

The Assembly met at 2 p.m.

Prayers

## ROUTINE PROCEEDINGS

### PRESENTING PETITIONS

**Mr. Romanow:** — Thank you very much, Mr. Speaker. Mr. Speaker, I rise pursuant to rule 11 to present a petition to the Assembly of 500 names of residents of Saskatchewan. These petitioners are urging the government not to privatize SaskPower but to keep this major public utility in the service of all Saskatchewan people. These petitioners are from the communities of Pense, Val Marie, Nipawin, Avonlea, Dysart, Porcupine Plain, Drinkwater, Lumsden, Odessa, Bethune, and Asquith. I so table.

**Mr. Prebble:** — Thank you very much, Mr. Speaker. Mr. Speaker, I also rise pursuant to rule 11 to present a petition to the Assembly of more than 1,000 residents of Saskatchewan. These petitioners are urging the government not to privatize SaskPower. They're expressing concern about the fact that privatization will lead to higher utility rates. And, Mr. Speaker, these petitioners are from a number of communities and they include Tisdale, Porcupine Plain, Hudson Bay, Prairie River, Welwyn, and my own home community of Saskatoon, Mr. Speaker.

**Mr. Rolfes:** — Mr. Speaker, I rise also pursuant to rule 11 to present a petition to the Assembly from 500 residents of Saskatchewan. These petitioners are urging the government not to privatize SaskPower but to keep this major public utility in the service of all Saskatchewan people. These petitioners are from a number of communities such as Lumsden, Martensville, Quinton, and Fairlight.

**Mr. Shillington:** — Thank you very much, Mr. Speaker. I rise on behalf of in excess of a thousand people in Saskatchewan. Mr. Speaker, they exercised one of the most basic and ancient rights that people have, the right of petitioning their government in the hope that their government will listen. They ask that SaskPower not be privatized, and they ask that there be no sell-off. These people come from a variety of communities: Melville, Pelly, Martensville, Yorkton, Fort Qu'Appelle, and Lemberg. Indeed, the good folks from Lemberg ran out of paper and started gluing paper on.

**Mr. Lingenfelter:** — Mr. Speaker, I rise pursuant to rule 11 on behalf of a number of people from Balgonie, Lumsden, Earl Grey, and Fort Qu'Appelle, and just looking through here — farmers, working people, small-business people who are opposed to the government's privatization of SaskPower — I want to say on behalf of these people that they're indicating here their opposition to the privatization and are asking us to stop it on behalf of their children and grandchildren.

**Mr. Tchorzewski:** — Mr. Speaker, thank you. I also rise pursuant to rule 11 on behalf of several hundred people to put before this House a petition which they have signed to urge the government of Saskatchewan not to privatize the

Saskatchewan Power Corporation, SaskEnergy, because of their concern for the future of Saskatchewan and for the future of their children and their children's children.

I do so, Mr. Speaker, on behalf of these citizens who have signed this petition from Saskatoon, North Battleford, Yorkton, and Watrous.

**Mr. Koskie:** — Mr. Speaker, I also rise pursuant to rule 11 to present a petition to the Assembly of several hundred people from across Saskatchewan, and, as has been indicated, the petition is urging the government not to privatize and sell off SaskPower.

The petition that I will be submitting are for communities of Neilburg, Lloydminster, Langham, Saskatoon, and Wakaw.

I so submit, Mr. Speaker.

**Mr. Thompson:** — Mr. Speaker, I rise pursuant to rule 11 to present a petition to the Assembly of more than a thousand residents of Saskatchewan. These petitioners are urging the government not to privatize SaskPower but to keep this major public utility in the service for all the people of Saskatchewan.

These petitioners are from a number of communities, Mr. Speaker, including Regina, Mossbank, Watrous, and Rockglen. Thank you.

**Mr. Brockelbank:** — Mr. Speaker, I rise pursuant to rule no. 11 to lay on the table a petition containing 500 names. These people, who solemnly signed their names to this petition, in part say that the privatization of SaskPower will lead to higher utility rates for Saskatchewan people and will benefit only wealthy investors. And they conclude by petitioning:

. . . and humbly pray that your honourable Assembly may be pleased to urge the provincial government to stop the privatization of SaskPower Corporation.

