

EVENING SITTING

COMMITTEE OF FINANCE

**Consolidated Fund Budgetary Expenditure
Executive Council
Ordinary Expenditure — Vote 10**

Item 1 (continued)

Mr. Romanow: — Mr. Chairman, as 5 o'clock came around I had two or three minutes left to my speech but I think it was . . . My thought was interrupted in the middle of a sentence and I feel obligated to repeat the main points of the address, which I shall so do now.

Mr. Chairman, in starting off these estimates, I was trying to make the point before adjournment at 5 o'clock — and I am now going to summarize the points that I make — that there is a major difference between ourselves and the government about the vision of the Saskatchewan and of the Canada that we want. I tried to describe the three or four areas which we will try to concentrate on with respect to the consideration of the estimates to highlight — although there are many areas — but to highlight what I'm trying to say.

I'm trying to say that we on this side believe that the political philosophy of the government and the Premier opposite and the programs and the policies that they've implemented pursuant to those philosophies are harmful for the people of the province of Saskatchewan.

Let me give you the specific examples that I allude to. First of all, free trade, which in some ways is an over-arching issue for the people of Saskatchewan and Canada. It's over-arching because this government has made a commitment which seems to be irrevocable and a commitment which it now seems to be, if I may say so, blinded to, blinded in what I think are the facts, the face of the facts — a commitment to locking Canada and this province to a continentalist economic policy, a policy which, in effect, limits the options, as we see it, of this province and this country, searching out for other economic trading patterns with other nations.

We believe that Saskatchewan people can be the best in competition with the world, that we ought not to be doing anything else but setting forth economic changes and economic policies and economic choices to keep our advantage in the trading world and the trading markets of the world — to keep our options open.

But with this deal, what this amounts to, in effect, is a North American economic constitution, as President Reagan himself has called it. This is more than a trade deal, Mr. Chairman. This, in our judgement, is the first step of a form of economic union. On this point we have a major difference with the government opposite because not only is it economic union with a foreign country — if there was any other country in the world to unite with, I suppose this would be it — but it's still a union with a foreign country. And more importantly, or as importantly, it is union with a foreign country whose basic rationale and operation is that of a market-place, market-driven

economy only. I don't think that'll work for the people of the province of Saskatchewan. So free trade is a point of difference.

The second point of difference is economic policy with respect to economic development and, in particular, one aspect of that, as we've seen in the 1986 period, and that is privatization.

We say, as New Democrats, Mr. Chairman, that the theory and the history of Saskatchewan is economic development employing the principles of co-operation, or if you will, employing the principles of the mixed economy, the model of the mixed economy. But long ago, our pioneers recognized that no one mechanism alone would work — not private enterprise alone; not the co-operative sector alone; not public enterprise alone; that the three of them working in tandem, working in co-operation, working with a purposeful goal in mind, were the ones that were going to generate economic wealth, and from that wealth be able to redistribute the benefits for the people of the province of Saskatchewan.

And we have a vibrant private enterprise sector. Now it's suffering, of course, for a number of reasons. We've had a relatively vibrant co-operative sector. The department of co-ops has been done away with, unfortunately, by the government opposite, and I think that's had a negative impact, but it is blunted. And through privatization we're seeing the public sector being dismantled; being dismantled presumably in pursuit of an ideology by this government.

I wanted to say, as I did before the adjournment at 5 o'clock, that this is an ideology which in many ways is foreign to the North American continent. The Americans don't have a large sector co-operative movement. There are aspects of co-operation, but it is not as essentially integral and important as it is to the Canadian economy — Saskatchewan, western Canadian economy. And certainly the public enterprise role is even greater diminished.

So what we have is the market-driven, the private enterprise system of the United States, and what we are seeing here is no privatization of the scale undertaken here, there in the United States. This is unprecedented. In fact, it is almost unprecedented except for the fad of the mid-1980s, mid-'85, '86, and certainly since this government was re-elected in 1986.

It was unprecedented in Canada that all of the western Canadian governments, be they Liberal or Conservative or NDP, straight from Lloyd to Douglas, Thatcher, Blakeney, Lougheed in Alberta — all we sought to employ in various degrees the combination of the mixed model and the principle of co-operation, that we need to be competitive, but we don't promote the principle of competition to the point where we destroy two of the three cylinders, the co-operative cylinder and the public enterprise cylinder, and thereby destroy the wealth generation that we see Saskatchewan people having been the beneficiaries of as a result of 50 years or more of progress.

This government has to go outside of the North American economy, outside of the North American unit. It has to go to the United Kingdom, it has to import the techniques and the approaches, and it seeks to kind of graft or translate, as it were, this approach to the Saskatchewan, western Canadian situation, and I say, we say, it won't work.

It won't work, not because of ideology — I don't say this because of any democratic socialist ideology necessarily — I say it won't work because the realities, the pragmatic, common sense truth is that we have big obstacles to overcome to diversify and develop economically. We have been dealt a hard hand; we've got hard climate; we've got large distances; we've got a small population. All of those things mitigate against classic, free enterprise economics.

If we had pursued classic, free enterprise economics, Mr. Chairman, we would be in exactly the same boat as our friends south of the 49th are who are in the private enterprise mode, pure and simple — the North Dakotans and the Montanans, 500,000, 600,000 people. And so we oppose them for that reason too.

And thirdly, Mr. Chairman, we also think that this government's major policies as a result of the second point that I make has led to the consequences of high taxation, the consequences of utility rates which are very high.

And the other side of that coin is the necessity to cut back in programs and services: the elimination of the dental program; the change, if not the elimination, of the drug plan as it was constituted; the reduction in services to schools; the quotas at university; the radical change-over of our technical institutes, under the guise, of course, of being futuristic. But the reality is in the fact that normal students, ordinary students who wish to seek access are now being denied. The opportunities are not there.

The infrastructure of rural Saskatchewan is perilously close to being — not in collapse, perhaps that's overstating it — but very seriously tattered, as we see towns and villages struggling for dollars from the province to them as they worry about how they keep their sewers and their infrastructure in line. The recreational grants — those are problems as well for them.

We see the difficulties in the cities with working men and women, as well — all of this because the wealth generation, to be fair to the government, partly because it is beyond its control of the circumstances of the world but also because it has embarked on this mono-minded, single-minded policy which we say, I say, is contrary to the traditions and the history of the province of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Therefore, Mr. Chairman, we argue that what we need to do is to put in place a policy of economic development based on the principles of co-operation, based on the principles of the mixed model economy, the mixed economy model that I discuss, and based on the principles of compassion and sharing and

the redistribution of that wealth creation to those who need, to restore our health care programs, to restore all of our programs to the high level that they once were.

Some Hon. Members: Hear, hear!

Mr. Romanow: — It was, I think, Mr. Chairman, at that point that 5 o'clock was called, which brings me to the fourth point of difference from this government. The fourth point of this difference between us and the government opposite, frankly, Mr. chairman, deals with the question of what the role of government is with respect to building consensus in society. Some describe it the attitude of a government. In government and in politics, Mr. Chairman, it is so easy . . . I confess at time falling into this trap myself, the temptation to divide harshly the lines, the differences, between various groups, between various philosophies and ideologies. But it is the job of government to build a consensus. It is the job of government to build a consensus for economic growth and social policy and all the things that that entails.

Time after time in recent years, Mr. Chairman, in my judgement, we've seen this government — sadly, far too often — pick fights with minority groups and others, thereby destroying the consensus. The arguments that exist with the native people, the arguments that exist with the labourers or the trade union people, the trade unions, drawing distinctions there; some of the divisions which take place with respect to the working poor or working families at the poverty line or below. Some of these might have been made by a slip of the tongue, but I refer to the divisions as a result of an unfortunate comment made by a member of the Crown with respect to the United Church of Saskatchewan, and the politicization of that.

The attempt to build country versus city as a province of Saskatchewan, not realizing that we are all Saskatchewanians, not realizing that all of us are in this boat together. This province is still, at a million people, so small that we cannot draw those kinds of distinctions and divisions, that our children, be they on the farms or in the cities, they intermingle. We are still a small community and it is the role of government to build and to seek that consensus. It is not the role of government to divide, no matter how meritorious their ideals may be or their objectives may be. The role of any government, this government, of any political party, is to seek compromise within the framework of its ideology and build towards that greater step forward for the future for our young people, our children, and their children.

Some Hon. Members: Hear, hear!

Mr. Romanow: — In my judgement, there's been much too much of that confrontation purposefully set out. Thankfully, I think the two by-elections just completed a couple of weeks ago, or several weeks ago, in Saskatoon and Regina, gave a message, I hope, to all of us, including myself, that the people of Saskatchewan want us to get on with the job of building, the job of coming to grips with our differences because the crisis of drought, the crisis of international markets, the crisis of the prairie basin and North American economy require the best of brains and the best of intentions and the best of policies if we're ever

going to pull out, if we're going to get that bright future for the 1990s that all of us seek.

We need to work and to develop for consensus. We need to co-operate. We need to practise that principle. We need to adhere to it. We need to build bridges, not to tear them down. We need to understand our history and our traditions, not wanting to be captive in those histories and traditions, but we must understand them and build on them. Governments build from the preceding governments. It's successive building. Not all things that governments have done should be destroyed. There is no need for this government to follow a scorched-earth policy.

(1915)

Not everything that we did between '71 to '82 demands that dismantling because of some devotion to ideology. I don't say that they do, but sometimes the words which are articulated and even the actions which are actually implemented seem to imply a scorched-earth policy.

That's not the way mankind progresses. That's not the way society goes on. That's not the way governments grow. That is not the way of consensus, that is not the way to build a bright future tomorrow. It is the obligation of all of us to build on a consensus basis.

Some Hon. Members: Hear, hear!

Mr. Romanow: — And so we object on that basis too. Those four points, Mr. Speaker: free trade, and I'm going to be asking specific questions on them; the question of economic development and the government's approach and our approach; the question of taxation and utility rates and the redistribution of programs and wealth — these are tied in to the second and third and first points; and the question of attitude, the question of consensus building, the question of working for a bright, new tomorrow for the 1990s and beyond.

I think there are two visions here. I don't throw personal aspersions on the Premier's vision. I believe that the Premier and government opposite genuinely believe that this is the way the province of Saskatchewan should be developed. I believe that. I don't think this is a bunch of men and women who enter into government simply deciding to destroy everything, although there are words in elements of the scorched-earth policy that I've referred to.

But I strongly object to the fact that the overall thrust will bind us to be continentalists, will bind us to be free-marketers, will turn the back on the history and the tradition of the people of the province of Saskatchewan. There are two visions, Mr. Chairman, there are two different ways to go. In our judgement, the vision that I've outlined is contrasted here, is the way of the 1990s, and we're going to work with the people of Saskatchewan to achieve that in the months ahead.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Now, Mr. Chairman, and members of the Assembly, I regret having to take the time to repeat

essentially great portions of what I had said before 5 o'clock, but I feel that it is only fair to the members of the House and to those who may be watching on television on a beautiful evening, if there are any, that the overall theme had to be put into context and I had to repeat the remarks.

Before I take my place and invite the Premier — not invite him, I'm sure he'll do it as he sees fit to respond — I would like to, following the breakdown of the four areas that I've identified, pursue the first area, which is free trade. And I want to do so with a specific argument that I want to develop for a few moments and then end up with a question on the matter of free trade — a very important issue for all Canadians.

And I want to begin, Mr. Chairman, by referring to the free trade Act, which has been introduced in the House of Commons by the Mulroney government. This is Bill C-130. And in particular, I want to refer to two sections of this Act, which to me are extremely troublesome in the context of provincial autonomy, vis-a-vis the federal government and Ottawa, and keeping in mind my general comments about free trade, become doubly troublesome if the analysis of the free trade agreement that I have advanced is one which, at another level, means the surrender of autonomy by Ottawa to Washington in the degrees that I have outlined.

Let me refer specifically to this section, and to C-130, and provincial autonomy and provincial constitutional control, and what I believe to be the premier's responsibility — I don't now mean this Premier . . . Yes, this Premier — but every premier's responsibility and that is to defend jurisdiction. If not to defend jurisdiction, at least if one is surrendering jurisdiction, to do it in such a way that precedent is not established so that 5, 10, 15, years down the road, the federalism and the division of powers that our fathers of confederation established for us is not totally eliminated and thereby preventing us from developing a mixed economy and the programs of medicare and hospitalization that I alluded to earlier.

This Bill, C-130, Mr. Chairman, the Bill which seeks to validate in law the Mulroney-Reagan trade deal, as some have described it, has a number of sections in it, and of course also has a tariff schedule attached to it, the totality of which comprise the legal implementation of the negotiated deal between Mr. Reisman and Mr. Murphy, as approved by the Prime Minister and the President.

The statute itself has two sections. I want to read them, at least one section. The other can be easily summarized. Section 6 is the one that I wish to read. It says this, Mr. Chairman, and I invite the Premier and all members of the Assembly to listen carefully. Well not the Premier; I know he knows the section. It says as follows:

For greater certainty, nothing in this Act (I'll stop again to repeat that, Mr. Chairman — nothing in this Act) by specific mention or omission, limits in any manner the right of Parliament to enact legislation to implement any provision (I repeat, any provision) of the Agreement or fulfil any of the obligations of the Government of Canada under the Agreement.

The other section, 9(3), which I won't read, gives the cabinet, federally, wide, all ranging, encompassing powers to pass regulations — that is to say, not to come back to the Legislative Assembly but regulations in furtherance of the legal implementation and enforcement of the free trade deal. The operative section is section 6 that I referred to. I won't read it, but just note the points that I make. Nothing limits, in any manner, any provision, any obligation of this free trade deal on the part of the Government of Canada.

Now if you take a look at this free trade deal, Mr. Chairman, which I have in front of me, members of the Assembly will see that it's like a book. In fact it is set out like a book. It has chapter by chapter. Chapter 9, I think, is trade and energy. There is a chapter on agriculture. Tonight . . . And we could debate this for the next three weeks. Obviously we can't do that in the interests of moving the public business along. But this is an all-encompassing document, dealing with services, investments, binding dispute mechanisms. This is the point that I wish to make and I did make in my opening remarks. This is not a trade treaty. This is an economic union document.

If you take a look at this deal, Mr. Chairman, what you see, by almost any objective analysis, is a number of areas which impact, I argue, to the Premier and to his legal advisers, directly on matters of provincial control, provincial jurisdiction, matters dealing with contracts, matters dealing with educational standards, matters dealing with consumer products. Because if under the United States-Canada free trade deal the flow of goods comes in from Canada to the United States, for example, which goods do not meet our standards, our Saskatchewan standards, which standards have been regulated by our consumers legislation or Canadian consumer legislation, or if tradespeople move in, or if professions move in under the services section, all of which have been, in effect, obligated to come in by the free trade deal, under section 6 of the enabling legislation, the House of Commons says that nothing can limit Canada's power to do whatever is necessary, coupled with the regulation, nothing whatsoever to implement the implementations and the aspects of the free trade deal.

By the way, it doesn't stop there. I will have specific questions, after the Premier responds, on similar theories with respect to what subsidies mean. I will have similar questions with respect to energy. But the same thrust exists with both energy and subsidies as it does under section 6, as it does on the general combination of provincial powers, which I have heretofore described, saying that this is an assumption by the federal government that it has all-encompassing power under the so-called treaty-making powers of the federal government to do anything that it wants with this trade deal, which will, if implemented, mark my words, whether you're for it or against it, one thing that is right, it will change Canada.

Now I think that a provincial government that accepts section 6 without protest is a provincial government which has abdicated its sworn constitutional duty to

uphold the responsibility of this legislature acting on behalf of the million Saskatchewan people in developing the kind of compassionate, mixed economy society that I've talked about. That's how serious I think section 6 is. There are constitutional authors and lawyers who advance that argument. To be true, there are those who advance us a different argument, constitutionally, but I've not heard that argument advanced by the Premier or this government of the day.

Again I won't take up more time; I've spoken far more than I'd intended to because I do wish the Premier to respond so that we can move on expeditiously with these estimates this evening. But I think that even the concepts in the Macdonald commission, which was the genesis of this free trade deal, conscious of the decision making precedents in Canada of the Parsons case, the insurance, the labour case — labour conventions case — all of these which say that in our system of government, if the federal government enters into an international treaty, which is what the free trade deal is, if that treaty impacts on provincial jurisdiction, this legislature has a say. There must be brought legislation.

By the way, that's not in the United States. In the United States, the U.S. commerce power is so wide . . . interprovincial trade and commerce power is so wide that there is no obligation to go to the individual states to get their approval. But there is in our context, Mr. Chairman. That has been the constitutional set up of a balanced federalism, where some things pertain to Ottawa and some things pertain to Regina.

Mr. Chairman, in my judgement section 6 holds the potential in the future as it in interpreted, especially in clashes and interpretations, to be the wide open, sesame door which will allow Ottawa, regardless of the political stripes, to basically overrule all of the traditional and constitutionally assigned powers of Saskatchewan and all the provinces in the areas which range from contracts to consumer protections to education, and I'll talk about medicare when I come to subsidies, and other areas. I think that is unacceptable.

Now let me just close before I ask the question of the Premier. I think I'm not alone in this. Premier Bourassa knows the danger as far as his province is concerned. If there is any province in Canada which is safeguarding the provincial right — perhaps, maybe some might argue, to excess — it is Quebec. He knows the difference. He is going to introduce provincial legislation which will give the same effect to section 6. I could still argue about the impact of that, but at least he is being constitutionally true to the duty that he has been sworn to carry out. That's what he'll be doing.

Some Hon. Members: Hear, hear!

Mr. Romanow: — I don't know. I don't know what the province of Ontario will do. There is some talk that under this section 6 and other provisions, this legislation will be challenged in a court of law. It is no answer, I submit, to say, well go ahead and sue — as Mr. Crosbie says — we'll let the courts decide. I mean, the courts might decide, all right, but they might decide to the point where there's no use to having a province of Saskatchewan or a province of

Ontario in the wording.

Federalism implies — like Meech Lake, like the deal before Meech Lake, like confederation from 1867 — a negotiated balance between provincial rights. And there's a reason for that, because no matter how well intentioned Ottawa is, as I said in my opening remarks, they will never be able to understand this region. We don't have the voting strength; we don't have the members of parliament. We have relatively small provinces; we've had to combine to get the western Canadian voice heard. We've had to rely on the protection of the British North America Act. We've had to defend our constitutional rights, because if we gave them up and we put them in the hands of Ottawa, we would be captive to the majority — the majority being Ontario and Quebec — and our chances for diversification and growth would be further blunted.

Some Hon. Members: Hear, hear!

Mr. Romanow: — My question is this: I know the Premier is a passionate and eloquent debater and proponent of free trade. I've stated my reasons why I'm against it. But even though he is, will he not concede to me that the argument that I advance on the impact of section 7 raises a serious collateral issue about the future of our jurisdiction and our powers to pass legislation, be it farm debt legislation or land ownership legislation or contractual legislation? Does he not share this concern? If he shares it, at least would he bring forward complementary legislation? His majority will carry the day; we can fight him for it, but at least it will be an implication and an act of confirmation of provincial power in doing so. Does he not share this concern? If he does, will he not introduce the legislation so we can debate it?

And if he has absolutely no concern about what I raise, if he is prepared to surrender, as I would describe it, to Ottawa this sesame door, if he's prepared to do that, which I would very much sadly say is a wrong thing to do, then surely isn't this something which, as Canadians, whether we're in the provincial legislature or our national legislature, that is something that Canadians should decide by a national vote?

It may be said to be too complicated; it may be said that people don't understand this about free trade. I say to you, Mr. Chairman, and I say to the members of the gallery who are watching this debate here in this Assembly, and I say to the people of Saskatchewan, mark my words, if you like the kind of society that we've built, understand that we have built it because we've had the constitutional authority to do it and the political parties with a will to do it. Understand that if you want that society sometimes built in the future again so that we can be great again, understand that section 6 in the free trade deal raise major risks which 10 or 15 years from now may make this province and this country a satellite to the Americans — as I say, not the worst fate that could befall us, but not the Canadian fate. Understand that, and that should mean an election for us Canadians for all to decide.

(1930)

Some Hon. Members: Hear, hear!

