, for example, would any government want to strip itself of the authority to say to the Americans, we are no longer going to supply oil to you at the rate in which we have been supplying it.

Now I ask that question, Mr. Speaker, because in the last few months, indeed the last few years, we have been supplying crude oil to the United States at an unprecedentedly high level. Now there's nothing wrong with that, Mr. Speaker, except that we in western Canada have a limited amount of oil in the ground. The most optimistic predictions with respect to the reserves of crude oil in Canada are somewhere between 15 and 20 years, but at the present rate of production we have to lower that figure appreciably. We're getting down into the territory, Mr. Speaker, where our oil may be all run out, our conventional crude oil reserves may be all run out within a dozen years, and yet in this agreement we guarantee that we will not restrict the supply of oil to the Americans over the average of the last 36 months, and that that will continue for ever. And the only way in which we can cut back the amount that the Americans have been receiving is to find that we are running out of oil, in which event we can cut them back, but at the same time, Mr. Speaker, we have to cut ourselves back by exactly the same proportion.

Now why would any government enter into such a stupid provision like that? And I would like to hear one of these noisy people stand up in their place and explain why this country would enter into an agreement such as that.

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

**Mr. Mitchell:** — Furthermore, for reasons which really escape understanding, we have for ever tied ourself to the world price. Now we may want to follow the world price;

that should be our decision. You and I and the others in this Assembly and in the Commons in Ottawa ought to be able to decide how much we're going to charge ourself for our own resource.

Members nod and they agree that that's a good idea, but I say to them that under this agreement they can't do that. They can't do that. They have . . . this agreement ties us to the world price for ever. Now when the price of oil is \$16.50 U.S. a barrel, nobody may be very concerned . . .

**Mr. Speaker:** — Order. Order. The hon. member, as all members realize, has been having some difficulty addressing the Assembly because of almost continuous interruption, and I would like to ask the hon. members to refrain from that and to allow the member from Fairview to continue. Why is the member on his feet?

**Mr. Hopfner:** — Mr. Speaker, our remarks to the member has been invited by the member. He had asked that he would be more than pleased to entertain some questions from us, so we are asking those questions. But if you would allow, Mr. Speaker . . .

**Mr. Speaker:** — Order. Order, please. Order, please. There is provision, according to our rules, for members to ask questions of another member who is speaking. However, they must ask the member to give way if he is willing to entertain such. You may do that if that . . .

**Mr. Hopfner:** — Mr. Speaker, then I do ask the hon. member if he would entertain a question from me in regards to agriculture and why his law firm is acting on behalf of a bank . . .

**Mr. Speaker:** — Order. Order. Order. The question that a member . . . Order, please! Order, please. Order. The question that a member raises must be directly on the topic on which the member is speaking at the time.

**Mr. Hopfner:** — I accept your ruling, so I would just ask the member if he would entertain a question.

**Mr. Speaker:** — Would the member entertain the question? Leave is granted.

**Mr. Mitchell:** — Judging by the foolishness that we've heard, Mr. Speaker, I don't think I should. And my answer is going to be that I'll accept questions when his leader starts accepting questions in this House.

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

**Mr. Mitchell:** — His leader was asked that same question at the end of his remarks and he declined, and I feel that I'm perfectly entitled to do that, particularly in view of the nonsense. If that member wants to ask me any questions, I'll be glad to answer them outside this Chamber. Glad to.

Now I was saying, Mr. Speaker, that while . . . I was talking about the price of oil before we were so rudely interrupted. I must say I do hope the members will bear with me and heckle me the next time I speak when my voice is stronger. This is really a work-out for my failing vocal cords. But I'm not asking for sympathy, I want to made this point.

While the price of crude oil is \$16.50 U.S. a barrel, this question about being able to price our own crude, our own petroleum, may not seem of much importance. But what's going to happen when the OPEC countries regain control of the supply situation, as they almost certainly will, certainly in the next while, certainly in our lifetime, certainly while many of us continue in this Chamber?

And, Mr. Speaker, how are we going to feel when the world price starts to go \$25 and \$35 and \$50 and \$75 a barrel — and these are not alarmist numbers. These are not alarmist numbers because consultants to this government over the last 15, 18 years have been advising this government with respect to where the price of crude oil was going to go.

And in the 1970s, these consultants, who are the best international consultants in the business, were predicting energy prices would rise into the 70, 80, \$90 a barrel range, even up to \$100 a barrel.