These people come from many places in Saskatchewan, Mr. Speaker, but just to give you a sample, they come from Coronach, Swift Current, Maple Creek, Broadview, Wilcox, and my own city of Saskatoon.

**Mr. Hagel:** — Thank you, Mr. Speaker. I too rise pursuant to rule 11 to present the same petition from over 500 Saskatchewan residents, Mr. Speaker, all of whom ask that this government stop its privatization of SaskPower and keep this basic utility in service for all Saskatchewan people. Among other places, Mr. Speaker, these petitioners come from Duck Lake, Nipawin, Codette, Choiceland, Melfort, Mayview, Wakaw, Prince Albert, Kinistino, and others. And I'm very pleased, Mr. Speaker, on their behalf, to present this petition to this Assembly.

**Mr. Goulet:** — Mr. Speaker, I rise pursuant to rule 11 to present a petition on behalf of several hundred residents of Saskatchewan. The people from Saskatoon, Melville, Yorkton, Ernfold are urging the government not to privatize SPC (Saskatchewan Power Corporation). They

want SPC to remain a public utility under the control of all Saskatchewan people.

**Mr. Anguish:** — Thank you, Mr. Speaker. I rise pursuant to rule 11 as well, to the traditional and ancient right of Saskatchewan citizens to petition the government, and these petitioners are petitioning the government to ask them not to privatize Saskatchewan Power Corporation, because it's in the public interest. They're asking that the sale of SaskPower constitutes a sell-off of a major public utility which serves all of Saskatchewan people, and that the privatization of SaskPower will lead to higher utility rates for Saskatchewan people and benefit only wealthy investors.

This petition, Mr. Speaker, has been signed by residents from Bienfait, Estevan, Bulleya, Craven, Strassbourg, Hepburn, and Borden. I present this petition to the House, Mr. Speaker.

**Mr. Solomon:** — Thank you, Mr. Speaker. I rise pursuant to rule no. 11 to present a petition to the Assembly for several hundred residents of Saskatchewan. These petitioners are urging the government not to sell off SaskPower, that it is not in the public interest to do so, and that we keep this major public utility owned and controlled by all of the people of Saskatchewan and in the service of all of the people of Saskatchewan.

These petitioners are from Coronach, Glenavon, Avonlea, Central Butte, Earl Grey, Rouleau, Truax, Saskatoon, Big Beaver, Semans, and from Regina as well. Thank you.

**Mr. Kowalsky:** — Mr. Speaker, pursuant to rule 11, I rise to present a petition of over 500 people from the communities of Wynyard, Glaslyn, Fairholme, Wadena, Yorkton, Radisson, Cudworth, Whitewood, Moosomin, and Saskatoon. This petition represents signatures of people of all political persuasions, Mr. Speaker, and they are all opposed to the privatization of SaskPower.

**Ms. Simard:** — Thank you, Mr. Speaker. I rise pursuant to rule 11 also, to present a petition to this Legislative Assembly from over a thousand residents of Saskatchewan from both urban and rural Saskatchewan, urging the government not to privatize SaskPower.

There are many communities in this package of petitions, Mr. Speaker. Some of them are: Radville, Gravelbourg, Balcarres, Cadillac, Lumsden, Kinley, Lampman, Swift Current, Govan, and Regina. Thank you.

**Mr. Upshall:** — Thank you, Mr. Speaker. I rise pursuant to rule 11 to present a petition on behalf of over a thousand people who, when given the right to partake in the democratic process, have signed their names to this petition opposing the sale of SaskPower, for many, many reasons. And these people are from Mossbank, Kyle, Watrous, Plunkett, and my home town of Young.

**Mr. Mitchell:** — Thank you, Mr. Speaker. I also rise pursuant to rule 11 to present a petition signed by over 500 residents of the province of Saskatchewan. In this petition they urge the government not to privatize SaskPower on a number of grounds, including that the

privatization would benefit only wealthy investors. These signators are from many Saskatchewan communities including Halbrite, Weyburn, Shellbrook, Holbein, Weirsdale, and Smeaton.