Mr. Romanow: — I ask the Premier, I say to the Premier: do you not share my concern, even a bit? If you don't share it, will you table the . . . I don't ask for all the government reports, but show us some legal analysis, constitutionally, internally or externally, which defeats the argument that I advance. Thank you, Mr. Chairman.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Chairman, I will take a few minutes to respond to the hon. member, the Leader of the Opposition, in general fashion, then I'll address his point with respect to free trade.

When the hon. member was talking, I'm reminded of my decision to get into politics. And at that time, in the late '70s, the hon. member that was just speaking, the Leader of the Opposition, was deputy premier of the province. And I wasn't very political, I have to admit that. I had never been involved in a political party, and had heard stories about the Liberals and the CCF (Co-operative Commonwealth Federation) and the PCs and others — Social Credit.

But I can say to the hon. member that — and I'm sure that he will take this at face value — that while I had very fond memories of the imagination and the compassion of the former premier, the late T.C. Douglas, I have to tell him that I found no excitement and no imagination and no future coming out of the NDP. And I looked hard. In fact I was involved with some of the cabinet ministers at that time doing research and some other things.

And I asked myself, well how can we really get the people involved in government? How can we give the province back to the people so they will feel really good about government? And I remember somebody at the university saying, if we could only have government as good as the people, so that the people could be involved all the time. And they said all over then, in late 1970s and obviously then again in '82 and again in '86, that it wasn't there with the NDP. It just wasn't evident. It was a feeling that the government came first and the families came second.

I believe, Mr. Chairman, you will remember there were even the ads on television that said, the Saskatchewan family of Crown corporations. And it offended a lot of people, because it talked about the government as the family, as the most important element in society. Well what about the farmers? What about the towns and the villages and the cities and the children? It didn't mention that. And many, many of us said to ourselves, you know, it seems to me that the family should come first, people should come first, and the government should be there to facilitate.

Let me put it another way, Mr. Chairman, just so the hon. member knows exactly the philosophy of this administration under my leadership. I see government not unlike perhaps he does, and he has an affection for co-operatives. Everybody's involved. In the co-operatives that were developed in western Canada, everybody had a share, and they still do.

I want to remind the member, and I will touch on it in a little bit here, say that there have been 60 new co-operatives formed, incorporated in 1987-88 in the province of Saskatchewan; all of them with new shareholders, and each of them that are participating have a share.

And people said to me: why can't, we, the people of Saskatchewan be involved in government? Why can't you give the government back to the people, give the province back to the people, rather than just have it run out of Regina with bigger and bigger Crown corporations that call themselves the family? Why don't you put the power in the hands of the people?

And I've often thought, and I'll touch on it again when we get to public participation, and I say that in tremendous respect, but if Mr. Douglas had the concept of allowing the people to share in government, to publicly participate, I don't think he would have knocked that concept at all. I think he would have endorsed it.

I believe the former premier would have said, why not share it with the people? Why deny any man, woman, and child the opportunity to participate in Crown corporations, in government, whether it's power bonds or whether it's shares or its involvement? And why not decentralize government and put the crop insurance in Melville and the agricultural credit corporation in Swift Current and other departments in other places? Let the people be involved. Philosophically, I don't think he would have been against that. That's what the co-op movement is all about, people having control of their future and their government.

Now I come back to where I started. I didn't see any of that, nor did my friends and my colleagues when I was at the university in the late '70s. I saw more government buying more things and running more things, not in the hands of the people, but in the hands of a few elected officials. You get elected and then you'd have, you know, more to play with and more control over people's lives. And it offended people.

And I say to the hon. member, I believe that philosophy of a few people controlling it at the top offends Canadians, not because they don't want to be co-operative — they like to be involved — but it offends Canadians in Manitoba, and in New Brunswick, and in Quebec, in B.C., Alberta, here — all over this country. You don't see many governments that are now standing up as the hon. member has just gone through, because he's raised on it and he cut his teeth on it, that the government will run it in the middle and control it and they will have these engines of a mixed economy, centred at the cabinet table — not the people in control, but the cabinet members.

Now that's foreign to what developed this country. It's foreign to my grandparents that homesteaded here, all immigrants. And I believe it's foreign to the youth today. They don't want . . . In fact, they don't want politicians to have more power. They're sceptical of politicians with power — all of us — and maybe we've earned that. They said, let us be part and parcel of what's going on in society. Well, I won't belabour it.

I got into government sincerely, to build with people at universities, on farms, in villages, everywhere, not just to run it, not to be involved in having control over everything that happens. Decentralize and provide that opportunity to the public — that's the way we build the farms, the co-operative, all the things that we do in this province, and indeed across Western Canada.

Now, you could call me CCF or you could call me Social Credit or Liberal or PC, or whatever that is, but I would think that if you take the strength of the CCF and the strength of Social Credit and the strength of the people that built in the Liberal Party, and the strength of the people that built in the PC Party, that's what you'll find in common: working with each other, building, sharing, everybody involved — not just a few at the top, but everybody.

Now let me just touch on the four points the hon. member made and I'll address his question on free trade. First thing he said . . . And I understand why he's doing it philosophically and it's quite clear. I mean he's on one side and I'm on another and we can go around giving speeches on it. The hon. member knows that we need to trade — he said that. We should expand trade world-wide; we should liberalize trade — he said that.

I will just touch on a couple of documents before me and I won't elaborate because he has read them both. The biggest argument I've heard from the opposition about free trade is that this free trade agreement between the United States and Canada isolates us to the United States as Canadians, and we won't have access to the multilateral trade around the world.

Well if that was ever put to bed, it certainly was in this last weekend. The seven major leaders of the world, including Japan, strongly endorsed the free trade agreement between Canada and the United States as a step towards more liberalized trade world-wide. It represented the 13 countries that trade in the European Economic Community because the general secretary was there. Great Britain, France, Germany, Italy, specifically, and Japan in the Pacific Rim, endorse this as being perfectly consistent with more liberalized trade world-wide.

Now they signed on the bottom line. And I'm sure the hon. member knows — he's written communiqués, he's been to meetings as a minister, as vice-premier, deputy premier — he knows that when you sign on the bottom line that you're going to have to stand with it.

And they've done that. And this was clearly watched by the rest of the world. And I just quote item 15 of the communiqué. It says:

We strongly welcome the Free Trade Agreement between Canada and the United States, and the steady progress towards the target of the European Community to complete the international market and the internal market by 1992.

It is our policy that these developments, together with other moves towards regional cooperation in which our countries are involved, should support

the open, multilateral trading system and catalyze the liberalizing impact of the Uruguay Round (the next round of the General Agreement on Tariffs and Trade).

It says, if I can paraphrase, Mr. Chairman, that the agreement that we've put together between Americans and Canadians is the best example they know today towards more liberalized trade and trade peace in the world — in the world.

The Soviet Union is moving towards more liberalized trade and a more market-oriented economy. The Chinese are moving in the same direction. People all over the world are doing it and the top leaders, the top seven, including 13 countries in the European Economic community, disagree with the Leader of the Opposition, the NDP. They say no, no. François Mitterrand says no, this is good. This is a socialist leader, just elected in France, in Europe, a major country — says this is good; we welcome the free trade.

Now we have eight out of the 10 provinces, the majority of Canadians, the seven top countries in the world, 13 in the EEC (European Economic Community), including Japan, all saying this is a very positive thing. It's not perfect. Not perfect, but positive, moving towards more jobs, more prosperity, and trade peace. And my hon. colleague, the member from Riversdale, says no, we shouldn't do this.

Well, we obviously know the game of politics at the local level, when he mentions by-elections and others, that you can knock on doors and say, well I don't think we should do this. I understand that. But we carry some responsibility in this Assembly, and we carry some responsibility as leaders. This is progress towards trade peace, and trade peace is good. Nuclear peace is good. Peace generally between nations, knowledge, exchange of information, and the global village is good and positive. This is exchange of goods and services and ideas and men and women endorsed by the world, at least the free world leaders.

I have to say, Mr. Chairman, I think it's pretty reasonable. We've got eight out of 10 premiers in the country. We have former Liberal cabinet minister, Donald Macdonald, who supports it. The Leader of the Opposition says that . . . And he speaks highly of the former premier of Alberta, Mr. Lougheed. Mr. Lougheed endorses this, is part of promoting it. The Premier of Quebec endorses it; the Premier of New Brunswick endorses it. Not necessarily Progressive Conservatives. Former Liberal leader of Manitoba, Izzy Asper, endorses it — prosperity and growth.

I mean, I talked to . . . You know, I don't think it's out of school at all. I talked to union people and leaders and they say, look, I have nothing against it except I'm NDP. That's the line. Well we understand the politics of that. But for the country and for this province, it's good.

Now let me just change it. I just go back, and I won't dwell on it, but the Leader of the Opposition was deputy premier. In his cabinet, he asked to have research done for P&P, priorities and planning, and he did in 1974, on

Saskatchewan's position with respect to more liberalized trade. And I've obviously read this in the House. At that time he sent this to the Hon. Alastair Gillespie and said, this is Saskatchewan's position with respect to free trade and liberalized trade, world-wide and with the United States. And it was signed by the minister at that time, Mr. Kim Thorson.

(1945)

And I just want the public to know, in case they didn't catch my first speech the time that I read this — anybody wants this, if they write me, I'll certainly be able to present it to them and send it to them. This research done by the NDP cabinet endorses free trade, endorses liberalized trade. In today's figures, if you sum it up, it says it's worth \$335 million a year net benefit to the province of Saskatchewan, 1987 dollars. Three hundred and thirty-five million in new economic activity every year to the province of Saskatchewan if we could just reduce the tariffs particularly on processed goods.

Now why processed goods? And it's well documented, and I congratulate the hon. member because that's the items that we are trying to manufacture and process and export. They don't have many tariffs on fence posts, on live animals, on the raw material, but they have the tariffs on processed goods, and we're trying to process, manufacture, and do all those things, and right in here it says, these are the kinds of goods and services that we would benefit by if we reduced the tariffs.

Well I want to remind the hon. member, as it says in here, on a per capita basis, exports are much more important for Saskatchewan than for the total of Canada. Now if this deal is good for Canada, imagine what it means to the province of Saskatchewan. And the report goes on and it indicates, and I'll just read a couple of paragraphs:

Sizeable foreign tariffs exist on processed goods exported from Saskatchewan (this is page 11). This is unfortunate. It is well documented that the exporting of processed goods yields much greater return than the shipping of products that are unprocessed.

And it goes through and it documents it in some detail.

It goes on, Mr. Chairman, and talks about the impact of the Canadian tariff structure and the fact that western Canadians have been asked to pay the tariff and we don't play on an equal playing field. We pay the freight both ways; we have to pay tariffs on our textiles, on our refrigerators, on appliances, on chemicals, and all the things that we might be able to buy on an international market; we have to pay tariffs in central Canada as we reduce tariffs. The report says, for Heaven's sakes, we get the benefit here in the West and it doesn't just go to Ontario and Quebec. Now you can find that on pages 15 and 16. And it goes on to say that:

This is evidence that the Canadian tariff structure does not take into account the needs of the Saskatchewan economy (that is the tariff structure we have today). In fact it is in general a hindrance to the development of manufacturing and

processing industries in Saskatchewan.

That's the Canadian tariff structure as it applies particularly to the United States, our largest trading partner, and the rest of the world — documented.

Now on page 18 it says, "Our philosophy that free trade is superior to no trade . . ." and that, The province favours reduced trade barriers both in exports and imports."

The philosophy of the report, and at that time evidently when you were in government, the NDP, on page 20 you say that, "The cost to consumers in Saskatchewan of the tariff structure between our countries is \$119 million. For the manufacturers and processors, it's \$39.8 million." And the net cost of tariffs and levies to the Saskatchewan economy at that time was \$130 million, 335 million to date.

And then you go on and you have conclusions. And if I just might, I'll read your conclusions, sir:

Saskatchewan is (this is page 22) essentially interested in seeing the major trading countries move towards free trade (free trade). Saskatchewan would not endorse general increases or the maintenance of protectionism either at home or abroad. Extensive trade liberalization at the international and domestic levels such as will be recommended below in this report could result in savings to the Saskatchewan economy of more than \$130 million annually.

And as I pointed out in 1987 dollars, that's \$335 million.

And here specifically on page 23:

Recommendations. The reduction of United States tariffs on processed and manufactured forest, minerals, and agriculture products, would assist the Saskatchewan economy.

We understand the game, Mr. Chairman. I believe that . . . Well all I can say is, I agree with the seven leaders of the free world, the majority leaders. I agree with your own research in 1974.

I don't think you can get away with just saying this is the Reagan-Mulroney deal and expect people just to dislike it because you use their names like that. Canadians and Americans, with some of the smartest, most intelligent external affairs people that we could find in either side, public servants, career civil servants that have worked under many presidents and many prime ministers, put this deal together, and it's an example for GATT, the General Agreement on Tariffs and Trade.

And you can't debase it by saying it's the Mulroney deal or the Reagan deal. It's Canadian and American setting an example for the rest of the world. And I am happy that it's there and I'm proud to have made a contribution. And all of Canadians certainly shouldn't be intimidated by our ability to participate on an international level. Well and I'm certainly glad that the world leaders endorse it, strongly support it, and recommend it to the rest of the world.

Let me say just a couple of words about economic development. The hon. member mentions, and I'm quite proud of the mix that he's talking about, in his view of the world there's three major engines of growth in Saskatchewan, and I agree. Three major engines of growth are the private sector, the public sector, and the co-operative sector. And they all can be very powerful and very instrumental. And I agree with that.

The trick is, again when I go back to the late '70s and I think about why I got into politics, it wasn't working. What was the public sector doing? It was dominating the private sector. It was nationalizing things, taking them over. I don't know, I don't have a list of them all, but I can give you some of them, I suppose. You know the government took over PAPCO (Prince Albert Pulp Company) and borrowed \$186 million at 17 per cent interest and locked it in — American funds; bought 171 million in land bank; 450 million, Potash Corporation of Saskatchewan. Where's the co-operation? Where's that nice mix? I didn't see the mix. It was intimidating the private sector. Everybody was saying, you don't invest in Saskatchewan. They're socialists; they got one thing in mind, you control it at the centre. And it wasn't popular, wasn't fashionable any more. You tried it and it didn't work.

Let me talk about co-ops. The co-operative movement — I'm proud of it. I think it has a very good philosophy, and I want to have people participate. We're so proud of it that we built the largest project in the history of Saskatchewan with a co-operative in the city of Regina. I didn't hear you mention that.

This upgrader, the NewGrade upgrader, which is a partnership between the Government of Saskatchewan and the Government of Canada and the co-op movement in this province, is a tremendous project, the largest in the history of Saskatchewan, let alone co-operatives. And it will help co-ops for decades and generations to come. And you know that. They have a source of strength and power. They can diversify — processing, manufacturing, access to the U.S. market, making our own gasoline and diesel fuel from our own oil for the first time in Canadian history and Saskatchewan history, our oil right here. And you say you were a promoter of co-ops. I didn't see that. I didn't see you do that. I didn't see you helping co-ops, putting hundreds of millions of dollars on the line and your political neck on the line for co-ops. You talked a lot about it, frankly, but I didn't see the action.

I saw you buying potash mines and taking over pulp companies and taking over packing plants. But what did you build? Sixty new co-ops we've had in '87-88, incorporated under this administration, and a huge co-operative program that we're proud of, that will build on this province and its strengths, and not just buy your energy from Alberta. And I can spend some time on that and I might.

All that money you put into the Alberta economy and Alberta heritage fund because you wouldn't build it here, not just because of your royalty structure, which left us with a \$300 million debt because you paid for dry holes, but you wouldn't build. You didn't build upgraders. You

didn't build the kinds of things that you'd like to see with co-operatives.

The second thing, the public sector. The hon. member says that we don't use the public sector; all we do is cut it down. Let me just make a point. I don't know what he thinks rural gas is, but it's public sector — \$300 million, \$350 million rural gas distribution system across Saskatchewan. That's building with an infrastructure, Mr. Chairman, and I didn't see that before. And I was an economist at the university talking about rural development, and I was out in extension, and I couldn't find it.

And he says we don't use the public sector. We used the public sector to help build the Co-op upgrader, NewGrade upgrader. We used the public system to provide rural gas to towns and villages and every farmer in this province. Individual line service, public project, \$150 million — public government; power lines; burying them, making the cables here. Those are government projects the hon. member didn't mention. I mean, just to be fair. You know, it is the mix. It is the mix, but the mix has to be in balance.

Now the private sector; we encourage them to come in and work with us. Upgraders, paper mills, VCCs (venture capital corporations) that we established, manufacturing bacon, recreational vehicles, turbines — all the things that we can do together with co-ops, public sector, and the private sector to build.

I can say to the hon. member, it's not perfect. We've been through some difficult times. We've made mistakes, but we will continue to build on the combination of things that obviously we think are important with the three.

Now I'll add to the hon. member, he talks about fiscal management. I can say to the hon. member . . . I can say to the hon. member . . . I must have struck a key, Mr. Chairman.

I remember in 1982 people said, I'm not so sure why, with a province that has all this energy, we can't reduce the tax levels on individuals. Why can't we reduce the sales levels on individuals. Why can't we reduce the sales tax on gasoline — and we did. And we're the only province in the country that still has no tax on gasoline for individuals here as long as you have the rebate, you have no tax and you keep your receipts.

No sales tax on clothes under \$300, Mr. Chairman. People want to see that response. We have the second lowest tax levels in all of Canada now, Mr. Chairman, the second lowest tax levels in all of Canada.

And when we look at it, Mr. Speaker, and we look at the kind of expenditures that we want to make in terms of the expenditures that we receive and the dollars that we receive, we taken health-care expenditures from sixth in the country to second in Canada — number two in Canada — spending over \$1,240 per man, woman and child in this province as a result of the management we've been able to put together, as the Leader of the Opposition says, under some pretty difficult times — drought, \$2 wheat, \$10 oil, varying kind of problems that we faced.

Mr. Chairman, I will say to the hon. members, when you talk about a consensus, I suppose that would be one area that really encouraged people not to support the NDP. We look at the national energy program. We look at the FIRA (Foreign Investment Review Agency). We remember the fact that the federal government took \$50 billion out of western Canada — out of Alberta and Saskatchewan in wealth — as a result of the national energy program. It was the Trudeau administration supported by the NDP. Mr. Chairman, I remember those programs and I remember the people who supported the programs at the national level.

Mr. Chairman, when I look at the four points the hon. member has raised with respect to trade — I don't believe that he's done his homework — with respect to the combination of things in the economy that really make it work. He failed to recognize several points that I believe that he could add to.

With respect to the kind of tax regime that we have today and the breaks, I would gladly compare it to other jurisdictions. And when he looks at the consensus . . . when I look at Meech Lake, when I look at the free trade agreement, when I look at the kinds of things that we've been able to do . . . And frankly we did not leave out Quebec as was the case in 1981, I did not leave them out, they're included in this and that's extremely important. So I say to the hon. member, the combination of things that we can do to build the consensus today — reconciliation and consensus — reconciliation and consensus is extremely important.

Mr. Chairman, the hon. member says, well what about C-130 in section 6; aren't there concerns with respect to federal and provincial jurisdiction. There are concerns and there have been concerns and there will continue to be concerns with respect to provincial and federal jurisdiction. The hon. member knows that. He's been involved himself. Many of the provinces have been involved, and will be involved in them in the future.

(2000)

He knows very well that a provincial government or a federal government cannot change the constitution unilaterally. And the constitution, Mr. Chairman, the constitution says that the federal government has jurisdiction over interprovincial and export matters. And the provincial government has control over resources, education, and the various other items that are there within the constitution.

Mr. Chairman, we've looked at the comprehensive legislation. Other provinces have. Provinces will continue to examine it and look at it from a legal perspective, as well as an economic perspective. And we support the free trade agreement between Canada and the United States, and fully know that the federal government has all the legislation that it needs to implement a free trade treaty with another nation, as it has with GATT for decades. And we've been doing these trade treaties for the last 40 years.

So I say to the hon. member, his own research has shown him that more liberalized trade is a good idea. The

research that we have shows that it's a good idea. And if he is saying that the federal government doesn't have the power to implement a free trade agreement or a treaty with another country, I'd be surprised, because obviously it has that kind of capacity to compete at the international level under the jurisdiction of the constitution we have today.

Mr. Romanow: — Well, Mr. Chairman, I had hoped that the Premier would have engaged in perhaps a little more factual discussion of the estimates, but I see that that's not possible.

Some Hon. Members: Hear, hear!