Now do we want to charge \$100 a barrel at the pump at Outlook for our gas and oil? Do we want an agreement which ties us to that kind of a price and robs us of our sovereign right to charge ourself as much as we want to for our own resource? I think not.

I think these provisions are short-sighted and wrong. What they are is a complete capitulation to the oil industry in Canada, and I don't think anybody would seriously quarrel with that. It is the oil industry in Canada which dictated, which practically drafted these particular provisions.

And while I'm on that point, and to show you the truth of what I'm saying, let me prove it. Let me prove it, Mr. Member. The provisions respecting energy also deal with the question of subsidy. Now this whole agreement is based upon the notion that subsidies from the government are bad things, and that subsidies from the government should stop. But I want to read you Article 906 of the agreement, which is in the energy chapter, and it's headed as follows, Mr. Speaker: "Government Incentives for Energy Resource Development." and it says the following, and I quote:

Both parties have agreed to allow existing or future incentives for oil and gas exploration, development and related activities in order to maintain the reserve base for these energy resources.

So there is . . . The one subsidy in this whole agreement that is acknowledged as being desirable, and which can remain in effect, is the subsidy to the oil industry for exploration and for development and for related activities.

So by this agreement we practically strip ourself of the right as a government to intervene, by way of subsidy programs, to assist our industry, to assist our entrepreneurs, to assist our small businesses, and at the same time we agree explicitly and in print that we may maintain our . . . we will allow our existing and our future incentive programs for oil and gas explorations and

development and related activities.

Now that is really something, and I think it goes to show quite clearly that it is the oil industry which drafted, which was the guiding force behind chapter 9 of the free trade agreement dealing with energy.

I want now to turn to one other aspect of the agreement which I have never heard referred to by members opposite, either inside this House or outside this House, and that is the provisions respecting government procurement. Now for the information of members, government procurement is simply government contracting. It covers what government buys; it covers the services that government buys.

Governments in this province and in this country have used its demand for goods and services in a very judicious way over the years — sometimes not so judicious, but always it has used this aspect of its operations to support local business. And we've all agreed that that was a good thing. We've known all kinds of situations where through contracts with the government, a business has started, or a business has expanded, or a failing business has been revived. Jobs have been created. Jobs have been saved.

The total purchasing power of the governments in Canada with respect to its own goods and services is huge. It is the overwhelmingly large source of demand in our economy. And yet under this agreement this practice that we followed of favouring local contractors goes out the window. Any contract in excess of \$25,000 will, when all the dust has settled, be gone. We will lose our power as a Government of Saskatchewan or a Government of Canada to favour local business. American entrepreneurs have the same rights with respect to tendering and winning these contracts as the most favoured Canadian.

Now why would we do that, Mr. Speaker? What is there in this agreement that would justify us agreeing to such a silly and outrageous thing? Why would we do that? I've searched this agreement with a fine-tooth comb to see what it is that the United States is giving to Canada that would make it sensible and worthwhile for us to give up our government contracting powers. Just as I've searched for the pay-off — for the pay-off for us doing these outrageous things with respect to foreign investment and energy, so I've looked for it in contracting, and I can't find it. I don't know what we got in this agreement that would justify doing these things.

Now I don't think I — let me say it this way: I have never talked to a business person in this province who was aware of that government contracting provision. These are business people in Regina and Saskatoon, many of whom have had government contracts in the past. Without exception — without exception, Mr. Speaker, they're shocked by this provision, and I think that all of us ought to be.

Now let me draw to a conclusion, Mr. Speaker, by — let me not draw to a conclusion. Let me deal with something that I think has to be dealt with in detail. The agreement contains a chapter with respect to the service sector of our economy. It provides for the almost unlimited free trade

in services.

Now what is a service, Mr. Speaker? Well in the beginning, let me say that the service sector is by any measure the giant — the giant sector in our economy. The service sector employs approximately 70 per cent of the people who are employed in Canada — 70 per cent. So it is an enormously important sector of our economy.

(1645)

Examples of what is covered by the notion of the service sector are included in this so-called trade agreement. Let me just refer to some of them, Mr. Speaker. The services include practically all mining. Services include all construction — practically all construction. It includes distributive trade services. It includes practically all aspects of insurance and practically all aspects of real estate. It includes many, many examples of — under the heading "commercial services," all the way from cleaning, credit bureau, collection agency services, advertising and promotional, public relations, janitor service in buildings, hotels, hotel reservations, security and investigation services, auto renting — many, many professions, Mr. Speaker — engineering, architectural, accounting, not law — not law, Mr. Speaker.