**Mr. Pringle:** — Thank you very much, Mr. Speaker. I also rise pursuant to rule 11 to present petitions with 600 names, asking the Government of Saskatchewan not to privatize SaskPower. These people, from all political stripes, want to ensure that SaskPower continues to be a public utility, owned by the people of Saskatchewan, owned by all residents of Saskatchewan. These 600 names are from the communities of Milestone, Punnichy, Raymore, Redvers, Hafford. It is my pleasure, Mr. Speaker, to present these names on their behalf, and I salute these democratic efforts.

**Mr. Lyons:** — Thank you very much, Mr. Speaker. I too join with my colleagues in rising to present to the legislature today a petition which calls for the government to stop the privatization of SaskPower or of any of its wholly owned subsidiaries, including SaskEnergy.

The petitions presented today come from communities such as Saskatoon, Regina, Gravelbourg, Tisdale, Hepburn, Waldheim, and join in the democratic and ancient right of seeking redress from a government who is doing them grievous injury.

**Mr. Calvert:** — Thank you, Mr. Speaker. I too rise under rule 11 to present a petition, this petition from 500 Saskatchewan people who make their homes in Carrot River, White Fox, Nipawin, Codette, Aylsham, Choiceland, and Colonsay. And these 500 people join with the thousands of others across Saskatchewan, calling upon the government to cease their plans to privatize SaskPower.

**Mr. Lautermilch:** — Thank you, Mr. Speaker. I too rise pursuant to rule 11 to present a petition on behalf of 500 Saskatchewan residents. These people are urging this government not to privatize SaskPower but to keep this utility to ensure a future for their children in Saskatchewan.

Among the communities that are represented in this petition are Estevan, Landis, Herbert, Pangman, Lafleche, Kincaid, and Melaval.

**Mr. Trew:** — Thank you, Mr. Speaker. I proudly join my colleagues in rising pursuant to rule 11, presenting a petition to the Assembly of nearly 400 people, residents of Saskatchewan. These petitioners . . . or these petitions, rather, are all about the future for themselves, for their children and their grandchildren's heritage, and these petitions are urging the government not to privatize SaskPower but to keep this major public utility in the service of all Saskatchewan people.

These petitioners, Mr. Speaker, are from a number of communities including Regina, Meadow Lake, Pilot Butte, Fort Qu'Appelle, Craven, and Weyburn.

**Ms. Smart:** — I also rise pursuant to rule 11 to present a petition to the Assembly on behalf of 500 residents of

Saskatchewan who are supporters of all political parties. They are urging the government not to privatize SaskPower but to keep this corporation intact as a major public utility in the service of all Saskatchewan people.

These petitioners know that the privatization of SaskPower will lead to higher utility rates for Saskatchewan people and will benefit only wealthy investors. They are from a number of communities in the province including Moose Jaw, Watson, Medstead, Sandwith, Sparling, North Battleford, Glaslyn, and Regina.

**Mr. Van Mulligen:** — Mr. Speaker, I rise pursuant rule 11 to present a petition to the Assembly for several hundred residents of Saskatchewan. These petitioners are urging the government not to privatize SaskPower but to keep this major public utility in the service of all Saskatchewan people. These petitioners are from a number of communities including Delisle, Biggar, Martensville, Asquith, and Saskatoon.

**Mr. Koenker:** — I rise pursuant to rule 11 to table a bundle of petitions from Saskatchewan residents petitioning the government to stop the privatization of SaskPower. These individuals come from communities as diverse as Pilot Butte, Raymore, Southey, White City, Lemberg, and Craven.

**The Speaker:** — Why is the member from Assiniboia-Gravelbourg on his feet?

**Mr. Wolfe:** — Mr. Speaker, I'd like to ask leave to introduce some guests.

Leave granted.