Mr. Romanow: — I'll tell you why it's not possible. He says, "your own research," referring to the 1974 agreement. Now this comes from a Premier. This statement and this interpretation comes from a Premier who, although he is a leader of a political party, and we understand as he says in his words, "what the game is," misrepresents totally and completely the nature of this 1974 document.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Mr. Chairman, this document is dated October, 1974, and it says, Saskatchewan and Canada International Trade, I quote:

Submission by the province of Saskatchewan to the Canadian Trade and Tariffs Committee, Government of Canada, with respect to Canada's participation in the current trade negotiations, under the General Agreement on Tariffs and Trade.

This was a submission by Saskatchewan to Canada, to aid Canada to make its submissions known on GATT. GATT is world trade, world tariff reduction, that is the nature. It is not with the United States-Canada free trade deal, not whatsoever.

And for the Premier to take highly selected quotations out of context and to say that we supported free trade is nothing short but a gross misrepresentation not worthy of the Premier's position, not worthy.

Some Hon. Members: Hear, hear!

Mr. Romanow: — In fact, I'll go one step further, Mr. Chairman. I will say that if the Premier of Saskatchewan, in 1988, endorsed this document, full stop, period, and not the United States-Canada free trade deal, we'd have a blueprint for international trade and development in Saskatchewan and Canada.

Some Hon. Members: Hear, hear!

Mr. Romanow: — If the journalists take the time to read it, if the members opposite take the time to read it, if all the members of the public take time to read it, as I've said in the covering statement, this is a submission to GATT, it deals with tariffs, to the extent that the United States-Canada free trade deal deals with tariffs and the reduction of tariffs — few people are going to oppose that.

But it goes beyond tariffs. What the Canada-U.S. free trade deal does, it enters into an economic union, as I've tried to explain to the Premier and to the members of this House. In this thick of a book, it involves subsidies with respect to agriculture; it talks in terms of the marketing boards of agriculture; it talks in terms of energy, giving the Americans equal access to energy; it talks about giving the Americans equal access to water in Canada, Mr. Chairman. That is not even mentioned in this 1974 agreement, not mentioned. In fact, any provincial government, especially in 1988, that would sign off the right to water, if you will, for Canada and Saskatchewan in the United States-Canada free trade deal, and then represents it back to 1974, is not doing his job for the people of Saskatchewan and misrepresenting what the people of Saskatchewan want.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Make absolutely no doubt about that — no doubt about that. And he knows it. And he knows it. Everybody knows it.

Let me just tell you about how this free trade deal works, as an example, on water. Let me just tell you how it works. I told you that the free trade deal, in consequential terms, sequential terms, is, first of all, this negotiated deal, from A to Z, the comprehensive operation. It is the book right there.

Now the next thing that takes place is the legislation, Mr. Chairman, which I referred to — it is there — and the tariffs which were attached to legislation. What do we see happening with respect to this deal? We see under the arrangements of this particular deal of all the — not all. Many researchers now are pointing out that water is treated as a "good" under the General Agreement on Tariffs and Trade. And what is, under the definition of the tariff schedule, a "good"? It's included. And how is water described under this tariff schedule? It is described as follows, under the free trade deal which this Premier and this government endorses. I refer now to, I think it's page S144 on the volume 3 of the attached regulations to the free trade deal, schedule 1 to the customs tariff. I'm going to ask the Premier some very pointed questions about this.

And 22.01 says this:

Description of goods (covered by the Canada-United States free trade deal):

Waters, (waters, including — not only, Mr. Chairman, but including waters,) including natural or artificial mineral waters and aerated waters, not containing added sugar or other sweetening matter nor flavoured; ice and snow.

This provision, the federal government negotiator, Mr. Reisman, wanted excluded from the free trade deal. This is admitted in the House of Commons. They wanted it excluded. The record of the House of Commons shows that in the question and answer period when Mr. Axworthy of the Liberal Party raised questions of John Crosbie. And they did not get it excluded. It is now in the

deal. Then when it's in the deal, what happens to it next?

Now it's in the deal; the next provision that takes place in the Canada free trade deal is this: that with respect to this definition of water, to this definition of water, the Americans have the same provision under clause 409 of the deal as they have to energy and oil and natural gas — equal access. What does that mean, Mr. Chairman? It means this: you can't charge the Americans a price higher for our oil and natural gas, and if you have to cut back in supply of oil and natural gas to the Americans, you got to supply the Canadians the same level. That's the deal says it, in 704.3. And the same provision provides to Ottawa.

Now the Premier's argument is, but we don't sell water to Ottawa or to the United States. The Premier says, we're not selling water. I mean, this is a provision which doesn't count. He would have us believe that it's little bottles, carbonated little bottles that the Americans are interested in. He says, the Canadians don't sell water and we as a Saskatchewan government doesn't sell water, and I commend him from that point of view, if that's the point of view that he takes.

But the very provision which he defends in the trade Act that I refer to, section 6, the very provision which he defends as a federal power, permits the federal government to enact the appropriate legislation under the international trade and power to determine water and water exporting future arrangements.

Some Hon. Members: Hear, hear!

Mr. Romanow: — That's the situation. That's the situation, and if that interpretation isn't right, the Premier can answer me this: why is it that the Canadian negotiator sought to have that provision on water excluded? They sought to have it excluded; they admit that in the Hansard. But they didn't get it excluded because they went down there to negotiate not a tariffs deal, which the 1974 document talks about, they went down there to negotiate a comprehensive economic union from energy to water to investment, to selling out the birthright of Saskatchewan and Canada. I say, shame on the Premier and the people opposite.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Yes, take a look at the schedules. Oh well, the Premier and the people opposite will say, well, you know, we're not going to sell any water under our jurisdiction. What happens when there's water under interprovincial jurisdiction? What about the rivers that flow interprovincially? What about the inquiries which have taken place recently from British Columbia, but sponsored by the federal government, on the level of control. But that's not even the relevant point. I mean, it's relevant that water is so essential to the free trade deal. What's relevant is that the Premier defends section 6 of the free trade deal as having been the power and the right of Canada. He won't raise a finger, because he says that it's a negotiated deal, an international deal. He says, if it's a negotiated international deal, it doesn't matter what's in it, we, as a provincial government, can't say or do anything about it. That's what he says.

He says, if the federal government negotiates another international trade and commerce or international treaty between the powers, what I've got to do is sing the Hallelujah Chorus, is what he says. I can't stand up for the people of Saskatchewan.

I say to you, Mr. Chairman, and I say to the Premier and to the members opposite, that is pure and simple, a sell-out, a sell-out of the Canadian right. That's a sell-out of Saskatchewan farmers and the sell-out of this province. And my question to the Premier is: how in the world do you dispute that interpretation of that provision and that history with respect to water? Give us an explanation.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, you can usually tell when the argument doesn't carry a whole bunch of weight on the other side because there tends to be a lot of bravado and a lot of support and a lot of hollering and a lot of screaming, but not much logic, not much logic. And they talk from their seat, Mr. Chairman, a lot, because they can't deal with the facts, deal with the facts.

Let me just make a point with respect to water, and the hon. member mentions it. Right now in the Souris river system the United States gets 98.6 per cent of the water that is produced in Canada. It gets it. And the water goes down into the United States, and we're entitled to 50 per cent of it, but the United States get 98 per cent. It leaves Saskatchewan, and we do nothing about it, and it's gone. And we're entitled to 50 per cent, and he's . . . the hon. member's talking to me about water.

I dare say, Mr. Chairman, if the former premier, T.C. Douglas, was alive today, he would build Rafferty dam. He would manage water resources for drought.

I've read in this legislature, Mr. Chairman, I've read in this legislature the words of Mr. T.C. Douglas on Gardiner dam and Diefenbaker Lake, on Diefenbaker Lake, Mr. Chairman, and he said, this project will be good for power generation, it will be good for irrigation, it will be good for tourism, it will be good for agriculture, it will be good for tourism, it will be good for agriculture, it will be managing a non-renewable resource. And that's exactly what we see with respect to sharing water with the United States.

And the hon. member says, well he doesn't want to do anything with water. Well I can only say, Mr. Chairman, this project that we're doing will allow Canadians to have our fair share of the water. Why would you deny Canadians and Saskatchewan people the right to have our 50 per cent of the water?

Mr. Chairman, it's a typical example. And then he goes into the free trade agreement and he says, well look at this, my gosh, you're going to be trading water with the United States. He's prepared to give them 98 per cent of the water going out of Saskatchewan for nothing, yet he won't be able to trade. He doesn't want to build and manage a resource that is very valuable for southern Saskatchewan or any place else across the Canadian West.

And then he goes on to say, well they'll be able to have

access to energy and a brand-new agreement and we'll have to provide them with all our energy. He knows very well that this agreement is subject to the international energy agreement of 1974. And he was the deputy premier of the time. And he's familiar with that, which says, under all conditions with our allies we will treat each other with respect, and if we have contracts with our allies, under emergency allies, under emergency conditions, we'll honour those contracts. That's all it says. And he knows that.

So he goes on . . . and then he says, well we should vote on this. Well of course we'll vote on this. Mr. Chairman, there will be a federal election this summer or this fall or next year. And the question will be: voting on free trade, it'll be voting on Meech Lake, but particularly on trade. It will be the very thing that we're talking about here. So the hon. member says we should have a chance to vote on it.

I noticed that they had a chance to vote on it in Manitoba. They had a chance to vote on it in a major by-election in Quebec just recently, which was exactly on Meech Lake and free trade, and it was endorsed. And I think the NDP lost in Manitoba, and I believe they lost their deposit in Quebec. So, Mr. Chairman, I point out to the hon. member, we'll vote about it all across this country and the hon. member knows it.

Now he's made his point. He doesn't want liberalized trade. And I make this offer, I will send this research to any member of your caucus or any member of your party that wants this information. And we can talk about whether it relates to United States, and I can quote right out of it that we should reduce tariffs between Canada and the United States, that's what it says, okay? . . . (inaudible interjection) . . . Well that's what it's all about.

(2015)

And reduce tariffs between . . . Listen, Mr. Speaker, they have to make up some sort of monkey business and say, I won't believe this. This is good research, they say, more liberalized trade. It'll be very good. Reduce the tariffs between U.S. and Canada, reduce the tariffs world-wide. We've got the seven major leaders of the world supporting it. We've got eight out of 10 provinces supporting it, saying it's consistent with your research.

Well anybody that wants it, I'll send it to you and you can read it for yourself because it says this province loses, this province loses \$335 million a year because we don't have lower tariffs and our biggest trading partner is United States — documented in here and you're saying, well I'm against it. I'm against it philosophically, first, because it wasn't multilateral. Now when the Japanese support it, well, I guess it's because of energy or water or section 6.

I mean, you just keep going from one thing to another. I would just say, in all respect, your research endorses a free trade agreement. It says we should reduce the tariffs. I agree with the research. I agreed with you in 1974. I just wish you'd stay on target and be consistent with what you did in 1974.

Some Hon. Members: Hear, hear!

Mr. Romanow: — I tell you, Mr. Chairman, it looks like the Premier and I have got an easy agreement. He agrees with me in 1974 and I agree with him in 1974. Now we would have total agreement, Mr. Premier, if you agreed to drop the Canada-U.S. trade deal because it is not . . .

Some Hon. Members: Hear, hear!

Mr. Romanow: — And by the way, I will mail 1974 to anybody who asks. I'll mail 1974 to anybody who asks. And by the way, I've had several business people who attended a Premier's dinner where one Mr. Oliver Letwin was the guest speaker — we'll come to that also, I hope, some time over the next several days — where Mr. Letwin made some address and you referred to this. And business people have been saying, I've written to the Premier asking for a copy, I haven't got it yet. I hope you're not delaying, and I sure hope that by accident there isn't a removal that this is a paper submitted to the general agreement on trades and tariffs and the reductions.

In any event, I say to the members in this House and to anybody else, I will make it available, and if you stick to 1974, we can go forward on the united policy for trade. But I'll tell you . . . (inaudible interjection) . . . Okay fine, but I'll tell you one thing, Mr. Premier, where we will disagree when you go beyond 1974 into water.

And I want to ask you this question, and I want a specific answer on this question, please. I'm not going to make a speech. I want to ask a question. I want to ask this: do you agree that under volume 3, schedule part (b), tariff 22.01, water is included in the U.S.-Canada free trade deal? Call it what you will — Mulroney-Reagan free trade deal. Do you agree to that? Do you agree that therefore under this same deal, articles 409, page 30 of the free trade deal apply, namely that the Americans have equal access to water as they would to our energy? Do you agree? And if you do not agree I want you to pin-point . . .

An Hon. Member: — You're nuts.

Mr. Romanow: — And the Deputy Premier says I'm nuts. Thank you very much for that. I want to know exactly if you disagree. If you disagree, I want you to point to the chapter and verse where it is wrong.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Chairman, no, I do not agree, and I will get the chapter and verse and provide it to you when I have the opportunity to bring the information forward.

Mr. Romanow: — All right. I'm going to ask the Premier another specific question. And this is an incredible display, Mr. Chairman. This is an over-arching agreement that affects all of Canada, and the Premier says he does not know — on water.

Now I have another question. I want to put a specific question to the Premier. Do you deny to me — do you deny to me that under this United States-Canada free trade deal, in particular under chapter nine under the free trade deal, that the Americans have equal access — note the words I use — equal access to Canada's energy

supplies, inasmuch as we cannot charge the Americans more than we charge ourselves, and inasmuch as that if we reduce the product to the Americans, we have to reduce it in the same proportions to ourselves. And if you don't agree, I want you to give me chapter and verse where it says I'm wrong.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — I do not agree, and the hon. member knows that he's wrong, and he's building straw men out of both water and energy, and he knows it. And he can sit there and hum and haw and fool around all he likes. He knows that you can charge Americans whatever the market will bear, and you can cut a deal on energy. You can cut on energy and you can charge them whatever they want to pay. All it says that, during times of emergency — when, in fact, that you are under, you're threatened from an international source — that you will honour the contract that you signed. That's what it says. The business contracts that you've signed, you will honour. And you know that. That's exactly what it says, and the 1974 international energy agreement says exactly that.

In fact, this agreement is subordinate to the 1974 energy agreement, and you were the deputy premier at that time when that was signed. And that says — and I'll dig that up, I don't have it here, but I'll dig it up — where it says, under times of emergency we will honour our partners and we will honour the contracts. Now you should with your allies.

It says, if I have a contract and I set a price and that's there, then, in fact, I can honour it and you will honour it. And we've agreed to that. We agreed in 1974 to do it and we've agreed here to do it. That doesn't mean that you can't go — that doesn't mean you can't go and charge whatever the market will bear, as we sell either water or hydro power, water-power, or coal-fired generated power, or energy of any sort. That's exactly what we can do, and any observations with respect to any changes since 1974 are . . . Well you're just making straw men out of them because we can charge whatever we like. We get to control the resource, and, in fact, only in times of emergencies will we even have to honour the contract — which is only fair — with an ally, but you would.

Mr. Romanow: — Well I really . . . Mr. Premier, I do want to say this . . . I say this to you, I say this to you genuinely. At some point earlier, later in this afternoon, you said you didn't want to get into the crowd — referring to the back-benchers on my side — and I really don't want to get into your crowd, especially the very profound words of the Deputy Premier who elevates the debate with this kind of name-calling which, unfortunately, I think, is all too frequent, but that's neither here nor there.

I'm going to come back, Mr. Premier, to ask you a very specific question. I'm asking you, Mr. Premier, a specific question with respect to energy. I said this — I repeat what I said — I said that the United States-Canada free trade deal gives us equal access, gives the Americans equal access — note the words — to our oil and natural gas. I said that the United States-Canada free trade deal prohibits us from charging the Americans more than we

charge ourselves. The Premier shakes his head.

I refer the Premier, in support of my proposition to article 903, amongst others. I shall read it:

Neither Party shall maintain or introduce any tax, duty, or charge on the export (that's Canada and the United States) of energy good to the other Party, unless such tax, duty, or charge is also maintained or introduced on such energy goods when destined for domestic consumption (here at home).

That is my authority to say that we cannot charge the Americans more by way of export price than we charge ourselves. I say that on that interpretation the competitive edge that we have had to try to diversify our province, our region, is lost, because we have to charge the same prices. You shake your head.

My question to you is: where, by exact chapter and verse, do you have your authority that says that we can charge different disparaging prices?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Chairman, I've already said to the hon. member, in 1974, we had an international energy agreement that said that we would honour our contracts at those prices, when we found that there was an emergency internationally. And this is exactly what we are doing here, exactly. So if there's an international emergency, we will not cut them off, we will honour the contracts that we've had.

Secondly, Mr. Speaker, Mr. Chairman, we can charge them anything we like in the contracts we're about to sign. You can have a contract, you can take what the market will bear, and you can go out there and can cut deals. We're doing it all the time, and we'll continue to do it.

All that's said there, as it did in 1974 with our allies, we will not cut them off during an emergency. Now I'm just point it out, that it's the same thing as in 1974, it's subordinate to the agreement of 1974, and only, only under emergency situations.

Mr. Romanow: — Mr. Chairman, I'm not going to belabour this because I say, quite frankly, with the greatest of respect to the Premier, and I do respect him and the office of the Premier, the answer is absolutely inadequate.

Mr. Premier, my question to you will be very simple. You get your officials or you do it yourself, take a look at article 903, and you tell me how you interpret that article which says that: "... any tax, duty, or charge on the export . . ." On the export, it must be the same tax, duty, or charge on domestic consumption. And if that doesn't mean that the Americans have equal access to our resources, will you please tell me how in those black and white words it's different?

You're talking about supply. That deals in another capacity, in another section on supply. On supply it says

if we cut back on the Americans, we've got to cut back on ourselves in the same proportion. We'll deal with that later. You tell me how you interpret 903.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — I have just said to the hon. member we can charge what we like to whoever we like internationally, including the United States, under this treaty and the General Agreement on Tariffs and Trade.

We have and we will continue . . . We will go back and say, as we did in 1974, under emergency conditions we will honour our contracts, and we will not tax them, we will not cut back, we will not do things different, because under emergencies we treat our allies in a proper fashion, and we've agreed to do that. Now we always have. Now why wouldn't you want to do it now?

An Hon. Member: — I do.

Hon. Mr. Devine: — That's what it says. It's the same as 1974 and this is in fact subordinate to 1974 where we signed an international energy agreement that says when we have contracts with our allies during times of emergency, we will defend each other and we will not renege on those contracts. And you will not cut them off — and that's exactly what this agrees to do. And it is subordinate to 1974, and you were deputy premier when that was signed.

Mr. Romanow: — Mr. Chairman, I'm going to push the Premier on this for a little while because what will satisfy me, Mr. Premier — and I'm prepared to admit that I made an error — what will satisfy me, sir, is if you read to me a specific section in this free trade deal which justifies your provision. That's all you have to do.

Now look, I know what you're referring to. I will read to you the federal government's preamble of 903. I'll read the preamble. Let me just read it to you, quote, with respect to the question of energy. Page 142 of the free trade deal.

Now, Mr. Chairman, I want the members, I want the member from Science and Technology to pay attention, and especially the member back there from . . .

An Hon. Member: — Nipawin.

Mr. Romanow: — From Nipawin. Look, this is the federal government wording. This is not the text. I read the text. This is the federal government's interpretation of the text. Here's what it says — article 903 what I'm reading:

Article 903 on export taxes . . . (this is the federal government) . . . restates the obligation of Chapter Four not to impose taxes or charges on exports unless the same tax is applied to energy consumed domestically.

Then what the Premier is referring to, which is another issue:

This article also provides that export restrictions not be designed to disrupt normal channels of

supply or alter the product mix as between various types of specific energy goods exported to the other country. For example, if Canada in future decides to implement measures to limit the consumption of oil, it can reduce exports to the United States . . .

This is what he's talking about. I agree that that's what he says. I have a question about that.

. . . it can reduce exports to the United States . . . (but get this, Minister of Science and Technology) . . . proportional to the total supply of oil available in Canada.

In other words, what we cut back to the Americans we must cut back to ourselves. My question to the Premier is this: let's forget about the Americans having an energy supply crisis. What happens if we have an energy supply crisis, and we want to cut back to save our own Saskatchewan farmers and our own industry because of the oil and energy? You point to me a specific section that says that we've got the power to cut back more to ourselves, to save more for ourselves and not do the same thing to the Americans. Give me chapter and verse.

Some Hon. Members: Hear, hear!