I mean, there were a lot of lawyers involved in the drafting of this agreement, and they very wisely exempted themselves from the provisions of chapter 14 with respect to services. Whatever you may say about lawyers, at least, Mr. Speaker, they're not dumb. They had the sense to write themselves out of this provision. And it goes on to include computer services and many aspects of agricultural services.

Now what have we done here? Well what we have done here, Mr. Speaker, in entering into a free trade agreement for services, is become the first country in the world to do so. No country has previously entered into an agreement for free trade and services.

The MacDonald commission, which was a strong proponent of comprehensive free trade negotiations with the United States, when it came to the question of services, recommended against entering into an agreement for the free trade in services, for two reasons. First reason was that there was no precedent for it; never been done before. The United States has been taking this idea around to many countries in the world, and everybody has told them to get lost, until they come to Canada — come to Canada, they don't get lost; we get lost, Mr. Speaker.

The second reason why the MacDonald commission recommended against it is that no one has done any research with respect to the impact of this free trade in services agreement. No one has done any research and, as a result, no one has any clear understanding of what the implications are. And in spite of that, we went ahead and did it. We went ahead and did it.

Now we enjoy a trade surplus with the United States with respect to most aspects of trade. But when you come to trade in services, Mr. Speaker, this is the area in which we are in a deficit position, a substantial deficit position. The



United States is providing far more business service services in Canada than we are to the United States, and what we've done here is opened up the whole of our service sector to penetration by American entrepreneurs.

Now there may be some areas in which we want them to come up here and do something, I don't know; I can't think of one, but there may be a service which we can't provide that we want them to provide. And there may be other services where we don't want them here at all.

One of the things they're entitled to do under this agreement, one of the things that they're entitled to do is to provide health care facilities management services. Now that includes the running of hospitals, the running of nursing homes, the running of medical clinics. So the Americans are going to be able to come up here and get involved in that kind of a business.

Now what are the implications of that in the long run, Mr. Speaker? Let's assume that in 20 years when we're all gone from this House and our children are here, they decide that the Americans who are up here running our nursing homes are not meeting our needs. Something has to be done about it. And in the wisdom of this legislature, we feel that what ought to be done about it is that Saskatchewan people own their own nursing homes, or that the families of the occupants own their own nursing homes, or whatever. I can't imagine. I can't see clearly 20 years down the road to know what we might want to do.

But the point I want to make is that under this agreement we wouldn't be able to do anything. Under this agreement we'd be a helpless bystander. Under this agreement we could not affect that situation one whit. And I think that's silly. Why would we want to tie our hands in that way? What did we get in return that made it worthwhile for us to strip ourselves, strip ourselves of our ability to handle situations such as that?

We have stripped ourselves of our sovereignty, just as we have done in energy, just as we have done in investment, just as we have done in government contracting, so we also do in services — strip ourselves of the ability to act as a responsible government should.

Now let me also refer to our cultural institutions. I do this because I know that the minister responsible has had some pretty tough moments, had some pretty tough moments talking about the cultural part of the agreement to those involved in culture in this province. We are told by our Prime Minister and by others that culture is exempt from this agreement. And we all assumed that our Prime Minister was telling us the truth. When we got the agreement, Mr. Speaker, and opened it up and looked at article 2005, we found the following. In subsection 1 it says:

Cultural industries are exempt from the provisions of this agreement.

And we thought great, great, the Prime Minister has actually told us the truth. But then we turned the page, from page 296 to 297, and we looked at subsection 2, and we see the following. Listen to this very closely, Mr. Speaker:

Notwithstanding any other provision in this agreement, a party (which is one of the countries) may take measures of equivalent commercial effect in response to actions that would have been inconsistent with this agreement, but for subsection 1.

Imagine! Some exemption, eh? Subsection 1 says culture is exempt. Subsection 2 comes along and says, in spite of that exemption, if one of the countries does something which is inconsistent with this agreement, then the other country can take actions, take measures, of equivalent commercial effect.

What are we saying there? Well you can just imagine how the Americans must be laughing at us. They're saying, in effect, sure, sure, I know culture is exempt, but just you try one thing to interfere with the flow of American books or magazines or videos or records or movies into Canada — just you try anything like that, and I'll tell you that that's inconsistent with this agreement — and it would be — and we would be able, that is the United States, would be able to take measures of equivalent commercial effect. That's what the Americans are saying to us.