#### INTRODUCTION OF GUESTS

**Mr. Wolfe:** — Mr. Speaker, I'd like to introduce to you, and through you to all members of the Legislative Assembly, students from Collège Mathieu in Gravelbourg. Accompanying them are Rosemarie Brown, a teacher, and Cleophas Bouvier, the bus driver

I'd also like to remind all members of the Legislative Assembly of the terrible fire that occurred at Collège Mathieu last year, and I'd like to take this opportunity to thank the province on behalf of the people of Gravelbourg, the students of Collège Mathieu, and the francophone community of Saskatchewan for its efforts in rebuilding Collège Mathieu.

Thank you, Mr. Speaker.

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

**Mr. Hagel:** — Mr. Speaker, I rise as well to beg leave to introduce guests who were in attendance in your Chambers, Mr. Speaker.

Leave granted.

**Mr. Hagel:** — Mr. Speaker, I would welcome the recognition of the Legislative Assembly of the visit of 42 grades 4 and 5 students from William Grayson School in

Moose Jaw. With their visit here today in your gallery, Mr. Speaker, they come accompanied by teachers Di Hicks, Jan Rowlinson, and Pat Barbier.

I met with them a little earlier, Mr. Speaker, and had a most invigorating discussion with them. And I would ask that all members recognize their visit to this Legislative Assembly today.

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

#### PRESENTING PETITIONS (continued)

**Mr. Prebble:** — Thank you very much, Mr. Speaker. Mr. Speaker, I want to rise pursuant to rule 11 to present petitions from 500 people from the communities of Weyburn, Blaine Lake, Swift Current, Fillmore, Prince Albert, and Shellbrook.

These Saskatchewan residents, Mr. Speaker, 500 in number, are petitioning all members of the Legislative Assembly, asking that Saskatchewan Power Corporation not be privatized, not be sold off to wealthy investors, but be kept as a public utility. I'm pleased to present these petitions on behalf of 500 Saskatchewan residents.

**Mr. Rolfes:** — Mr. Speaker, I rise pursuant also to rule 11 to present petitions from approximately 500 residents of Saskatchewan who have been very concerned about the privatization of SaskPower, and through these petitions they are urging, particularly the government opposite, not to privatize this utility so that it can be used for all the people of Saskatchewan.

These petitioners, Mr. Speaker, come from such places as Martensville, my city of Saskatoon, Dalmeny, and Yorkton.

**Mr. Shillington:** — Thank you very much, Mr. Speaker. I rise on behalf of approximately 500 people in the province of Saskatchewan who ask this government not to privatize SaskPower. The petition states that the privatization constitutes a sell-off of a major public utility.

These people come from Edam, Mervin, Medstead, Glaslyn, and one from Regina, Mr. Speaker. I left a blank copy of the form in the law office, and before I knew it, it was filled out.

**Mr. Lingenfelter:** — Mr. Speaker, I rise to present a thousand names on a petition that argues with the government that the privatization of SaskPower should not go ahead.

They are also telling us that they oppose very much the concept of power being taken out of the hands of the people and having a profit motive tied to SaskPower.

**Mr. Tchorzewski:** — Thank you, Mr. Speaker. I rise again pursuant to rule 11 to present another several hundred petitions to the Assembly signed by residents of Saskatchewan who are also concerned about the sell-off of the Saskatchewan Power Corporation and the SaskEnergy portion of it. They're concerned about what may happen to the price of, and the costs of, natural gas and electricity. They're concerned about what kind of

future there will be in Saskatchewan.

These people, Mr. Speaker, are from Willow Bunch, Coronach, Herbert, Broadview, Grenfell, Saskatoon, Rush Lake, and the city of Estevan, Mr. Speaker.

**Mr. Romanow:** — Thank you, Mr. Speaker. I rise again to present another petition to the Assembly for several hundred residents of the province. These petitioners are urging, as the others have, Mr. Speaker, that the government opposite not privatize SaskPower but keep this major public utility in the service of the province of Saskatchewan.

In this petition are people from Fort Qu'Appelle, Lipton, Balcarres, Battleford, Bengough, Weyburn, Pangman, and Assiniboia, amongst others.