(2030)

Hon. Mr. Devine: — Well, Mr. Chairman, it's really interesting that when the hon. member was the deputy premier of the province, the premier of Alberta was Mr. . . . (inaudible interjection) . . . Well let me finish. Come on. I mean you want to holler a little bit. I'm just saying, when you were deputy premier and we were fighting the national energy program, there was a neighbour to the west who was the premier, Mr. Peter Lougheed. And Peter Lougheed fought the national energy program, and he fought it hard. And at the same time he said we should have liberalized trade interprovincially and internationally. And Mr. Peter Lougheed — and that province supports 85 per cent of the energy and the oil in this country — endorses the free trade agreement for the very reason of energy.

Now who do you think the country is going to bet on, you or Peter Lougheed, when it comes to knowledge about the energy business and whether it's going to be . . . And then he says, we'll see, we'll see.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — The man from Riversdale says, well the national energy program was okay. He says, I fought it, I fought it a little bit alongside of Peter Lougheed, the former premier of Alberta. We really knew what we were doing. Peter Lougheed said, this is the greatest opportunity western Canadian energy ever had. We can have our own royalty structure, our own tax structure, and the federal government cannot apply the national energy program. And Mr. Lougheed says, it's very good for energy.

And you're standing in your place and saying, no, it's no good. I like the national energy program; I like what the

federal government used to be able to do; I like that kind of control and power. Well now look at, the national energy program hurt the West. It took 40 to \$50 billion out of Saskatchewan and Alberta, and you think you like it. Hardly!

There's an awful lot of people in my riding of Estevan and all across southern Saskatchewan and Alberta and up the west side of this province who are in oil and gas, who endorse this agreement, who do not agree with you, who say, I don't want another national energy program, and I want to deal with international trade contracts. When a man gives his word, he sticks by his word, and he won't break them — and particularly, in terms of times of crisis, that he would make very sure that he honours the contracts between United States and Canada.

And we can charge our own royalties, we can charge our own taxes, and we will not continue to argue for the national energy program. And the hon. member knows that when you get to energy, the former premier of Alberta, who has worked hard behind the scenes as well as after the agreement, says this is the best agreement that western Canada has ever seen in energy for access to international markets and demand, and it's the kind of thing that we have. Sir, in the energy business I believe most people in this country would put his reputation up against yours any day.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Well, Mr. Chairman, I am going to move on because . . . I'm going to move on because the Premier . . . I want this noted by the minister of privatization. I want the minister of privatization to note that I have asked the Premier, now since 8 o'clock or quarter to 8, to rebut my reading by another section anywhere. In the case of water, he wasn't even aware of it. He wasn't even aware, so don't tell me about who got whipped. That's neither here nor there. He's going to give me an explanation some time down the road, and that's fair enough. This is shocking, really.

But I want to say a comment about the national energy plan because I think time does fly, and we do want to move on to these estimates. I want to make one point about the national energy plan to the Premier. I don't need to explain to the Premier, but I tell you that we opposed the national energy plan side by side with Mr. Lougheed — for different reasons, but we opposed it. Mr. Lougheed and Mr. Blakeney both agreed to the national energy program in September of 1981, that famous champagne-clinking ceremony with Mr. Trudeau and Mr. Lougheed, but that's neither here nor there for the moment.

You say Mr. Lougheed is for this free trade deal on energy. You're doggone right he's for this free trade deal on energy. He's for this free trade deal on energy, precisely for the same reasons that you're for this free trade deal on energy — right — because it gives unlimited equal access to Saskatchewan and Alberta's oil and natural gas to the Americans. That's why you're for it.

Some Hon. Members: Hear, hear!

Mr. Romanow: — And that's my point. That's why he's for it. That's my point. My point is that there is no capacity left in this free trade under circumstances of crisis, under circumstances of pride, to have a Canadian-first policy, to have a Saskatchewan-first policy. That's my point, and that's why you and other continentalists are for the free trade deal on energy. That's why I say it's a sell-out of Canada's and Saskatchewan's heritage, pure and simple.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Now look, Mr. Chairman, I have one question, I have one more question on the free trade deal. I want to say, Mr. Chairman, one other thing to the . . . Who is that guy?

An Hon. Member: — The member from Wilkie.

Mr. Romanow: — Who is he?

An Hon. Member: — The member from Wilkie.

Mr. Romanow: — Wilkie?

An Hon. Member: — Yes.

Mr. Romanow: — The member from Wilkie. I'm not sure which one he is back there, but it's the member from Wilkie in any event.

I want to ask one other question on free trade. I mean, the Premier can come back on energy if he wants. I want to put a specific question to you, Mr. Premier. I want to put this specific question to you, Mr. Chairman.

Mr. Chairman, my question to the Premier, to show the expanse of this deal, I want to ask the Premier whether or not he agrees that on page 279 of the Canada-United States free trade deal . . . By the way, I want to preface my remarks again by the way I started under section 6 of the Act, the federal Act, the enabling legislation for this, plus the water provision. I remind you and the public about that.

You say that the federal government's got the power to implement anything that it has in any federal internationally negotiated free trade deal. Water now, apparently they've got the right to decide that; energy, they got the right to decide that. You can't give me, you have not given me one section in rebuttal. I've given you chapter and verse here.

Now my question is this: will you agree, on page 279 of the free trade deal, that there has been agreed between Mr. Mulroney and Mr. Reagan the establishment of something called a working group, whose job it is for the next five to seven years, among other things, to study new rules and disciplines regarding government subsidies, regarding unfair pricing, and regarding government subsidization? And moreover, do you furthermore agree with me that under the agriculture section of the free trade deal, there is 16 pages of Canadian agriculture programs which are identified as subject to further consideration as being possibly programs where there's unfair subsidization? Do you agree that to be the case? And do you furthermore agree that there is no definition of

subsidy anywhere, that any subsidy and unfair trading practice will be defined by a group of faceless bureaucrats?

You, sir, were talking about power at the top. You, sir, are a party to an agreement — a U.S.-Canada agreement — where the power has been given to the top of bureaucrats and corporations to define what is a subsidy and what is not a subsidy. It's not set out in this deal. I cite to you chapter and verse. Do you contest that interpretation? And if you do, I want you to give me a specific chapter and verse. Please tell me what that chapter and verse is.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Now, Mr. Chairman, I will point out to the hon. member, with respect to international subsidies, we now have . . . As we do with free trade, as we do with Europeans, socialists or capitalists or all of them, agree that free trade is a good idea and this agreement is a good idea, despite what the NDP member says here.

And, in fact, at the recent summit, all the seven leaders said to move the issue forward, and noting, among other things, the diversity of our agriculture situations:

Our negotiations in Geneva must develop (hear this) a framework approach which includes short-term options in line with long-term goals concerning the reduction of all direct and indirect subsidies, and other measures affecting directly or indirectly agricultural trade world-wide.

Mr. Chairman, I point out to . . . The hon. member asks if we are going to examine subsidies between the United States and Canada. Of course we're going to examine subsidies in the United States and Canada. We have encouraged all countries under GATT, as we have in terms of trade, to examine subsidies, to reduce subsidies, to work to reduce the subsidies, so that in fact we don't take on the United States treasury or the European treasury.

And the hon. member says, well is this true that you're going to sit down with United States and you're going to work towards reducing subsidies? Well yes, Mr. Chairman, we are going to sit down and . . . (inaudible interjection) . . . Mr. Chairman, the hon. member from Quill Lakes obviously doesn't respect the legislature to the extent that most of us do. Mr. Chairman, would you ask the hon. member to co-operate, please. Thank you very much.

Mr. Chairman, I would just say to the hon. member, we are anxious, sincerely, to reduce the subsidies internationally, between Americans and Canadians. And in the free trade agreement we have agreed to look at the subsidies — and they're much higher in the United States than they are here — to reduce those subsidies so that we have an equal playing-field, a fair playing-field.

I just read the section from the recent summit that says the same thing, that leaders agree we should reduce the subsidies world-wide and leaders agree we should move towards more liberalized trade. I just point to the hon.

member, what is the alternative? Is the alternative to say, no, we'll get together and we'll increase subsidies, we'll increase the value? Of course not.

So I say to the hon. member, there's three parts to the trade agreement. Yes, we're going to reduce tariffs to zero after 10 years; establish a new dispute settlement mechanism; and third, work together to harmonize the laws so that the countervail and anti-dumping and the subsidies are consistent with productivity and progress on both sides of the border. That's what the free trade agreement is about. We've encouraged people all over the world to do that, and, in fact, we've got the endorsement of the seven leading countries of the world to do exactly that on a multilateral basis, as well as a bilateral basis with the United States.

Mr. Chairman: — Order, order. I'm just going to bring to members' attention, I've got . . . Members on both sides of the House have been speaking out, and rather than call you to order, I've been allowing debate to take place and it's been a good debate. So I'd just ask all members to be mindful of this, and not to really interfere, but let's listen as the leaders have indicated to their own members to let the other member proceed.

Mr. Romanow: — Thank you, Mr. Chairman, and I agree with you. I think it has been an excellent debate and I will urge my . . . I will urge my colleagues to honour your ruling. I'm sure the Premier will urge his colleagues to honour the ruling as well.

I want to close off my involvement on this section. I think it's been an excellent debate. From my point of view . . . The Premier may wish to give another response, but from my point of view it's been excellent, because I want — I repeat — I want everybody to note, I have cited section by section to the propositions that I make about the free trade deal to support my view that this is more than a tariff reduction deal.

The Premier says, what's the alternative? I'll tell you what the alternative is. It's 1974, Mr. Premier, our paper, the one that you like so much. That's the alternative. You take this and look at it and refine it and we'll build up a good international trading policy.

Mr. Chairman, I challenge the Premier to put out in writing to me, in detail, the chapters and the verse that contest my view that we have made energy equal access to the Americans, water equal access to the Americans. We have no control over investments. We have now set up a working group to look at subsidies; we don't know the direction of which that goes, that Saskatchewan people have lost control by assigning that to the working group on subsidies. We have no longer the prospect of control over our business.

I say to you, Mr. Chairman, as I close off this section, I'm sorry to use these words; that is a betrayal of Saskatchewan. I know he firmly believes in that vision of Saskatchewan and Canada, genuinely. I attach that motivation to him. But I tell him that future generations will not praise him for what he's done. This is the beginning of the end of the Canada and the province that we love.

I say to you that this side of the House and the people of Saskatchewan will do all that they can to stop, not the business of increasing trade — that's not trade — but will stop an alignment which in effect seeks to make us the 51st state. We are a greater country, we are a greater province, and we're going to develop that policy for the future for Saskatchewan people.

Some Hon. Members: Hear, hear!

Mr. Lingenfelter: — Thank you very much, Mr. Chairman. Mr. Chairman, I want to deal with another issue the Premier has a great deal of responsibility for, and that is the drug plan, or the demise of the drug plan, here in Saskatchewan.

Mr. Chairman, in doing that, I want to relate it to something very close to the opposition and to our caucus, and namely the Elphinstone constituency and the by-election that we just went through there very recently.

(2045)

I want to say to the Premier, first of all, that I have been sent here, I believe, with a message that I want to deliver to you tonight. And basically it's this: that the people of Elphinstone were very, very disappointed in your changes to the drug plan. I think that became obvious as we knocked on doors. And I say this with a great deal of concern, that there were a large number of people who said, very clearly to us as we were canvassing, that they were concerned about the changes to the drug plan; that they couldn't afford to put the money up front to buy the needed prescription drugs that they were being prescribed by their doctors who were qualified and trained, many of them in this province.

But the bigger issue was the slight that you gave to them when you talked about the Elphinstone constituency, Mr. Premier. I want to quote to you, just for your reference, of what you said about the people of that constituency. And I quote:

While crime is up in Regina, Elphinstone, it's not because they are hungry, it's not because they don't have clothes on their backs, Devine said. It's because it's a life-style. It's because they want drugs. It's because they are trading them. It's because of welfare abuse.

Now, Mr. Premier, when we were canvassing in Elphinstone, leading up to the by-election and on election night, the reason that almost 80 per cent of the people in that constituency voted against you was, in part, because of the changes to the drug plan. But in part as well, it was the slur that you made against those people of Elphinstone — all of them — every one of them you included in that general statement.

And my first question to you is not on the issue of the drug plan per se. I ask on behalf of the constituents for your apology to them before we start out in the estimates.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Chairman, I can say to the hon. member that I've talked to a lot of people in Regina and in Elphinstone and in Saskatoon, Moose Jaw, and Estevan, and they advise me that they're concerned about drug abuse among young people. Mr. Chairman, they advise me that they're concerned about their families, they advise me that they are concerned about crime associated with drugs, and it tends to be in cities. And it's a serious problem across Canada and across North America.

I recently attended a PRIDE (Parent Resources Institute for Drug Education Inc.) conference in Ottawa, and as I'm sure the hon. member knows, the national headquarters for PRIDE which addresses drug abuse among young people is headquartered in Saskatoon, and their concern about the combination of drug and alcohol abuse is sincere and it's widespread. We've had not only local, but national and international support — international support for the new Whitespruce drug rehabilitation centre dedicated to young people across Canada. It's the first drug rehab centre we've got in all of the nation dedicated to young people. And I know that we have to address it here in the legislature; I know as parents we have to address it.

People who obviously are raising children in urban and rural environments know that it's a problem, and we also know, as we have seen recently, that crime is related to drug abuse, and we have to address it. And I'm concerned that we face it squarely and fairly — that you do and I do — and the hon. members know that it is a serious problem across North America and it deserves our attention, and it is most prevalent in our large and urban areas.

Now I know the hon. member has the same kind of concerns, and I would only hope that he is prepared to work with me to address drug abuse among our young people particularly, and the threats to families, the threats to life-styles that are evident on the urban streets today, and that we have to look at that carefully together. And I will point out to the hon. member, the programs that we have need to be responsible, need to be associated with education and awareness.

We've seen headlines in the paper recently where we find people who have been involved in drug abuse — prescription drug abuse. It's something we need to address, and it takes education; it takes programs. And you're going to see, as a result of research that we've been doing and others have been doing new technology that allows us to address the drug abuse problem as we provide prescription drugs to the public here which will be a very efficient system. It will result in no rebates at all. It will be effective, it will be at the lowest-cost system in Canada or, indeed, North American, and we can begin to address the abuse problem, which is significant — could run us close to a \$100 million a year, which is a lot of money.

We are asking the public, the medical profession, the pharmacist, the young people, PRIDE, SADD (Students Against Drunk Driving) organizations and others, SADAC (Saskatchewan Alcohol and Drug Abuse Commission), that is involved with drug and alcohol abuse, to help us contribute to solutions to this very significant problem.

And it's evident across not only Saskatchewan, but indeed, the rest of the country.

So we're prepared to listen. That's why we have a new health care commission in the province of Saskatchewan, to help us with life-styles, help us with education, and deal with all of the things that we have to with respect to drug abuse and the use of drugs in society, not only on the street, but obviously those that are prescribed. And we're prepared to do whatever we can in terms of new technology to make sure that we make inroads into that very serious problem, particularly with young people.

Mr. Lingenfelter: — Well, Mr. Speaker, I can see why the Premier is nervous on this issue. It's fairly obvious that he's insulted a large group of people. They voted against him *en masse* and now, tonight, I want to ask you one more time, and I want to quote the quote because it's devastating to the people of that constituency.

Mr. Chairman, he said:

In fact while crime is up in Regina Elphinstone it's not because they are hungry, it's not because they don't have clothes on their backs, Devine said. It's because it's a life-style . . .

Mr. Chairman: — Order. It's not proper to use member's names in the legislature.

Mr. Lingenfelter: — Mr. Chairman, I want to repeat the quote and I'll delete the Premier's personal name and I'll put in the Premier instead.

But he said:

. . . while crime is up in Regina Elphinstone, it's not because they are hungry, it's not because they don't have clothes on their back, (the Premier said). It's because it's a life-style. It's because they want drugs. It's because they are trading them. It's because of welfare abuse.

On that pointed issue, Mr. Premier, I ask for your apology to the people of Elphinstone.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, I have said, and statistics bear it out, that crime is up in urban areas. It's up in Elphinstone.

An Hon. Member: — Only in Elphinstone?

Hon. Mr. Devine: — That's what I said. It's up in Elphinstone, and it is. It's up in Regina, and it is. It's up in Saskatoon, it's up across the country. And crime related to drugs is up. You're afraid to face it. I'm saying to the hon. member, crime is up, associated with drugs — in high schools, on the streets, all over the place, in urban environments. And we have some responsibility to face it.

So I believe . . . Mr. Chairman, I have said to the hon. member, and I say to these honourable people, that when it's a problem, when it runs in the neighbourhood of hundreds of millions of dollars, I believe that we should

address it. We are going to address it. We will provide a good prescription drug program, but at the same time we're not going to forget the families and the children and the young people that are being abused by people who push drugs on them. Because it's not right; it's not fair. And I will continue to fight drug abuse in the city of Regina, the city of Saskatoon, and the province of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Lingenfelter: — Mr. Premier, you refuse to deal with the issue at hand and that is the abuse that you, as Premier of the province, did to the people of Elphinstone. That's the only abuse we're dealing with here tonight.

Some Hon. Members: Hear, hear!

Mr. Lingenfelter: — Mr. Premier, I want to tell you that the statistics show clearly that in the province of Saskatchewan, 35 per cent of the people who use prescription drugs are senior citizens.

I would be willing to bet that in Elphinstone it has a higher age because of demographics, because they're a mature community, that there would be a higher rate than 35 per cent. Probably close to 50 per cent of the prescription drugs in that constituency are senior citizens who go to their doctor with an ailment. The doctor prescribes a drug. They then go to a drug store and purchase the drug. How in that chain of events are those people drug pushers?

The people on the doorstep were saying, they were saying, does the Premier think that I, a woman of 80, who have built this community, goes to a doctor, gets a prescription filled, then bags the sleeping pills and peddles them on the corner of Dewdney and Elphinstone street?

That's what you're saying, Mr. Premier, can you not see how stupid your statement is? It's ludicrous. And what I would like you to do tonight is apologize to those senior citizens, the working people, the people on welfare who you have abused with your comments.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — You're more interested in maintaining the bureaucracy than you are looking after families. And that's the problem . . . (inaudible interjection) . . . No, no, no, no, don't make fun of the fact that we have got serious problems with criminals, and by criminals, pushing drugs in the streets of Regina. That's the case. And across the urban environment markets in this country, we've got serious problems with crime associated with drugs, and you're making fun of it. You're making fun of it.

You say it's not a problem. You talk to the principals in the high school, you talk to the young people, and they'll tell you the number one challenge they face is crime related to drugs. And you say, oh, Mr. Premier, that's not a problem.

Well let me just say, I care about those children; I believe

you should care about those children. I don't want to encourage the criminals that are pushing drugs in high schools. I don't want to see prescription drugs traded on the streets. I don't think you do.

Well let's just take . . . The hon. member wants to mention statistics and he wants to mention people. In 1981-82, the prescription drug program cost \$33 million and the population was about a million people. In 1986-87, it was \$84 million, and the forecast for '87-88 was almost \$100 million with the same population — the same population.

At the same time, the RCMP and others, nationally and internationally, are saying there is more drugs and drug-related crime, and criminals pushing drugs on young people, than we've ever seen before. And you're saying, Mr. Premier, don't you address that; don't you deal with those crimes.

We're saying, Mr. Chairman, that it is a problem. Research also shows there's a problem with the over-use of drugs by senior citizens, the over-prescription of drugs particularly to senior citizens. Recent research shows in the province of Ontario they're the most over-prescribed seniors any place in North America, in fact maybe the world. And you're saying, well it's not a problem in Elphinstone because we won a by-election. That's not fair. It's not fair to the people, it's not fair to the families, and it's not fair to those seniors who have been subjected to problems.

What I'm saying is, I'm prepared to deal with it. I'm prepared to work with you to deal with it. And I'm prepared to take it on in Regina or Saskatoon, Moose Jaw or Estevan or any place else where we have to deal with it because it's a number one crime, the number one challenge facing young people today. And I'm not going to deny it. I'm going to continue to work to help people over that problem. And I'm certainly going to do everything I can to contain criminals who push drugs on people, particularly young people in Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Lingenfelter: — Well, Mr. Premier, I have heard it all now. I've heard it all now. A person of your position, the Premier of the province, who embarrasses, insults, and puts a slur against the senior citizens of Elphinstone, not having the courage, not being man enough to stand up in this House and apologize for the abuse that you have created on the people of Elphinstone. I say to you that you should stand in your place and apologize for that statement.