I'm not just making this up. I saw with my own eyes a Senate hearing, a Senate hearing on the subject on one of the American channels, and I heard a senator say those precise things. And he was assured by Clayton Yeutter, the big heavy-duty guy on trade issues in the United States, and he told them: senator, that's correct — senator, that's correct.

So no wonder our minister responsible here runs into some flak when he meets with the cultural industry in this province, because they've looked at those provisions and they realize that our Canadian culture has been exposed in this so-called trade agreement to a real danger. We, in effect, have stripped ourselves of the ability to protect our own culture.

Now I happen to think that the Canadian culture is strong and vibrant and that we've been managing it very well over the past few years. It is not easy to live next to such a large, such a dominating country. We all love to watch American movies, we all like to read American books, we watch American television, but we're not American; we're striving to be Canadian, and we have to maintain the tools with which we can continue to be Canadian.

This agreement, Mr. Speaker, strips us of important powers that we are going to require in order to ensure that our country remains that, that our country remains a country and that our children and grandchildren will remain Canadian in every sense of the term.

Now I ask myself, Mr. Speaker, why — there are many other parts of this agreement that are disturbing and that are grounds in themselves for opposing this agreement. They include the provisions with respect to agriculture in this agreement, and we're going to have that debate some day in this House, and I'll be glad to have it.

We have fallen miles short of achieving our bottom line in the negotiations which would secure access to the

American market. There is no way in which that is assured by this agreement. The ability of Canada to deal as a sovereign nation with third countries is seriously compromised by this agreement. There are provisions in this agreement which allow the new American investors, who will be able to come in here and buy up without any kind of review, to bring along with them their management and professional staff, bring along with them into Canada, so instead of Canadians getting those jobs — which they have for generations — they are now going to be filled by non-Canadians.

Now I do want to come to a conclusion here because the time is late. Mr. Speaker, I've asked in this debate, and I ask again: why would Canada agree to some of the things that are in this agreement? I mean, I can understand concluding a trade agreement; I can understand trying to negotiate tariffs down and out, and I would agree with that. And I can also agree with trying to reduce the number of border hassles that take place with products such as pork and that sort of thing. I mean, I understand about that. And if that's all that was in this agreement, we'd support it. But it's the other multitude — the other multitude of things that are in here without any quid pro quo, without any concessions from the United States to balance them off, and which propose such a danger to Canada.

These are the things that disturb me and I ask myself: why would any government agree with these things? Why would we open our country in this way to American investment? Why would we strip ourselves of these important powers with respect to the energy industry and why would we expose our culture in this way?

Now one answer is that the agreement was poorly negotiated. And I think most serious-minded Canadians are coming to the understanding that the agreement was poorly negotiated.

Another answer was that the Prime Minister had so much political capital tied up in this agreement that he felt he had to get an agreement no matter what it looked like, so he even settled for this one in order to try and save his political hide.

But that's not a sufficient answer either, Mr. Speaker, considering the enormity of what we've done. When you consider the enormity of what we've given away, there had to be a more fundamental reason and it is this: these people agree with the things that I've said. They agree that it is appropriate to open up the ownership of Canada to American intrusion in this way. They agree that the only deals that should be reviewed are those where the selling price exceeds \$150 million. They agree that our energy industry should in effect be run out of Washington and Houston and Denver. They agree that government's decisions with respect to contracting should be stripped away so that Americans have the same access as the most favoured Canadians.

And they have somehow arrived at the startling conclusion that our culture no longer needs protection. Provisions that countries like France and Germany established for 8 or 900 years wouldn't think of agreeing to, these people have agreed to.

This agreement appears to be entirely consistent with the Tory agenda for Canada. A far-right-wing radical agenda in which they are seeking to transform our society from what it has been over these many years to a purely market-driven economy, where government sits in the corner, helpless, unable to do anything to protect its own citizens.

Well I don't agree with that, Mr. Speaker. My party doesn't agree with it either, and a growing number of Canadians take the strongest kind of objection to many, many provisions in this agreement. And it will be reflected, it will be reflected come the next federal election when this, hopefully, will be the main issue. And we will fight this agreement in every corner . . .

**Mr. Speaker:** — Order. It being 5 o'clock, this House now stands adjourned until tomorrow at 2 o'clock p.m.

The Assembly adjourned at 5 p.m.