**Mr. Koskie:** — Thank you, Mr. Speaker. I rise pursuant to rule 11 to present a petition to the Assembly for some 500 petitioners from across Saskatchewan, and these petitioners are urging the government not to go ahead with the privatization of SaskPower. They have indicated solidly the support of SaskPower as it existed and the services that were provided to the people under its mandate in the past.

These petitioners are from the communities of Shellbrook, Qu'Appelle, Punnichy, Wolseley, Ogema, Kisbey, Pangman, Rocanville, to name a few of the communities.

**Mr. Thompson:** — Mr. Speaker, I also rise pursuant to rule 11 to present a petition containing 500 names of Saskatchewan residents who are opposed to the privatization of SaskPower. These petitioners are from such places as Milestone, Melrose, St. Brieux, and Saskatoon. Thank you.

**Mr. Brockelbank:** — Mr. Speaker, I rise pursuant to rule no. 11 to present a further petition with another 500 names on it. These are people of Saskatchewan who solemnly signed this petition, and when they signed the petition, they were agreeing with the petition which says in part:

That the privatization of SaskPower constitutes a sell-off of a major public utility which serves all Saskatchewan people.

These 500 people that signed this petition believed in what they were signing, and it's my pleasure to present the petition in the legislature today. They come from such varied communities — to give you an example, Mr. Speaker — as Yorkton, Canora, Churchbridge, Kamsack, Veregin, Langenburg, Rose Valley, Calder, and my own city of Saskatoon.

**Mr. Hagel:** — Mr. Speaker, again pursuant to rule 11, I rise to present in petition the names of over 500 Saskatchewan citizens, all of whom wanted to have their names recorded in public document as being opposed to this government's privatization of SaskPower. And it is my honour on their behalf to present this petition, Mr. Speaker, to these citizens from communities such as Wakefield, Weyburn, Lumsden, Regina, Dunsmore, and

others, Mr. Speaker.

**Mr. Goulet:** — Mr. Speaker, I rise pursuant to rule 11 to present a petition on behalf of several hundred communities from the towns of Wadena, Melfort, Delisle, and Star City. These several hundred residents of these communities are strongly opposed to the privatization of SPC. They are stating very clearly that it is not only the rich and wealthy that should benefit from our public utilities. They want to see a future for our children and the grandchildren, and they want to save our public utilities, Mr. Speaker.

**Mr. Anguish:** — Mr. Speaker, I rise pursuant to rule 11 this afternoon in the Legislative Assembly to present a petition signed by residents of the province of Saskatchewan who are opposed to the privatization of Saskatchewan Power.

It's interesting to note that the names of the petitioners cross all political boundaries, and it's a sign of the large public outcry in . .

**The Speaker:** — Order, order. Order. I believe the hon. member there is treading on the edge of debate, and I think we want to keep that out of the Assembly.

**Mr. Anguish:** — I appreciate your ruling, Mr. Speaker. I certainly wouldn't want to tread on the bounds of debate in this Assembly.

I do present this petition on behalf of the petitioners, Mr. Speaker. The signatures on the petition come from residents of the communities of Meacham, Porcupine Plain, Hudson Bay, Choiceland, Rush Lake, Viscount, and Colonsay. And there are several hundred names here, Mr. Speaker.

**Mr. Solomon:** — Mr. Speaker, I rise pursuant to rule 11 once again to present a petition to the Assembly for several hundred more residents of Saskatchewan. These petitioners oppose the sell-off of SaskPower and SaskEnergy to out-of-province investors and to private wealthy investors throughout the country. They object strongly to the PC government's privatization policies.

These petitioners, Mr. Speaker, are from, among other places, Veregin, Milden, Weyburn, Outlook, Spalding, Loreburn, Dinsmore, my community of Regina, and almost all of Lucky Lake, Saskatchewan.

**Mr. Kowalsky:** — Mr. Speaker, pursuant to rule 11, I rise once again to present a petition on behalf of over 500 people, mostly from rural Saskatchewan, from the districts of Tisdale, Ridgedale, Sylvania, Shellbrook, St. Louis, Birch Hills, Weirdale, the James Smith Reserve, Kinistino, and my home city of Prince Albert. Every one of them signed, proudly exercising their democratic right in voicing serious opposition to the privatization of SaskPower, Mr. Speaker.