You will know full well that a large part of the drug problem in Elphinstone is directly linked to your government's alcohol advertising. It's directly related, and will be, to your new liquor Act.

The prescription drugs that we are talking about, namely drugs to deal with heart conditions, the drugs that are needed for seniors to carry on their daily life, for you to say that people in that category are drug abusers simply cannot possibly be accurate. And I can't believe you, Mr. Premier, when you continue in that line, even though I

would be willing to bet that there were thousands of people in Elphinstone today, if they were listening to this debate, who would write you or phone you and tell you how out of line you are.

(2100)

And I want to say that the issue of prescription drugs being somehow combined with illicit use of illegal drugs in your attempt to defend your destruction of the drug plan is immoral. That's what it is. To try to combine the two . . .

Some Hon. Members: Hear, hear!

Mr. Lingenfelter: — To try to combine the use of hashish and marijuana and other illicit drugs, illegal drugs, and combine that, and say this is the same as penicillin or sleeping pills or heart condition pills and put them all together and class them as drugs is immoral and you shouldn't be doing it. And I want to tell you that clear, that most of the people in the province would agree with that.

And I want to ask you one more time before we leave this very, very serious charge that you made against the people of Elphinstone and give you one more opportunity to apologize to those people, if you would do that now.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Chairman, I point out to the hon. member that more and more research — and I'll just quote here from the Saskatoon Star-Phoenix that says, "Doctors killing with prescription drugs", and you find that they're showing that prescription drugs cause more injuries and deaths than all illegal drugs combined.

Now this is research being done by physicians in North America and others who are saying it's a significant problem. And the opposition is saying, I won a by-election in Elphinstone in a seat that has been NDP for 28 years, therefore prescription drugs or drug abuse is not a problem. I mean, the logic — I know they're playing a little politics.

But they should at least care enough to begin to address this situation. We know, Mr. Speaker, that we've seen prescription drug bills go from \$38 million to almost \$100 million, and we know that there is some abuse and we're prepared to deal with it.

And we know that we're going to have a health care card that comes in for prescription drugs which means that there's no rebates at all. It'll be introduced in December — no rebates. Senior citizens will realize there's no rebates. It'll be the simplest, safest system there is in North America. We're quite prepared to do that.

But I'll say again, Mr. Chairman, we are not prepared to give up and just let drugs run rampant in the streets of Canada or Regina or Saskatoon or any place in Saskatchewan for that matter. It's a problem; we're going to address it.

If I could just . . . I'll leave the hon. member this remark from the assistant commissioner of the RCMP. He said young people they catch with drugs today are saying this

to him, they're saying, why should we tamper with black market drugs when we can get them: (1) government inspected; and (2) free. Now the young people know the system. The young people know the system. They know the system and they know that there's abuse and seniors can be abused as well by the doctors, and you know that. And there's research that goes on that says, it says there, you can have the double-doctoring and you can have significant problems with respect to drug abuse. We're going to address it. You won't address it. You'll put your head in the sand and say: well we won a by-election, therefore drugs are fine; you can have drug abuse; it's no big problem.

I'll only say to you, whether you won the by-election or not, I'm not going to give up on the kids or the medical profession or the seniors or anybody else. I'm going to help them. I'm going to address the problem of criminals and the criminal abuse of drugs in society, and I certainly will in Saskatchewan, whether you think it's a good idea or not. In fact I'm quite sure SADAC and PRIDE, SADD organizations and others have endorsed what we're doing with respect to awareness, life-styles and particularly with respect to the Whitespruce drug rehabilitation centre. We're going to continue to carry on in that regard for the rest of the country, Mr. Chairman.

Mr. Lingenfelter: — Well I can hardly believe that the Premier continues on, I can hardly believe that the Premier continues on in this concept of not being able to differentiate between prescription drugs and illegal drugs, and trying to say to all of the people in the province who take medication that they are part of a drug problem in this province.

He now includes the doctors. They're part of this conspiracy that he's fighting against. This Rambo who is now out to destroy the drug link that includes the doctor, the pharmacist, and the senior citizen — here's the Premier of the province out to defend and destroy this drug link, this drug ring of the doctor who was trained at the University of Saskatchewan in Saskatoon, has a practice going in Regina; someone with a heart condition comes in and needs some drugs and he prescribes drugs. All of these people in this drug ring are now part of the conspiracy, according to the Premier of this province.

Mr. Premier, you're beyond belief. And I'll tell you that in the province of Saskatchewan you're becoming a joke on this issue of the drug plan. Why don't you look at what's happening in the by-elections, for example, in the by-elections. Just look at it for your own political benefit, if for no other reason. Because in changing the drug plan back to the way it was, you would be helping thousands of seniors, thousands of single parents, many of them women on low income who can't afford to buy the necessary prescribed drugs or medication that they need and all the problems associated with that.

And I say to you, Mr. Premier, that I cannot believe you when you say that you think that the doctors are somehow part of this conspiracy. I'd like you to explain that out to us, how that is all working? Are they being trained at the university, at the medical school, to do this? Are you saying that doctors who take an oath to take care of the people that help are now part of the conspiracy to

peddle drugs along with the senior citizens in Elphinstone?

This is what you're saying. No one is arguing that there isn't illegal drugs, that they aren't being peddled around the province as they are across the world, but don't try to defend your disaster with the drug plan by saying we changed the drug plan to stop the use of illegal drugs because that will not sell. It's not logical.

And I say to you, Mr. Premier, quit being — not untruthful, but dishonest — with the people then., Quit trying to confuse the issue by saying that these are illegal drugs that doctors are prescribing. That's not what's happening. It's not what's happening.

It's very clear that 35 per cent of the people in the province who use prescription drugs are seniors; 60 per cent of the people who use prescription drugs are women, many of them in the group of seniors or in single parent families, and they can't afford them. That's what they're telling us.

Now they may all be wrong. It could be. We may be wrong and you may be the only one that's right on this issue in the end, but I say, don't mistrust the people of the province so much that you won't listen to their concerns. That's what you're doing. I mean, you have had people here in the legislature, you've had them here in the legislature. Julie Shepherd has been here several times to try to get her medication paid for because she doesn't have enough money to afford the up front money to pay for the drug that she needs. It's been prescribed for her daughter and for herself. How is she part of the conspiracy? Can you tell me that?

Hon. Mr. Devine: — Mr. Chairman, I will just take the opportunity to read some of the research done for the College of Physicians and Surgeons about what doctors say. This is what doctors say.

Inappropriate prescribing . . .

Well please just let me . . . Mr. Chairman, when I give them some response in terms of research by the College of Physicians and Surgeons, they . . . Just co-operate. You asked the question, what do doctors say? I'm going to tell you what doctors say in talking to doctors:

Inappropriate prescribing, tabbed as the biggest disciplinary problem facing medical boards, is hurting or injuring people at alarming rates, according to Dr. Franklin Russell, medical director of Oregon workers' compensation department. He presented his case to the Saskatchewan College of Physicians and Surgeons. He says 60 per cent of all the drug-related emergency room duties in the United States, and about 70 per cent of all the drug-related deaths, are due to prescribed drugs.

Prescribed drugs. This was presented to the College of Physicians and Surgeons at an educational seminar in Saskatoon by a medical professional, Mr. Chairman — by a medical professional. Mr. Chairman . . .

Mr. Chairman: — Order, order. Allow the Premier to make his point. Everyone has the opportunity to get involved in the debate. You can ask your questions from your feet. Allow the Premier to finish his comments.

Hon. Mr. Devine: — I point out, Mr. Chairman, to the hon. members that research that is shared internationally in North America . . . this is an American doctor talking about research that they're doing on prescription drugs, aware of the kind of figures that we face here, who is saying that prescription drugs cause more injuries and deaths than illegal drugs combined, talking to the College of Physicians and Surgeons in Saskatchewan, in Saskatoon, and is suggesting that we have to watch the use of prescription drugs. And he is pointing out, as does the assistant commissioner of the RCMP here in the province of Saskatchewan, saying, when they do their drug busts, they run into young people, and what do the young people say? The young people say, why should I use black market drugs when in a province like this I can get them: number one, government inspected; and number two, I can get them free?

Well if we're about to spend almost \$100 million on free drugs . . . The hon. member says, well I just won a by-election; therefore there can't be a problem. I'm saying to the hon. member, seniors want prescription drugs. They want a system without rebates. We cover seniors in institutions. We will have the finest drug prescription system anywhere in Canada.

But that is not to say that we can't stop addressing the drug abuse problem. We have to address that. Families want us to address it. The young people come . . . I think the last year at the PRIDE conference, we had 3,000 young people in the city of Saskatoon worried about drug abuse, wanting education, wanting training. And they're saying the same things that the RCMP are saying, the College of Physicians and Surgeons are saying, and other doctors. The doctors are telling us, the medical profession is telling us, but you refuse to listen because you won a by-election.

All right, all I'm saying is, you won the by-election, fair enough. I congratulated you already. We have a drug problem in society — abuse — and criminals involved. We have to address it. We will continue to address it and at the same time we're going to have the finest prescription drug mechanism which will reduce abuse that you'll find any place in North America, Mr. Chairman.

Some Hon. Members: Hear, hear!

Mr. Pringle: — Mr. Premier, I've been waiting to talk to you for a long time, sir, because I can tell you very clearly that senior citizens in Saskatoon Eastview are just as upset with you as senior citizens in Regina Elphinstone.

Some Hon. Members: Hear, hear!

Mr. Pringle: — What many seniors in Saskatoon Eastview are seeing right now, Mr. Premier, is an incredible display of arrogance and insensitivity, and that's why we took 70 per cent of the vote from senior citizens in Saskatoon

Eastview.

Some Hon. Members: Hear, hear!

Mr. Pringle: — Mr. Premier, when you made your comments about drug abuse and seniors being drug abusers, you offended a lot of people in Saskatoon Eastview as well. Many, many people raised the concern to me that they took offence. They spent many years building up this province, along comes a Premier who doesn't understand Saskatchewan, who doesn't understand our way of life, who doesn't understand our health care system, then has the nerve to accuse senior citizens, our pioneers, who he likes to talk about as supporting, as abusing drugs.

Now, Mr. Premier, on behalf of the residents of Saskatoon Eastview, or the seniors of Saskatoon Eastview, I would like to ask you, and combine my question in the apology to the people from Regina Elphinstone, would you please, sir, skip the rhetoric about drug abuse — we all know it's a serious problem. But please, sir, would you apologize to the seniors of Saskatoon Eastview and Regina Elphinstone for calling them drug abusers?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Well I will give the hon. member credit. At least he acknowledged there is a drug abuse problem. Now that's an awful lot more than the member from Elphinstone did. I congratulate you, you have recognized it and acknowledged it, and senior citizens acknowledge it, and doctors acknowledge it, and moms and dads and parents acknowledge it. Everybody except the member from Elphinstone, who's said, I won a by-election, therefore there is no drug problem.

There is a drug problem, and seniors face it and other people face it, and we're going to continue to address it because it's the important thing to do. So we want to make sure that the right prescriptions are going to the right people at the right time, they're not over-prescribed, so that it's fair. So young people will be able to deal with it, we need education; we need the control on the supply side, and we see that at the borders; and we need to control it on the demand side, and that's education starting right from grade 3 right on up through to high school. So it's a combination of things that we all have to address, particularly young people.

(2115)

But obviously we've got problems in some cases with senior citizens; they admit themselves; the medical profession admits it. Why are you afraid to address it? I, at least, acknowledge and I congratulate you for saying, yes, there is a drug abuse problem in society, and yes, it is among the seniors, and yes, it is among young people and the adult population, and we need to do something about it. I'm glad to see you acknowledge it; that's more than I can say for the member from Elphinstone who just said that, well, he won a by-election, therefore there's no problem. There's a problem; we need to address it in Eastview as well as Elphinstone as well as the whole province.

Mr. Pringle: — Mr. Premier, you admitted in this House tonight, and I'm sure that residents of Saskatoon Eastview, seniors of Saskatoon Eastview and Regina Elphinstone and elsewhere in the province will recognize what you said tonight, and that is that seniors are abusing drugs in this province. I want to know how you feel that by the cuts to the prescription drug program, where you're forcing seniors in many cases — and I know this — to choose between needed medications and food, how your cuts to the prescription drug program is helping seniors and helping drug abuse?

Hon. Mr. Devine: — Mr. Chairman, let me say a couple of things. Innocent seniors are victims of abuse — victims of abuse. And more and more medical people and seniors . . . Mr. Chairman, would you please ask them to just . . . This is a serious problem; please let's review it as professionals.

We have drug abuse in our society, and innocent people, children and seniors and others are victims of that abuse — some by criminals who are pushing it, some by careless physicians, and some because they're perhaps under stress, and so forth. We have situations where innocent people are victims of drug abuse, young and old, and we need to address that. Now you've acknowledged it.

Now you must acknowledge, therefore, it can happen to senior citizens. Research across this country and United States, Ontario, Saskatchewan, Alberta, the U.S., says that seniors can be abused, innocent people — your mom, your dad, your grandparents, your aunts, your uncles — they can be abused innocently. Innocent people can be abused and become victims of drug abuse.

What I'm saying to you is that we need to address that collectively. I know that because when we changed the drug system, the prescription drug system, and asked people to think about the drugs they used, the medical profession, professionals, doctors, those in nursing homes and others said, you know, it's about time we started to think about how we used the drugs. And they do say that, and you know that.

And you can go around the town and say, well I wish they were free, and I wish they were free, and the NDP would give them free — free drugs for everybody. I know that's your policy. But listen. If you have a very serious problem, and if you have innocent people and innocent seniors who are victims of abuse, isn't it time somebody had the courage to address that and protect your grandparents? Protect your parents, protect those seniors, those innocent people who could be victims of abuse.

Now who is going to be responsible? Certainly it wouldn't be those who would just give them all the free drugs they like. Somebody has to say, let's start thinking about how we treat our grandparents. Let's start to think about how we treat our young people. Let's start to think about being responsible as a medical profession.

All of those things, as well as crime on the streets, crime that is reported in the newspapers, crime that is reported world-wide, are things that we need to address. And just because you win a couple of by-elections

doesn't mean that drug abuse and innocent people who are victims are not still victims. We have to address that. You have to address it. And I think all of us together would be doing a very positive thing if we'd look after seniors, young people and others when it comes to some very serious problems. This side of the House will, and we will continue to support all efforts to protect people from drug abuse in this province.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Mr. Chairman, I wish to move on to another topic. But before I do I'll try to settle down the Premier a little bit.

I'm not in the business of going around sort of involving or publicly declaring what I get involved in or try to give some patronage to, but I happen to be on the board of directors of PRIDE. And I have a mother who's 83 years of age who needs medication. She relies on that medication from her doctor. She consults with the doctor, the doctor looks at the situation, prescribes for her. Pretty hard to know how she's abusing it.

An Hon. Member: — Who says she is?

Mr. Romanow: — Oh, the Premier says . . . The Premier, oh, he has to protect. It's pretty hard to know how . . . (inaudible interjection) . . . well that's pretty hard. And by the way, the Premier lectures our people to quieten down. I'll tell you to tell your people to quieten down.

It's pretty hard to know how they abuse it. Pretty hard to know how the doctors abuse it because I think the vast majority of the doctors do their job well, according to the Hippocratic oath. They do it professionally. They don't do it criminally.

There is a drug problem out there. My patronage or support of PRIDE confirms that view. But is the way to handle that problem a blanket change and revolution in the drug plan to punish people everywhere?

Now you know, it's a tragedy. In political terms, in political terms, for the Premier to say, well you won two by-elections. That's the assumption that those people don't understand his arguments. He's going to keep barrelling ahead. They heard your arguments. You made them in Eastview and Elphinstone and they didn't buy them. You're still going to go ahead with that. Well I mean, that's up to you. I guess we have to suffer for the next two years or three years.

But I'll tell you one thing, Mr. Chairman, Mr. Premier, when this government get re-elected, we are going to put medicare and hospitalization back on its proper footing. We're going to turn it right side up and we're going to . . . (inaudible) . . .

Some Hon. Members: Hear, hear!

Mr. Romanow: — Now, Mr. Chairman, I want to change the topic if I may, with the Premier's consent and the . . . (inaudible interjection) . . . I'm sorry, do you want . . . do you want to get . . . you get into this. Go ahead.

Mr. Chairman, the member from Cut Knife-Lloydminster . . . I know all of us, our people are doing the same thing, and so are the Premier's people, but the fact of the matter is, he's kept it up since the afternoon. Now let's, if we can, all of us try to concentrate on what we're trying to do.

I want to turn to the topic now, from free trade and health, I'd like to turn to the topic of economic development and privatization. I'm not going to make the speech again which I did in the opening, in the interests of time, with respect to the differences in the economic policies and development of Saskatchewan, other than to repeat that in my judgement the major beneficiaries of PC privatization thus far, by and large, have been big business and big business from outside the province of Saskatchewan. And in my many meetings with small-business people all across Saskatchewan, I tell you they're very worried about that.

You may not believe that business people speak to me, but I tell you they do. And I meet with them in luncheons and breakfast meetings, and there is a mixed feeling on privatization. Their worry is the Premier's approach is so ideologically fixed and set in stone that there seems to be limited flexibility with respect to privatization.

I don't think much can be served, in the interests of moving on and hopefully getting these estimates finished this evening, in repeating the arguments. The Premier can come back to me with his version of development. But I have a couple of specific questions that I want to ask in this regard — at least one question, a couple of questions on one theme.

I think it particularly disappointing that the PC privatization ideology, which I say has been so alien to our history and traditions as I've described it, generally has been imported from abroad. I don't say this in any pejorative terms. I don't care where it's from. But it's not a made in Saskatchewan policy.

I want the Premier to give us some specific answers, because it is no secret — and I think the government has admitted this — that you, sir, have entered into a contract with the British banking firm of Rothschild's for the consultant services of one Mr. Oliver Letwin. As I understand it, Mr. Oliver Letwin from Rothschild's has been playing a major role in privatization in London, and he is on a contract basis to advise you how to privatize Saskatchewan's public enterprise.

My questions, Mr. Premier, to you are very specific, and I would appreciate specific answers. Will you confirm that there is a contract for professional services between your government, or agency of government, and Mr. Letwin to advise you on the matter of privatization . . . sorry, Rothschild's banking firm on behalf of Mr. Letwin.

Will you provide the details of the contract to the Assembly at this time, namely what are the terms of reference; what is he looking at; what privatization is he studying; what are his objectives; what are his time frames; what is the duration of his contract; and, as important, what is the cost to the taxpayers of the province of Saskatchewan for bringing Mr. Oliver Letwin in from London, England to Regina, Saskatchewan to

advise you, sir, about privatization? Can you answer those specific questions?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Chairman, I'm advised that that information has been requested in orders for return and we've agreed to provide it. I don't have it with me. I believe the minister responsible for Public Participation will have that information, along with the general objective of the contract with the Rothschild's group.

I can say generally speaking at the outset, that our recent, for example, power bond issue, I think series number five, was reviewed by the Rothschild's people and examined. It's very successful. People all over the province are participating, and it's part and parcel of the philosophy that everybody should share in government.

It's very popular, as the hon. member knows, as is the recommendations by Mr. Letwin with respect to the Meadow Lake sawmill. I can say to the hon. member that I don't think it's ever happened before where all of the employees have bought the company, plus 10 tribal Indian bands have participated in 50 per cent of it. So it's totally Saskatchewan owned by the people, with about a hundred million dollars of new investment from the private sector.

And as we've seen with the SaskPower bonds, the conversion to Saskoil shares convertible is a very positive thing, and people seem to think it's very positive.

So the objectives of Mr. Letwin's contract will be to allow as many people as possible in Saskatchewan to participate in Crown corporations and in utilities through bonds and shares all across the province, and that's precisely the objective. And it's in orders for return and we will be providing it, and maybe when the minister's estimates are up, he'll have it. I don't have it with me.

Mr. Romanow: — Now, Mr. Chairman, I will accept the Premier's comment and I don't want to be combative when I say I ought not to, because I do believe, as Premier, in this particular major area — I don't expect the Premier to understand every detail of government — that's not reasonable. But in a privatization initiative which is major, an economic development, I would have hoped that the Premier could have given us the specific details or anticipated this question. Mr. Letwin, after all, has spoken to the Progressive Conservative annual Premier's dinner and there obviously is a close relationship between the Premier and Mr. Letwin and Rothschild's through that connection. But I'll accept his assurance.

But I do want to say to the Premier — I don't mean this is any sense of mandates or dictates — but I do want to say that we will be looking to your minister of privatization, based on your words this evening, when his estimates come up, to have those answers. The transcript will show what those questions are and I do want to say — again, not sounding arrogant about this — we will not accept, Mr. Minister of privatization, an answer that says, it's ordered for return, and we've got to wait for a year and a half, if ever, to get the answer.

This is an important philosophical debate. Mr. Letwin and London, England, and Rothschild's is at the core of it. And, Mr. Premier, I'll be taking your words as at least an intent that your minister is to provide that information.

May I ask one last question in this regard? I want to ask on this area of economic development and privatization, in the spirit of your comments, whether or not you will provide, if you can now — if not, will you instruct your minister when his estimates come up for privatization — to provide the full, contractual details of the Meadow Lake deal which you logged so much.

For that matter, I don't think we have anything on WESTBRIDGE. I asked my colleague . . . Do we have anything on WESTBRIDGE yet? I don't think we do. The documents?

An Hon. Member: — Nothing.

Mr. Romanow: — That privatization. Do we have the Sask Minerals documents?

An Hon. Member: — No.

Mr. Romanow: — We don't have the Sask Minerals documents. What else do we not have?

An Hon. Member: — We don't have the SMDC (Saskatchewan Mining Development Corporation) deal.

Mr. Romanow: — SMDC deal documents, either.

Well again, Mr. Chairman, you can see the position of the opposition, and I really have to press the Premier because the ministers can take positions. It's the Premier who can order, with authority, to say what should or shouldn't be done.

I'm going to ask the Premier: will you undertake — so that we can judge the benefits of privatization as you describe them — will you undertake tonight to make sure that when the minister of privatization's estimates come up this time around in the session, that he will table the full details and documents of the WESTBRIDGE privatization, the Sask Minerals privatization, the SMDC (Saskatchewan Mining Development Corporation) privatization — what other? . . . (inaudible interjection) . . . also the privatization dealing with Meadow Lake. Those four in particular; there may be others, but I'll ask those four.

Hon. Mr. Devine: — Well, Mr. Chairman, I believe that when the minister's been asked for them, he said that they will come forward in due course as they're all put together and wrapped up, and particularly in orders for return, they will be presented.

I don't have them here, and to say to the hon. member, I don't have a contract memorized in my head and just at my fingertips with respect to what might . . . An individual minister might have a contract with an individual. I don't have them. He will provide them through orders for return or in due course as these projects are completed and the research is finished. So I'm sure the hon. member

knows that he will be able to receive them in that fashion.

(2130)

Mr. Shillington: — Thank you very much, Mr. Premier. I want to ask you some questions about privatization Saskatchewan style. Your ministers have not been forthcoming with information; we haven't got it. I think, Mr. Premier, the reason why we haven't got this information is fairly obvious, because those agreements will not withstand the scrutiny of this legislature. That's why we haven't got them.

Some Hon. Members: — Hear, hear!

Mr. Shillington: — Some seven months ago, Mr. Pirie, the British expert on privatization, came to Saskatchewan. One of the things that he said which I think offended people who thought about it was one of the ways that you privatize is that you sell assets for less than they're worth, so that the people who buy them will realize a fairly immediate gain. I think thoughtful people everywhere are offended by that. They're offended because it's obvious that those with the money to buy them have quite an advantage over those that don't, the sort of people who live in Regina Elphinstone and live in Regina Centre and in Regina Rosemont and in a whole lot of other ridings, Mr. Premier.

I think they're also offended by it because it is obvious that when you give away these assets — and that's what you're doing — you take assets out of the public sector and you no longer have the resources you need to deliver necessary public services. I think Saskatchewan people realize that when you sold the highway equipment, that there's a direct relationship between that and the roads today, which ought to embarrass you.

I think Saskatchewan people also realize that when you get rid of Saskoil and you get rid of SMDC for less than what they're worth, there's a direct relationship between that and your inability to provide basic health and education services.

Mr. Premier that, at least, is privatization British style. Privatization Saskatchewan style is a lot more offensive than that, and I want to deal directly with WESTBRIDGE. It's obvious there's patronage involved in this in a major way.

Mr. Premier, the annual report, the last annual report stated the profit of SaskCOMP at \$3 million — \$3.4 million. I added up the profit for the last six years and averaged it and it came to \$3.1 million. So this is a typical profit last year.

Your annual report in the first note to the financial statements states that in return for transferring all of its assets to WESTBRIDGE, SaskCOMP got back \$16.8 million worth of shares and notes.

No sane person would sell a business which averages . . . which has a net income on the average over the last six years of \$3 million, for \$16 million. No sane person would sell a business that lucrative for such a paltry sum. It's obvious, Mr. Premier, that you sketched SaskCOMP to

this private corporation for a fraction of what it's worth.

And who makes up, who makes up WESTBRIDGE? Well it's apparent that one of the companies which made up WESTBRIDGE was Mercury printers. Now I don't like to defame people, and I don't like to talk about people who aren't in this Assembly, so I'm not; I am not going to, for the benefit of members opposite, repeat all of the controversies that Mercury printer has been in, but there's been several of them.

I want to ask members opposite to ask themselves this, as well. Mercury printers is a printing and publishing company. What does that have to contribute to a computer company? It's pretty indirect.

I'll tell you what Mercury printer has to do with this. Mercury Printer is the people who were able to deliver the goods for the others from their pal, the Premier. That was the role they played. They could deliver the assets from the public of Saskatchewan at a fraction of their cost, and that's what you've done.

Mr. Premier, we have made these accusations in this Assembly, and you and your ministers have stood silent or been as evasive as you were tonight, and you've refused to give us any details on WESTBRIDGE. My questions, Mr. Premier, are: will you give us the details of this transaction. Will you tell us what the value of the assets were that Mercury printing transferred to WESTBRIDGE and what they got back in terms of shares. Will you tell us what the value of the assets of SaskTel transferred and what SaskTel got back in terms of shares and notes. And the same for Lease Corp. Will you give us those details so that we can evaluate this transaction, Mr. Premier.

Hon. Mr. Devine: — Mr. Chairman, I say to the hon. member that he knows that the public is very interested in having access to the Crown corporation and utilities through bonds and share offerings. He's seen it in research; he's seen it in Decima Research. We've asked people; you have, and you've talked to them. They want a share of SaskPower. They want to participate in these things, and they like that. They think it's a good idea. I go back to my comments with respect to the former premier, Mr. Douglas, if he had thought of it. I would suggest that it is perfectly consistent with the co-operative movement; it's perfectly consistent, frankly, with your philosophy that everybody should have a share in what's going on; and it's perfectly consistent with Saskatchewan people now, because 70 per cent of the people, for example, think that they should be able to participate in utilities.

Over 70 per cent of the people think it was a good idea to make sure that we build a new paper mill, and in fact got our money out of PAPCO, and in fact can have a new project. They like that.

Now with respect to things like power bonds, Saskoils, Meadow Lake Sawmill, Weyerhaeuser, SMDC-Eldorado, they support those things. They like their power bonds. They're asking for SaskTel bonds. They're going to ask for auto bonds. They want to participate. And with respect to WESTBRIDGE, we are going to be offering shares in this company, the one you say that is so good — it's too good — we're offering shares to the public. You and others will be able to participate and buy shares, and I will venture to say here tonight that you will see the public extremely interested in buying shares in WESTBRIDGE. It is growing. It's a combination of new technologies.

You've got computer technology, communication, laser printing, and all those companies work together in a merger to compete on the national and international market like they couldn't before. And if you think it's good, which I happen to think that it is, you can participate and you can buy all the shares that you like. That's what people like about this.

Now with respect to the . . . with the numbers that you want, again the Minister of Public Participation has . . . I don't have them with me tonight, but he will be providing you in due course as he is everything else that is being provided through Public Participation. And you will receive them, but I don't have them this evening. But I will say . . . You say, well how will we know whether it's working or not? You'll know when they're offered for sale, if people buy them.

And I venture to say, as you will with Weyerhaeuser, as you do with Saskoil, with SaskPower bonds and others, it will be extremely successful, a good buy for Saskatchewan people, a good buy for folks that want to participate in all kinds of economic opportunities, and good for people in the province of Saskatchewan.

Mr. Shillington: — You know, Mr. Premier, you're right. You're going to sell the shares in that company. And you know when you're going to do it? You're going to do it when this session adjourns so that you're not subject to public scrutiny.

I know darn well when you're going to do it. You're going to do it in July or August or some time later when we're not here to ask you hard questions. That's when you're going to do it, and that's why you haven't done it before this.

Some Hon. Members: Hear, hear!

Mr. Shillington: — Mr. Premier, I have a specific question, and I don't need your song and dance about how popular privatization is. I may say that the current member from The Battlefords may be some indication that your privatization in North Battleford wasn't wildly popular. There's a couple of members on this side of the House who may suggest something to you about the popularity of the Weyerhaeuser agreement. It doesn't seem, Mr. Premier, that there's a lot of evidence that those privatizations were terribly popular. They seem to have resulted in opposition members being elected.

My question, Mr. Premier, is: will you undertake to give us the following information. What was the value of the

assets that Mercury Printer transferred, and what did it receive back in terms of shares and notes? What was the . . . Two, what was the value of the assets that SaskTel transferred, and what did SaskTel get back in terms of shares and notes? Thirdly, what was the value of the assets that Lease Corp. transferred to WESTBRIDGE.

What was the value of the assets that Lease Corp. transferred to WESTBRIDGE? What did Lease Corp. get back for that in terms of shares and notes?

Hon. Mr. Devine: — Mr. Chairman, all I have before me this evening is the information is that when you file a prospectus and when the shares are offered to Canadians, Saskatchewan people, all that information has to be there, the properties have to be valued. And it will be presented to the public, as well as to the members of the opposition.

So when the House meets the next time, you'll have full opportunity to go over it, as you did with Saskoil, as you have with the power bonds. We fully expect all of them to be viewed by accountants and lawyers, members of the legislature, as they have here and other parts of Canada, and indeed other parts of the world.

So we know that they're going to be public. There's no sense of you being unduly upset that you won't have access to it; you'll be given access. You will be able to go over them all, as you have before. You went over Saskoil and you went over power bonds and you'll go over Weyerhaeuser. You went over the Weyerhaeuser deal in some detail. All the public knows about it.

So when the documents are ready, the Minister of Public Participation will present them. Certainly, when the prospectus is ready, all that normal information, there it goes out to the people who want to invest. It's all open.

I can say to the hon. member, through WESTBRIDGE we already have 50 new jobs — 50 new jobs that have been created; \$6 million of out-of-province contracts in just two months — two months and 50 new jobs as a result of this new company, with putting the technologies together to compete in the global village.

And that's exactly what we'd like to see here in Saskatchewan, people participating, making money, expanding, operating, everybody having shares, and, if you will, on a co-operative fashion so nobody's left out. That's precisely the kinds of things that I would think that you would be in favour of.

Mr. Rolfes: — Mr. Chairman, Mr. Premier, I have another dimension of your estimates that I would like to address this evening. Mr. Premier, you made a few comments this evening which I found very interesting, and I hope that you meant them.

And I want to quote back to you what you said. You said to one of our members, when you chastised him on this side of the House, "I wish that that member would respect the legislature like most of us do." That's a direct quote that I took from you this evening.

And, Mr. Premier, I quote that back to you because what I

am dealing with tonight shows very clearly that you and your government do not respect this legislature, and those are not my words, those will be the words of the Provincial Auditor. Mr. Premier, you are probably well familiar, you are probably well familiar with the Act, The Tabling of Documents Act, which states that documents required to be tabled must be prepared and forwarded to the minister or the Lieutenant Governor in Council within 90 days after the end of the period to which the document relates. Some of those are at the end of the fiscal year, others are, Mr. Premier, at the end of December or whenever.

Mr. Premier, I have here a number of documents, and I could have brought many more. Some relate to you, sir, that you are responsible for; others relate to, of course, other ministers. You also said this evening, Mr. Premier, and I'm going to paraphrase, but I don't think I will misquote you or misparaphrase. You said that we, referring to yourself, have an obligation to show leadership. You also said that we have an obligation to respect the laws of this province.

Mr. Premier, in the opening statement of the auditor's report he says this:

Our parliamentary system of government is based on the principle of rule by law. The executive government (Executive Council and its appointed officials) is authorized to govern in accordance with laws passed by the Legislative Assembly.

Mr. Premier, I say to you that you are not respecting the laws of this legislature; you have no respect for the laws of this legislature when your ministers and yourself, sir, do not table, do not table the reports when they are required to be tabled.

Mr. Premier, I have here the Saskatchewan Beef Stabilization Board, of which you are responsible. It was tabled today, but the Provincial Auditor was finished with it last November 20 — last November 20. But that's not the worst abuse. The Saskatchewan Cancer Foundation tabled on June 10, the day that we went into the Health estimates the Minister of Health tabled it, but Mr. Lutz got finished with it on August 14, 1987, a full 11 months prior to that.

Mr. Premier, we can go on. Here is the Saskatchewan health prescription drug plan. Wouldn't it have been nice, Mr. Premier, to have this report from 1986-87? Wouldn't it have been nice to have this last year? Mr. Premier, the auditor was finished with that last year, June 26. It was tabled this year in June. Here is the Saskatchewan Health Research Board — exactly the same thing. The Saskatchewan Medical Care Insurance Commission, Mr. Premier, was tabled on June 9; the auditor was finished with it on August 18.

(2145)

Mr. Premier, Saskatchewan Alcohol and Drug Abuse Commission, the one that you talk about so much — you say that you have a real concern about alcohol abuse and yet this document, this document, which was finished on August 28 by the auditor, was only tabled today in the

legislature today. How hypocritical on your part. You say you're so concerned, and yet you won't give us the information, Mr. Premier. You won't give us the information so that we can argue the points here.

Mr. Premier, here's another one, the liquor . . . Here is one, the Saskatchewan Liquor Board Superannuation Commission, and Mr. Premier, this is the report for 1985. It was tabled today in the legislature — two and one-half years later, two and one-half years after it was supposed to have been tabled. And, Mr. Premier, we could go on and on.

I don't make that specific point, Mr. Premier. The Provincial Auditor has put down a scathing report on your government and your response to the accountability of the executive branch to the legislative branch in this province, a scathing attack.

And, Mr. Premier, one of the biggest abusers of supply and information to the Provincial Auditor was the Saskatchewan Property Management Corporation. They refused, they simply refused to make information available to the Provincial Auditor; they virtually told him to get lost. They spent money, Mr. Premier, over \$10 million which was not specifically authorized, not specifically authorized by this legislature, and the Provincial Auditor could not get the information that he needed in order to do his audit. He states that in his report.

CIC, Crown investment corporation, refused to supply him with the minutes that were required until the Provincial Auditor personally had to go to the minister.

Mr. Premier, there are dozens, simply dozens of examples of non-compliance with the statutes of this province in the tabling of documents. There are literally scores of examples of non-co-operation with the Provincial Auditor.

Mr. Premier, you have a responsibility to make information available to this legislature so that the members here can analyse and criticize and do their job for the people of Saskatchewan. And unless that is done, the executive branch of government is simply running amok of the democratic principles in this country.

My question to you, Mr. Premier, before I go any further, is this: what have you done to instruct your ministers? It is not good enough, Mr. Premier, it's not good enough for the Minister of Health to say that those were locked in his vault and he forgot about that, because we were told in public accounts that the Clerk sends a reminder to the minister when the reports are not tabled that those reports have not been tabled.

I'm asking you, Mr. Premier, what have you done, or what are you doing, to make certain that your ministers and yourself, sir, are going to be tabling those documents on time, and what are you going to do to respect the laws laid down by the legislature? What are you going to do about that?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Chairman, I do acknowledge

the minister raises . . . or the member opposite raises a valid criticism about not only this government but, frankly, governments generally. His observation that there has been late tabling is valid, and I have instructed my ministers as well as my staff to do a better job, frankly, of providing the tabling of reports in a more rapid fashion.

It's something that all governments try to do. We have done a fair amount of restructuring in government, as the hon. member knows, and some of the departments have changed, some have been combined. The property management corporation is a brand new situation that is managing several others, and it has been . . . I say it's late, and shouldn't be, but it's been a little bit more complicated than it normally is when you don't go through those kinds of structure. I point out to the hon. member that I am asking my ministers to do it more rapidly and to be more efficient.

The hon. member also admits, and I believe that he's aware of it, in the Standing Committee on Public Accounts, that it was a problem with their administration as well, and we've all experienced it. In some cases, I believe that you've acknowledged that it took in the neighbourhood of 12 months to table annual reports; other examples of 15 months, 21 months — in one case up to five years. But that was under your administration, and you didn't like it and I don't like it. We find out things that we can do.

I acknowledge your remarks, and the Provincial Auditor has made a valid point. And my ministers have been asked to table their reports as quickly as possible, and I've asked my staff to do the same, so that in fact we can feel confident that the information is coming to the legislature as quickly as possible.

Mr. Rolfes: — Mr. Premier, I appreciate those remarks but, Mr. Premier, you are dead wrong on some of the statements you made. Time will not permit me to get into any detail on this, but at the end of the auditor's report it is very clear that the auditor's report and Public Accounts were tabled in every year before the end of the fiscal year.

My question to you, Mr. Premier, is this: on the auditor's report specifically, the auditor says he hasn't got sufficient staff to do his work. He is now over 15 months behind. He would like to see the report finished at the end of six months. I think it can be done, has been done in the past — if you look at the ending in Appendix II, was done many, many times in the past.

I think if they want the information to be relevant, to help the members on this side of the House and that side of the House in public accounts, you need to make the resources available to the Provincial Auditor. You've got to make sure that he remains independent, that he can do his job, and Mr. Premier, you must instruct that the attitude of people, of agencies, particular of Crown Management and SPMC (Saskatchewan Property Management Corporation) must change. They must know that the Provincial Auditor has a job to do, and I hope, Mr. Premier, that you will, number one, make staff available to the Province Auditor so that he can do his job, get the information to us on time; and secondly, that you'll instruct your staff, not just your ministers, but

instruct the staff that their attitude for the Provincial Auditor must change, and that they must co-operate with him in order for him to do his job. Will you do that, Mr. Premier?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Chairman, I certainly will review whether the Provincial Auditor has sufficient staff. I believe that, as you know, we have pointed out to the Provincial Auditor that I believe virtually all the Crown corporations now are audited by the private sector, and as a result the work-load has been substantially reduced because you're literally reviewing billions of dollars of activity.

But I will raise it with my ministers and particularly the Minister of Finance and, as I've said to you, get them to do a better job of providing the reports on time, as I'm sure virtually every Premier has tried to do across Canada as well as in Saskatchewan. So we'll give every attempt to respect the reviews of ... and the suggestions of the Provincial Auditor.

Mr. Romanow: — Thank you very much, Mr. Chairman, I'd like to move to another area with the permission of the House. It may not seem like it to the members of the Assembly, or perhaps to the viewing public, but there is actually an order to the questioning as far as we're concerned, at least as far as I'm concerned.

The area that I'd like to move to is the question of the taxation fiscal policies and the impact of that on Saskatchewan people. Mr. Chairman, I'll be brief on this. I don't want to harangue the government, but I think it's important to state the record. I think all of us remember the PC promises in 1982 and 1986 together with respect to tax reductions. The Premier said that he would cut the income tax by 10 per cent. He said that he would eliminate the sales tax. He said he would eliminate the provincial gas tax. Every one of those promises, as we know, Mr. Chairman, has been broken, and instead this government has imposed a pattern of steep, steep and unfair tax increases on Saskatchewan families.

Those tax increases were unfair from the outset, and they have been continued. Elimination of the property improvement grants program; the flat tax which was instituted by the former minister of Finance; the infamous and still remembered sales tax on used cars; the 40 per cent increase on provincial sales tax, Mr. Chairman, from 5 per cent to 7 per cent. That is a massive tax load that this government, since 1982, has imposed upon the people of Saskatchewan.

And on top of the tax increases, there's another dimension to this. There's a kind of a form of indirect taxation, and that is the utility rates and what's been happening there. And like taxes, the utility rates have also been sky-rocketing and increasing. The huge, long list of increases to such things as licence fees, the rate increases — more than 230 of those increases, last year alone — I could document them if anybody challenges me; perhaps I should, but I again want to make my point and not take the time of the House to document them — but the facts are that there are 230 of these increases. It's all added up.

The taxes and utility rates are a crushing burden, an enormous hardship on Saskatchewan people. By our calculations, Mr. Chairman, since 1982, since this administration took office, the total increase on the average Saskatchewan family has been approximately \$1,500 — \$1,500 since 1982 — an increase, Mr. Chairman. That is indeed a shocking statistic.

Compounding these unfair tax increases, with respect to the ordinary people, has been the other side of the coin — tax breaks for oil companies and very large corporations. I'm not talking about Saskatchewan corporations and Saskatchewan business, I'm talking about the pattern — the government hates to hear about it — but the Pocklington and the other nature of tax breaks and incentive programs I think, in a basically futile attempt, the big megaproject, those tax breaks and the other corporations in that category while the ordinary person pays that \$1,500. That pattern means a pattern of unfairness.

It's meant that from 1983 to today, the increase in corporate income taxes has been 1 per cent, but the increase in personal income tax — the taxes you pay, Mr. Chairman — have gone up by 47 per cent, 1 per cent for the large corporations, 4 per cent for you. That's not fair.

This year, for every dollar Saskatchewan individuals and families pay in personal income tax, corporations are only paying 16 cents — 16 cents out of corporations for every dollar that income tax collects. Now I think that this government's record can be summarized as follows: a tax shift onto the ordinary families, as I've documented; tax increases for ordinary families; utility increases of monumental size on ordinary families; a tax shift away from large resource corporations; a tax shift away ... or I should say, onto the municipal corporations, who now have to go back to the property owner for higher mill rates, in many instances; and/or a reduction of services. And to add insult to this injury, these unfair tax increases are being imposed at a time that the government is cutting important public services — health, dental plan, drug plan, education, etc.

The net result is that today, Mr. Chairman, we have a cumulative operating deficit in the province of Saskatchewan of \$3.7 billion. According to the government's own record, the interest payments on that alone, Mr. Finance critic, is what? About \$335 million a year — just the interest.

(2200)

I like to put it in these terms so that all the members can understand. If we ever balance our budget in Saskatchewan, we will need a surplus of \$335 million in that year that we balance just to make the interest payments on the current cumulative debt for one year, without reducing the debt one penny.

Can you imagine that? That's a mountain of debt — \$3.7 million. And I'm not talking about the Crown corporation side of the debt — that's another aspect of the argument which we can get into and may very well get into. I'm talking about the debt which accumulates from taxes and

expenditures for things like hospitals, schools, and roads — not the Crown corporations' side, not the Power corporation, not the potash corporation, not the Saskoil, not the SMDC or SaskTel's. I'm talking about the cumulative debt on ordinary families.

And on top of all of that, there have been cut-backs. There has been indeed a general lowering of standards. It's been said in other jurisdictions, the question that voters should ask themselves is this: are you better off today in 1988 than you were in 1986 or 1982 or 1980? And in any one of those yardsticks, the answer has to be clearly, no, we're not. We have less disposable income, we have higher taxation, we have reduced services, and we have generally a declining level of poverty.

Here's the report, Mr. Chairman, which I think tells it all. One can dramatize it in other ways. This, Mr. Chairman, is the Poverty Profile 1988. It's not my document, it's the Department of National Health and Welfare. It is a report of the National Council of Welfare, under the auspices of the federal Department of Health and Welfare.

Here is a statistic which is shocking, Mr. Chairman. We have, in Saskatchewan today, according to this document, which I think is pretty independent, 42,600 families in poverty. Under the guise of welfare reform, those in poverty have reduced social services assistance, and by the way, those numbers have virtually been at an all-time high. A government that was elected to reduce the social services numbers, the bitter irony is those numbers are probably higher than they ever were, including the Dirty Thirties.

But the one that is really heart-breaking for families and for anybody who has compassion and concern about what's happening, is the poverty report, with respect to children. In Saskatchewan there are 64,600 children under the age of 16 that are below the poverty line — 64,000 young kids, young boys and girls who are poverty. That is the second highest in all of Canada, Mr. Chairman. That is the state of affairs in 1988, that as I see it.

But the tragedy on top of it all, not only the mismanagement and the fiscal bungling and the taxation and the broken promises, the broken trust, there's another dimension of this thing which troubles me, and I want to ask the Premier the question in this regard. We've been looking through the estimates — this is what we're talking about is estimates — generally, and I'm on the executive council of estimates — what we seem to see is this, that all during this while, where the taxes increases and the utilities increased but the services are cut back, there seems to be another game plan in mind by this government, and that game plan is that we are going to continue to suffer while the government, putting it bluntly, squirrels away, through the Saskatchewan Property Management Corporation — perhaps through other sources — surpluses on a year-to-year basis so that, come election time, suddenly there will be money available for programs which the government hopes will re-elect him.

This, the Minister of Finance, Mr. Premier, admitted to as the policy in his estimates yesterday. He, yesterday, said, when he was asked by my colleague the member from

Quill Lakes, the Finance critic, and by my colleague the member from Regina Centre, that this was a stabilization program, if you can believe it. Four years of misery and one year of largess in a hope to get re-elected, and the Minister of Finance, this Minister of Finance, who missed his estimate by \$800 million in his budget — he says this is a stabilization plan.

Mr. Chairman, this is a cruel and bitter hoax. I think the whole Saskatchewan Property Management Corporation needs to be investigated, and mark my words, Mr. Chairman, some day it will be thoroughly and completely investigated.

Some Hon. Members: Hear, hear!

Mr. Romanow: — We will be asking questions, of course, when Saskatchewan Property Management Corporation comes up during the estimates. I want to ask the Premier of that.

But this is an ingenious device where a department — and I'm talking about Executive Council — where the department of Executive Council pays to the property management corporation, another arm of government, for services presumably for the provision of property. And in there are substantial increases in what departments pay to the property management corporation, building up a fund for the rainy day — a re-election, hopefully, for them — slush fund, re-election day. That's what's happening.

An. Hon. Member: — While they take the drugs from the old people.

Mr. Romanow: — And during this time, as my colleague says, they take the drugs from the senior citizens, and one could go through again. In the interests of time, I'm not going to make the point; I think it's been made to the members now to excess perhaps.

But it's a serious problem which I don't think can be said enough and strenuously enough. In fact, we're going to pursue this double standard and this gimmick of the Premier's — if there is one, because now I come to my question — as vigorously as we can in the months and the weeks and the years ahead.

My question therefore to the Premier on this specific issue is this. I would like the Premier to answer specifically please, these specific questions: is it true, and do you support and confirm your Minister of Finance's admission, that the property management corporation among others, is in fact inflating and getting additional funds in order to serve, as the Minister of Finance has described it, as a stabilization fund — for sources in that so-called stabilization fund to be used at some time in the future? Will you confirm that that is the policy of this government?

And my second question is, since you're a part of this policy, not only as the Premier but in your department as Executive Council, and this is Executive Council estimates — I ask you this specifically; under your Executive Council estimates, I see for '88-89, payments to the Saskatchewan Property Management Corporation of \$917,200, just a little under a million — to be fair to the

Premier, it's slightly down from 1987-88, but it was at 922,000 at that time, but anyway, I refer to 1988 — can the Premier provide a detailed explanation of this payment from his own department of Executive Council of \$917,000? What exactly are you spending this money for, and what are you getting for it? I'll ask those specific questions and ask the Premier to respond.

Hon. Mr. Devine: — I think the hon. member will at least allow me, without too upset, a very brief response with respect to taxes before I address the two specific questions.

I would just point out to the hon. member, because he touched on taxes, that for taxpayers with a total annual income of \$20,000, that we are the second lowest in all of Canada for families. Saskatchewan has the second lowest overall tax bill for lower income families. And that includes — I want the hon. member and certainly the public to know that it includes income tax, health premiums, retail sales tax, gasoline tax, car insurance, telephone rates, home heating, electricity. And you add it all up, in the province of Saskatchewan, if you're making \$20,000 with a family of four, two kids, mom, dad — \$2,620. That's the second lowest in Canada.

Now if you move to a higher income family of, say, 40,000, we're the second lowest as well. And we find that only the province of Alberta is lower in either case. When you look at car insurance, health premiums, retail sales tax, all of those things, Saskatchewan is number two when it comes to the taxation bill in all of Canada.

I want to point that out to the hon. member so that, in fact, they're aware that even when you get into the \$60,000 category — and we don't charge for health care, there's no premiums involved — that we're the third lowest in the entire nation. And again I point out that includes utilities and health care, retail sales tax, as well as gasoline tax.

I also want to point out to the hon. member that the average family personal income tax in Saskatchewan is only about 65 per cent of the health care costs, and you won't find that in other jurisdictions. We have the second highest per capita health spending in all of Canada — not sixth, not seventh, it's not eighth, as it was when we took over . . . I believe it was sixth — it is now number two. Saskatchewan has no health premiums, as there are in other provinces. We've got the lowest car insurance in all of Canada; the second lowest telephone rates in the nation; the second lowest home heating costs in Canada; no flat tax for low income people; no sales tax on clothing below \$300; provincial sales tax credit for low income people; seniors' tax credit of \$200; \$200 spousal tax reduction; a \$200 dependent child tax reduction; second lowest provincial taxes for low and middle income families in all of Canada, as I've pointed out; and the third lowest income tax for even the higher rates of income for those in the 60,000 area; and we've got the third lowest university tuition fees in western Canada, and the second lowest technical institution fees in all of Canada.

Now I point that out to the hon. member, while we have the best employment record in western Canada, number

two in the entire nation, 18,000 more jobs this month than last month, and the second lowest tax rate in all of Canada, the nation, at a time when every single provincial government, and indeed federal government, in this country has a deficit.

And the hon. member says, well for Heaven's sakes, you haven't balanced the budget in recent years, you have a deficit, and your taxes are out of line. I'll say to the hon. member: we have the second lowest tax rate, we have many tax breaks that we have brought in — we're certainly comparable to other jurisdictions — and the best employment rate and new job creation in all of western Canada, and number two across the nation. I point that out so the hon. member knows, as a matter of fact, in comparisons to other jurisdictions during these times that we're quite competitive and very, very reasonable.

With respect to the property management corporation, I will not acknowledge that there is a stabilization fund that the hon. member alludes to. I would certainly want to confirm that with the Minister of Finance. I believe he was talking about the Liquor Board fund, which has been in existence for some time. And if he wants to know what we spend our money on with respect to the Saskatchewan Property Management Corporation, the major components of our estimated expenditures are: for mail, \$178,000; the Ottawa office is \$70,000; the Legislative Building offices, \$665,400; and the SEDCO (Saskatchewan Economic Development Corporation) building, \$3,800. I believe that will be fairly close to the estimate of \$922,000 that the property management corporation receives from my jurisdiction.

Mr. Romanow: — Mr. Chairman, I want to move on to another area, and it may very well be my last, or next to last. But before I do, I must — this is one of the dangers, but I think it's one of the advantages of debating in a democracy because we exchange our views — I must make a response to the Premier.

The Premier says we've come a long way. And we sure have come a long way. I have in front of me here a summary, an historical record summary of the revenue expenditure basis of Saskatchewan prepared by the province of Saskatchewan — their budget address, economic and financial position papers of November 4, 1987. It's not right up to date, obviously, but it's November 4, 1987. I'll be prepared to table it over to the Premier. It's dated and attached with the various documents — you can see it there.

And what does it tell us? When the Premier says we've come a long way, we have come a very long way. We've moved from the lowest per capita debt of any province in Canada to the highest per capita debt of any province in Canada. That's the reality. You know something, Mr. Chairman, and I invite the Premier to deny this, the operating cumulative total debt in Saskatchewan at \$3.7 billion is higher than all of the deficits of all of the governments since the confederation entry by Saskatchewan since 1905, wrapped up together, by a long shot. When Tommy Douglas inherited the government in 1944 of Billy Patterson's, he had what he thought was a mountain of debt. It is nothing compared to

\$3.7 billion. We've come a long way, all right. We've got now that debt.

And you add the Crown corporations side of the debt and you're looking at 11.6 billion cumulative, not 3.7 billion, Mr. Chairman, or approximately \$12 billion debt. These aren't my figures; I don't pull them out of the air. These are the figures right here from July '86 from your own budget — from their own budget. In fact, the Minister of Finance was unable to answer — the record shows that — these questions when they were put to him. And I must say, surprisingly. I'm not here to try to score cheap political points about the divisions within the Premier and the Minister of Finance, but I tell you, the Minister of Finance said there was a stabilization fund, and the Premier tonight, in effect, pulls the rug under from the Minister of Finance, says there is no stabilization fund, notwithstanding that the record shows that it's the case. That, Mr. Chairman, is in fact an unacceptable position to be in. It is unacceptable for the people of the province of Saskatchewan.

Now the Premier has not given me a detailed answer as to how that \$917,000, by the Executive Council, goes over to the property management corporation. He has not given me the answer to that specifically. I don't believe you have. I'm not going to ask you to repeat it. Will you undertake to provide for me, in writing, the detailed breakdown, just so that we define it, Mr. Premier, within the month? Can we do that? You have officials to do that. The Premier is nodding his head in assent. Let the record show that he agrees that that is to be the case.

(2215)

I simply want to close off, before I move on to this other area, that in my judgement, members of the Legislative Assembly, the crisis, fiscally — in some ways not totally under the circumstances of men and women, but in most ways under the direct circumstances of men and women — has produced a mountain of debt which is going to saddle the future generations of Saskatchewan and Canadian people. I tell you, if there is anything that makes the philosophy of co-operation and the mixed economy working in partnership necessary, it is our movement, because we're all going to have to work hard to get out of this debt situation created by this Premier and this government in 1990-91.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Now, Mr. Premier, I have . . . Actually I have three segments here, two of which will not take long. I don't suspect; one might, but not too long. And I don't know about you, how long you can continue on. It's 10 o'clock, but let's try for a little while in any event, and for sure the bulk of the estimates are likely to be done, if not all of them, no matter what happens.

I have a couple of what I call speciality questions which I should put to you. Mr. Premier, these can be handled very quickly and very specifically. Will you assure, will you undertake to assure Saskatchewan people — this deals with Principal Trust — that Saskatchewan people who lost much money, as a result of failures of regulation that is shown now in the Code inquiry, that they will receive

no less than what their Alberta counterparts might get as a result of any terms of final settlement flowing from the Code inquiry and the Alberta decision.

Hon. Mr. Devine: — Well, Mr. Chairman, the hon. member goes on and on and on about several things, then he asks a specific question, and I'll give him a specific answer with respect to Principal Trust. We will review all the findings of the inquiry in Alberta and we will have to make the judgement at that time.

It's pretty difficult for me to speculate on what might be in that final report, what kind of money might be available and to who and to how much and where. I'll review it. I'll certainly be prepared to look at it very closely and share my observations with the hon. member.

Mr. Romanow: — Mr. Chairman, I have another what I call speciality question, and I want to emphasize for the record that this is a question purely for information.

Mr. Premier, much discussion has taken place in the city of Moose Jaw, as I think you're familiar, in regard to a proposed casino. Opinion on the casino, as you probably know, is divided in Moose Jaw, with both the proponents of the casino and the opponents anxious to know what your government intends to do.

My question to you, sir, is this: do you plan to make or to propose legislative changes to enable the casino to be established in Moose Jaw? I do not advocate that position, but I want to know what your intentions are. Will you please indicate when the city of Moose Jaw and the people of Moose Jaw can be told what your government intends to do in this regard?

Hon. Mr. Devine: — Mr. Chairman, the proposal that has been forwarded by the city of Moose Jaw has been before cabinet and caucus, and it's going back to priorities and planning, and we will be making the appropriate decisions with respect to the proposal from Moose Jaw.

And I can't add any more than that until we're prepared to put in detail what we're prepared to do with respect to co-operating on their economic development package. And I can only say that when we're prepared to respond we'll certainly advise Moose Jaw and the hon. member.

Mr. Romanow: — Just one follow-up question in this regard — we're getting phone calls in the Leader of the Opposition's office from both sides on this issue, letters, lots; you probably are too, maybe more — people want to know what the decision is. And I want to ask you, sir, whether or not it is your intention to wait until after the civic elections in October before making a decision, or can we expect to have that decision before the civic elections.

Hon. Mr. Devine: — I can say that the decision will be relatively soon. Certainly we don't want to delay it any more than just to give it a very good review. I will say that there are obviously a couple of concerns that I have and others have with respect to some of their proposals, and I have been approached by lots of people, and particularly the clergy, on some of the items, and I certainly respect their views.

I will say that, at the same time I understand the need for economic development and particularly tourism expansion in the city of Moose Jaw, and we're going to explore those possibilities. And I will just get the decision and the proposals and the things that we can do back to the people of Moose Jaw as quickly as possible, certainly before any civic election, and certainly, I would say, in the next few weeks.

Mr. Romanow: — Mr. Chairman, another speciality question, if I may put it that way, before I come to my last topic of what I would think is substance . . . All of these are important questions, but more in the broader policy area. What I'm going to do, Mr. Premier, is read into the record, very briefly, a letter which I'll direct to you, and if you'll give me an undertaking to answer this letter, I'll be satisfied. It says:

Dear Mr. Premier: I'm writing with respect to the Committee of Finance examination of the budget estimates of the Executive Council (which we're doing tonight) to request that you provide, in writing, certain information about the 1988-89 estimates for your department. I would therefore ask that you provide the following:

1. The name, position, title, and salary of each employee and any change in salary over the last 18 months;
2. The name of any person on a personal services contract with the department, the purpose and term of the contract and the remuneration being paid;
3. For each out-of-province trip undertaken in 1987-88 and paid for by the department, the destination, purpose, name of each person taking the trip and total trip cost for each such person;
4. The amount budgeted to be spent on out-of-province travel in 1988-89;
5. The nature and cost of any public opinion polling paid for entirely and in part by the department in 1987-88 and the amount budgeted on such services for 1988-89.

I should stop here, Mr. Chairman, and say, parenthetically, we should have asked then copies of those polls too, but I know that's probably putting the Premier in an impossible position. And finally:

6. The nature and the cost of any media consulting or advisory services paid entirely or in part by the department in 1987-88 and the amount budgeted on such services for 1988-89. I believe that (your departmental officials) you and your departmental officials will have this information readily accessible and should appreciate your sending it to me as quickly as possible.

Signed by myself.

Now the reason that I read it in the record and the reason that I deliver this letter to you is, I think we can save time in these estimates, rather than me asking you and you getting up and your officials providing the answers, if you provide them to me in writing.

If the page would deliver this to the hon. the Premier, if he could take a look at it and give me a commitment, and I'm going to put a time frame on it — within a month — to give those answers, I'll be happy.

Hon. Mr. Devine: — Mr. Chairman, I believe that we normally provide this kind of information, and I will be glad to provide it as quickly as I can to the Leader of the Opposition.

Mr. Romanow: — Thank you, Mr. Chairman. Thank you, Mr. Premier. Now I have one last area that I wish to canvas. I don't expect it to be lengthy, but it is an important area, and it deals with kind of the fourth area, in general terms, that I raised in my outline at the beginning — free trade, economic development and taxation, fiscal policy — all of which we've covered in the question of social consensus-building within the province.

And I want to extend it, Mr. Premier, slightly beyond the province into the context of nationhood in Canada. If your caucus is prepared to listen to this, and you, I want to discuss briefly with you the question of the Meech Lake accord and the question of the French language situation as it pertains to the province of Saskatchewan, and also to ask some specific questions about the Meech Lake accord and beyond, if I may put it that way.

Now let me say, Mr. Premier, Mr. Chairman, that in my judgement, Meech Lake accord, in tandem with the free trade deal, represents one of those significant milestones in the direction and the future of Canada. And there is, Mr. Chairman, as I see it — make no mistake about it — a fundamental contradiction in visions, if I may put it that way, of Canada, represented by the 1982 accord and the Meech Lake accord of 1987-88.

In 1982 the vision was, roughly stated, that the emphasis would be given to individual people through the Charter of Rights and Freedoms, those charter of Rights and Freedoms being the buttresses against excessive government intervention or actions. Buried in that Charter of Rights and Freedoms was a specific guarantee on French-English languages.

The Premier points out in one of his earlier remarks, and correctly so, that the province of Quebec did not accept that. I want to remind the House that the province of Quebec did not accept that, and the province of Quebec at that time would never have accepted it, because the province of Quebec was under the governance of a separatist party committed to break up Canada, pure and simple.

The charter of rights has, however, this vision of individual liberty nestled into it. The Meech Lake accord goes in a different direction. The Meech Lake accord doesn't touch the Charter of Rights and Freedoms, it's correct to say, but the Meech Lake accord adds to the accord of 1982 something called the distinct society,

called Quebec, and the duty of the rest of Canada to promote and to preserve that distinct society. A laudable objective, one, I want to hasten to add, that I support in general terms.

But you will see, Mr. Chairman, following my analysis carefully, that there is a basic fundamental contradiction. On the one hand, the charter of rights as it was up to 1982, grounded and was based in individual freedoms. The Meech Lake accord now adds a collective right, the right of Quebec on a geographic basis to be recognized as a distinctive society. And you have automatically a conflict. Which of those two visions succeeds, the individual rights vision of the Charter of Rights and Freedoms or the collective rights based on a geographic basis of Quebec?

And when it comes for the politicians to interpret, when it comes to the Supreme Court to interpret, for a very long time the tug of war will be, the tussle will be, which trumps the other, the individual right or the collective right. If the collective right trumps the individual right in its interpretation, then one can see the evolution and the development of a set of speciality laws for the province of Quebec based on the distinct society, based on the collectivity, which will trump individual rights.

Thus the concern of women's groups, in Quebec and outside of Quebec, that their individual rights are going to be defeated, if I may put it that way, or trumped. Thus the concern of other collectivities, like the Indians and the Metis and the Inuit, who don't see their rights incorporated in the Charter of Rights and Freedoms.

Now, Mr. Chairman, I want to ask the Premier this question very specifically, if I can. My question to you, sir, is this: it is an acknowledged fact that the Meech Lake accord is controversial. I think it's an acknowledged fact that Meech lake, in the controversy, generates a health debate about the future and the nature of Canada, albeit the passions are aroused on all sides. I strongly support the need to get Quebec onside, there is no doubt about that. We cannot have the moral acceptance of Quebec to Meech Lake. They're into the constitution now; they don't need Meech Lake to be in the constitution; they're bound by the constitution with or without Meech lake. I accept the moral binding.

(2230)

But we have a segment of people and individuals who are left outside of this agreement. It may sound lawyerish to the hon. member, but it is also speaking to the fundamental fabric of this country. My question to the Premier is this: why not get a political accord now, while Meech lake is going through the system of being ratified, which accord now comes to terms with the questions of the Indian and native issues, the question of the northern provinces, and the questions which are outstanding with respect to women's rights as a political accord. It could come in as a second phase, if you want, but to do this concurrently at this time. Will you give me that answer, please.

Some Hon. Members: Here, here!

Hon. Mr. Devine: — Well, Mr. Chairman, a couple or three very brief observations. I am glad the hon. member and, in fact, his party has endorsed the Meech lake accord and it's passed this legislature. And notwithstanding some of the comments and concerns that the hon. member has, it has passed. I don't recall whether he voted for it or not, but he says that he endorses it.

I will say that the Meech Lake accord is significant progress in the building of Canada. What was a failure in '82 to bring Quebec into and, as he puts it, morally on and sign on in terms of the Canadian constitution, we have now overcome because we have 10 premiers — had 10 premiers — and the Prime Minister agree that this accord could be an amendment to the constitution which recognized all the provinces on an equal footing.

I point out that my best legal counsel and the best people that we can talk to say that this has no impact at all on individual rights, whether it's women's rights or native rights or other rights. And the best legal counsel I have suggests that.

Secondly, I will also say to the hon. member that once you open up the accord for changes and/or amendments, then you run the risk of not having it done at all. If you want to look at a moral or political agreement that you can attach on to it, I'm not really so sure what it would mean. It would say that your rights have not been touched, or your rights are the same as they were before the accord; I mean, all you're doing is begging the question. If legally the rights have not been changed, then they have not been changed.

And the best legal counsel that I have — and the hon. member doesn't buy that — says that the rights have not been changed, and as the hon. member puts it, they have not been trumped by anything else that's in the accord.

Let me finally say to the hon. member, while he says that maybe we could make changes, I simply say, as the Premier of Quebec says, and most of the Premiers, and I believe rally, now, all but one will say: let's pass this accord, have Quebec part of the country. And if you want to amend the constitution at a later date, with respect to senate reform or anything else, that's possible. We have amended the constitution before, but don't jeopardize this very historic opportunity. Don't wreck it when we have a change to put the whole country together.

People have asked over and over again, what does Quebec want? We know exactly what they want. It's there. All premiers have agreed, all provinces have agreed, and the Prime Minister's agreed, and we can have them part of the constitution if we pass this. If you want to amend the constitution after that, certainly we've amended it before.

I would say finally, Mr. Chairman, that finally, finally under this accord, Saskatchewan has the same veto power as Quebec and Ontario, and it's about time we had the same sorts of strength as they do it in the major provinces. So I can say to the hon. member this is very significant, and it is progress, and it is historic, and in my view it's in the right direction.

Mr. Romanow: — Mr. Chairman, we will obviously await developments on this. And I want to move more specifically to the question of French language, in the context of Meech Lake, and as it relates to Saskatchewan, with a few questions, not too many comments. But I do think a little bit of background is important.

In mid-April, as we know, I think the second Bill that was tabled in this House was Bill 2 or Bill 3, with respect to French languages. This was the government's response to the *Mercure* case. At that time the Minister of Justice objected to the spending of \$15 million — cost of translation — although the Premier — and I do have the clippings here to verify them — in lengthy interviews especially for out-of-province newspapers, said the province could spend hundreds of millions. Well, I'll show you this right away. The Premier shakes his head.

A few days later, the Minister of Justice then said that cost was not an issue. A few days later, in a lengthy interview, I think it was the *Leader-Post*, but it might have been *The Globe and Mail* — and this prompted, by the way, an attack on a journalist, so there might be some dispute by the Minister of Justice — the Premier said that Saskatchewan would be bilingual within 15 years.

An. Hon. Member: — Ten.

Mr. Romanow: — And . . . well, it could have been 10. The Deputy Premier says 10. It could be 10 years.

I want to ask the Premier the question: is it official policy of your government that Saskatchewan will be officially bilingual, and are you . . . is that your official policy, within 10 or 15 years?

Hon. Mr. Devine: — Mr. Chairman, I believe I know the quotes that the hon. member has. One was from *The Globe and Mail*, and one was from some place else. It said, Mr. Chairman, that it would take — and I can give it to you, or paraphrase it. I said it would take a great deal of money, in the neighbourhood of indeed hundreds of millions of dollars, to provide sufficient education here in the province of Saskatchewan for us to become bilingual, and certainly for our children to become bilingual across the province. As the hon. member knows, many areas of the province do not have access to French education, certainly not immersion; some have core, but many don't have either.

I said that I don't have that kind of money and the province doesn't have that kind of money. But I acknowledged it would take that kind of money, and it would have to come from the federal government.

At the same time I was asked, well, will this province be bilingual with respect to providing the laws and the legislature in both official languages? And I said, yes. And they said, well how fast? I said, within 10 to 15 years we will have the full capacity to translate the laws that are effective today, the efficient or the significant laws and statutes of this province will be in both languages, and as we pass the laws, it will be in both languages. And I said, I don't think we can do it all at once. I know we won't be speaking in both languages all at once; it'll take some

time, and obviously it will.

Now the federal government has responded, as have the people of Saskatchewan. They said you have passed the right legislation here. Ninety-seven per cent of us speak English, about 3 per cent French. It's going to take us some time to become bilingual. It's going to take time for this institution to pass laws in both languages and have that translation capacity. And the federal government has responded and said, in terms of education, we will help you in education, distance education, language institutes and all those kinds of things, and that's where the answer lies, Mr. Chairman.

Education of our young people. My children speak French. They have access to French immersion, and more and more children in both rural and urban want the same opportunity. That will take considerable federal money and co-operation from the province, and we certainly are prepared to co-operate in that fashion.

It won't be overnight; it'll take some time, and we are quite prepared to co-operate and play our part.

Mr. Romanow: — Well, Mr. Chairman, the hour is late and this really is an important issue. I am talking out loud now to myself; I'm tempted to pursue it. I don't know whether there is a mood here tonight or at some other time, but I have here in front of me a pamphlet by a person called Myrna Petersen, authorized by the Regina Elphinstone Progressive Conservative Association. She was the candidate against my colleague in Regina Elphinstone.

And what I find interesting about this pamphlet is the full page on one side, which is, in effect, an argument to garner votes based on a position of what can only be charitably characterized as a anti-Fransaskois position.

An Hon. Member: — Not true.

Mr. Romanow: — Not true? Well, I mean the hon. member says it's not true. You can take a look at the pamphlet. I mean, you probably engineered the pamphlet, so you know the situation. I don't want to exacerbate the thing. I don't think helps anybody to read Ms. Petersen's comments and the same comments that took place, albeit a little more guardedly, in Saskatoon Eastview, I think that were . . . taking place . . . (inaudible interjection) . . . Pardon me? . . . (inaudible interjection) . . . Well the hon. member says let it all out. I actually think I have let it all out today, and I think the Premier has done too. We've had a pretty good debate on the issues.

The point that I want to get to the Premier is this: I want to know a specific answer. I want to know this: will bilingualism come to Saskatchewan, in your judgement, if you're Premier, and if so, in what time frame, in the light of the Meech Lake commitments that you so strongly endorse?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Chairman, I have already gone over the things that have taken place in the province of Saskatchewan. We responded to the Supreme Court

decision. We said that there will be both languages in the courts, there will be both languages in the legislature, and we will translate the statutes of this legislature into both languages. And we've said that we will do that.

We also said and agreed with the French-speaking community that there's no point in spending \$25 million, or \$15 million, or even \$5 million translating all the laws of the past. We can translate those into the future. But we will not become bilingual until our children can learn to speak both languages, and that takes time and money.

So yes, you will find that we will have the capacity in both languages in this House and in the courts, and obviously in the statutes. And that will take some technology, it will take some research, it will take some equipment, and it takes some money. And that will happen.

And with respect to Saskatchewan becoming bilingual, it will take time and education. Now right now 97 per cent of us speak English. It will take some time before we all learn to speak French, and in some cases many of the adults will never learn to speak French, in my lifetime or yours. Now the children will, and over time, as they want to, we will provide them with access to both languages and probably other languages.

And we find now that language institutes are encouraging people to speak in the language that we trade in. And you're finding increased demand and interest in a languages like Spanish, Japanese, Chinese, and others because of the global village. Mr. Chairman, I believe that you will see over time this province will be bilingual, will be trilingual, and we'll be able to use many languages. Certainly this legislature and the major statutes of a significant importance will be in both French and English in the province of Saskatchewan.

Mr. Romanow: — Mr. Chairman, I think I cannot go any further with the Premier in this regard because the answers are, in my mind — I say this with respect to the person, I think the answers are . . .

An Hon. Member: — Nonsensical.

Mr. Romanow: — I won't say nonsensical, but I will say they are guarded and confused, to the extent that the Premier knows what the nature of this country is. He is the one who was arguing about Quebec getting into confederation by Meech Lake. He's the one who's the proponent of that, the strong proponent of that. I am for Quebec into confederation under appropriate circumstances and conditions for all of Canada.

But Meech lake launches a certain direction. he knows those obligations, he's a believer in those obligations, he has an obligation in the context of Saskatchewan to do the right job. But I clearly can't make any further headway in this regard.

I do want to ask . . . I'm sorry; I didn't mean to mislead anybody here. I do have one other very important question I want to ask before I close off. Mr. Premier, you will know that there is, in my judgement, a lot of controversy in Saskatchewan about Bill 60, which is the Sunday shopping hours Bill, the mad dogs Bill, and the

ward system Bill. I don't criticize here the chairman's ruling about keeping these three subjects together, but I think that this is rather unusual in the Saskatchewan context. Nevertheless, these three are riding together, and they're being pushed ahead by your Minister of municipal affairs. We cannot make any headway with your Minister of municipal affairs.

The Premier will know that there is a coalition against open Sunday shopping. It's headed by the Rev. Bill Portman, who is well-known to the members of this Assembly, and is well-known and a respected leader in the community at large. He writes to you, sir, under the date of June 8, 1988. He says that, "We suggest an all-party committee be struck to allow public opinion to be heard."

(2245)

He says that there should be an option, that there is an attack on the quality of life in families by unlimited Sunday shopping. I think, by the way, quite an argument can be made — I welcome the return of the Minister of Urban Affairs — quite an argument can be made about the impact of Sunday shopping, unlimited Sunday shopping, in rural Saskatchewan especially, but everywhere, coupled with The Liquor Act amendments, which open up the liquor . . . the arguments and the impacts that that has on family. And I'm prompted to raise this, not to re-open the debate, because you're the one who was telling me about the NDP way and how you were motivated about getting into politics because you didn't want to be associated with a party where things were being done from the top — a few elite people from the top.

Well here's a chance to put your words to the test. The people, through these letters and coalitions, they don't want your imposition from the top by your minister or by you on wide open Sunday shopping. They don't want that. They don't want the liquor Act. They're asking you to stop and to kill this bill.

The ward system's another example. The municipal councils, they say look, don't be arrogant, don't be out of touch. I think that it's pretty obvious that the government is out of touch now. I think it's run its course as a government, no vitality and bulldozing through, that's my view.

Mr. Premier, my question to you is: since your minister won't budge — you've changed the position of the Minister of Finance on stabilization — how about doing a real good thing for Saskatchewan in a Saskatchewan way. I don't want to say in a sense of leadership but — well maybe I should — how about showing some leadership tonight. let's do something positive for the small-business people in rural Saskatchewan and elsewhere. Tell us that this Bill is dead. Will you do that?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Chairman, I'm sure that a lot of people in Regina and Saskatoon would be very interested in knowing that the NDP will not allow you to shop at Superstore on Sunday. And I would . . . I just want to make

it very clear, there's lots of folks that you think that you might represent will now know that you would stop shopping on Sunday or evenings. And I just . . . it's nice to know that you finally laid it out there. Because you know that families, a lot of families, shop on Sunday and they are . . . Mr. Chairman, I ask the hon. members to just please let me finish my remarks.

The second thing I'd like to say, Mr. Chairman, is that, so that the hon. member makes it very clear and he knows, the Premier of Quebec endorses the Saskatchewan position on Meech Lake, and he endorses our position on language. Now the NDP might not, and the NDP might not in Quebec, and the NDP might not here, but the Premier of Quebec endorses free trade and free trade with the United States. The Premier of Quebec endorses Meech Lake, and he endorses free trade and free trade with the United States. The Premier of Quebec endorses Meech Lake, and he endorses the language position taken by the province of Saskatchewan. And yet he says the NDP in his province are against it as well, and the NDP are against it here. The NDP are against people shopping on Sundays in Regina and Saskatoon, and the people in Regina and Saskatoon tell me they want to shop.

The NDP say, well, for Heaven's sakes, they're for small business, and I can't find small businesses and entrepreneurs who think that their party is the NDP. Now you can go all across the country and we can talk to businesses and entrepreneurs. They support free trade and the NDP doesn't. Nine out of 10 support free trade, and the NDP doesn't; why would small business be interested in supporting the NDP?

I'll only say that, with respect to shopping, Mr. Chairman, that we know — we know. The combinations of things that people want access to, they want to be able to do things with their family, both rural and urban. We respect people's views; that's why the Minister of Urban Affairs has been going across the province talking to people in all jurisdictions, rural and urban.

And I will say, Mr. Chairman, before I take my place, that he says the same thing in the rural as he does the urban, the same thing in towns as he does in villages, as he does in cities. And that's important because people get to know that you might say one thing some place else, as you do. You're saying, well, it's fine, we'll have Sunday shopping here for the folks in Regina North, but then when you go out of town you say, oh no, we won't have any Sunday shopping.

Well, Mr. Chairman, I think you have to say the same thing in town and out of town. We have said that we are prepared to look at open shopping, and if municipalities, rural or urban, want to say no, that's their prerogative. They want that jurisdiction, and certainly we're prepared to share it with them.

Mr. Romanow: — Somebody's going to have to have the last word here. I don't know if I'm going to have it, but I'm going to make a response. I asked the question about whether you would withdraw Bill 60. I am assuming . . . no. I'm assuming the implication in that answer is that he is not going to withdraw it.

He said to me that he doesn't know a business man anywhere who supports our position. Well I'll tell you,

we have got stacks of letters, but I'll just read you one. Mr. Jack Klein, it's addressed to, it's dated May 31, Hague, Saskatchewan. It says:

Sir: (probably a copy wasn't sent to you)

It has taken considerable effort on your part, plus much natural ability, to enable you to become undoubtedly the most insensitive Minister of urban Affairs in Saskatchewan history (writes the letter writer, Mr. H. Epp). Your version of fair play (listen to this, Mr. Premier, this is what you're arguing for) in the business world is tantamount to the Edmonton Oilers coming to play our local pee wees without any referees or officials, with no intermissions, no time periods, no limit to the number of players allowed on the ice, no offsides, no penalties, no suspensions. Is it really possible you have no idea who gets clobbered?

That's a beautiful paragraph; that summarizes the argument. And then he writes, by closing:

As another merchant down the street has stated: "There isn't a self-respecting storekeeper in Saskatchewan who will ever vote PC again." He could be right. (Mr. Epp said.)

Some Hon. Members: Hear, hear!

Mr. Romanow: — Mr. Chairman, that's signed, Mr. Epp. And there are letters, we could read them all over.

There are hundreds of small storekeepers and small-business men. They come to us. I'm not going to argue whether or not they talk to us or not. That's the reality. I just wanted to rebut the Premier, to put that on file.

I want to make one last point as I close. I tell the Premier, and he says Premier Bourassa likes his language policy. Well, bully for Premier Bourassa. And it's a great thing that Premier Bourassa is your ally. Good to you. Premier Bourassa likes your Bill because exactly what you're doing to the French minority here, he's doing to the English minority in Quebec. That's why he likes it.

Some Hon. Members: Hear, hear!

Mr. Romanow: — You're the odd couple, the two of you. You're the odd couple. But leave that aside.

I say to you, sir, as I close off these estimates, I started off the way — and I close off the way I started off — by this man's letter, this Mr. Epp's letter. This tells you everything you want to know about the differences.

You want to have Sunday shopping, and you say I'm going to say something in rural Saskatchewan different from urban Saskatchewan. No, I'm going to say the same thing as I did since January, both places, and I'll say this again. Sunday shopping: this offends a common pause day in Saskatchewan. This is our tradition for rest for workers and for the day of religion and for rest. That's what Sunday is. It's not in the United States, by the way. It's wide open in the United States. That's what's coming

here.

Free trade is linking us to the United States. That's why free trade will, amongst other things, not only in terms of energy to water, the things we issued. We'll do the same thing with respect to the small business. Sunday is going to force competition with the superstars. Mr. Premier, that's like bringing in the Edmonton Oilers to fight against the pee-wees, and you say, compete out there. That's the argument that you say — competition. That's not competition, that's a law of the jungle. This is the time for co-operation. You're for privatization; I say that's for large corporations. It's all a party of the philosophy, and it's all part of the overall image. Your taxes are on the small people; they're no on the large corporations. Your policy is to cut back on health care. Your policy is to cut back on the dental plan. Your policy is to have this kind of a perverted, upside-down vision of a made in Saskatchewan program and a made in Saskatchewan government for Saskatchewan people.

I say this as I close, Mr. Chairman — I tell this Premier and this government and the people of the province of Saskatchewan: we are going to do all that we can from now until 1990 to prevent this step backwards. We're going to do all that we can to prevent the dismantlement of Saskatchewan and Canada that we dearly love, that we so dearly, dearly love.

We're going to work with the small-business people and the working people and farmers to build a brand-new vision for the 1990s. It's not going to hook us to the Americans, it's going to hook us tot he world, Mr. Chairman. I guarantee the people of this province, there is hope. Don't give up hope — there is a brighter new tomorrow, and we're going to give it to you.

Some Hon. Members: Hear, hear!

Mr. Romanow: — And with that, Mr. Chairman, I call it 10 o'clock.

The committee reported progress.

The Assembly adjourned at 10:55 p.m.