**Ms. Simard:** — Thank you, Mr. Speaker. I rise pursuant to rule 11 to present a petition signed by some 500 Saskatchewan residents who are speaking out, Mr. Speaker, against the privatization of SaskPower. Some of the communities involved are Weyburn, Warman, Blair Lake, and Saskatoon. Thank you.

**Mr. Upshall:** — Thank you, Mr. Speaker. I rise again pursuant to rule 11 to present a petition on behalf of some 500 people — from farmers, working people, and professionals in the farming communities of Weekes, Hudson Bay, Duval, Tisdale, Mistatim, Neudorf, and Porcupine Plain, among others.

**Mr. Mitchell:** — Thank you, Mr. Speaker. I rise pursuant to rule 11 to present the petition of more than 500 residents of Saskatchewan who, among other things, point out that the privatization of SaskPower is not in the public interest. The people signing these petitions are from Montmartre, Cupar, Mervin, Douglas, Veregin, Lintlaw, Melville, Kamsack, Regina, and other places, Mr. Speaker.

**Mr. Pringle:** — Thank you very much, Mr. Speaker. I rise again pursuant to rule 11 to present petitions with over 500 names of Saskatchewan residents. These citizens eagerly signed the petitions with full awareness of just how important SaskPower has been and will continue to be to the province of Saskatchewan. The 500 names, Mr. Speaker, are from the communities of P.A., Canwood, Weldon, and Lang.

These residents urge the Government of Saskatchewan to listen to them and not to privatize SaskPower, SaskEnergy division. They want all residents to benefit from this valuable public utility, as has been the case up till now. I respectfully urge the Government of Saskatchewan to listen to this overwhelming message from all across Saskatchewan. Thank you.

**Mr. Lyons:** — Thank you, Mr. Speaker. I rise pursuant to rule 11 to put forward to the House petitions from 500 residents of the province of Saskatchewan urging that the provincial government not privatize SaskPower, and that it is not in the best interest of the people of the province to go ahead with the sell-off of this utility.

People or names on the petition come from Melfort, Quill Lake, Gronlid, Blaine Lake, Marcelin, many hundreds from Melfort; and I notice that almost the entire hamlet of Fairy Glen is on this petition as well.

**Mr. Calvert:** — Mr. Speaker, under rule 11, I rise to present yet another petition with yet another 500 names. These are senior citizens, these are working people, these are farming people who make their homes in communities like Shellbrook, Parkside, Spruce Home, Yorkton, Melfort, Naicam, Watson, Stump Lake, Debden, and Beechy.

And these people in part are saying that the privatization of SaskPower constitutes a sell-off of a major public utility which serves all of Saskatchewan's people, and so they pray this Assembly be pleased to urge the provincial government to stop the privatization of SaskPower.

**Mr. Lautermilch:** — Thank you, Mr. Speaker. I too rise to rule 11 to present petitions on behalf of over 500 Saskatchewan residents who urge this government to cease the privatization of SaskPower, because they feel it will lead to higher utility rates and will benefit only wealthy investors. These people are from North

Battleford, Biggar, Saskatoon, Cochin, and Moose Jaw.

**Mr. Trew:** — Thank you again, Mr. Speaker. I'm honoured to rise a second time pursuant to rule 11 to present a petition which is:

To the honourable the Legislative Assembly of Saskatchewan in legislature assembled. The petition of the undersigned residents of the province of Saskatchewan humbly sheweth that the privatization of SaskPower is not in the public interest;

that the privatization of SaskPower constitutes a sell-off of a major public utility which serves all Saskatchewan people;

that the privatization of SaskPower will lead to higher utility rates for Saskatchewan people and will benefit only wealthy investors.

Wherefore your petitioners humbly pray that your honourable Assembly may be pleased to urge the provincial government to stop the privatization of SaskPower, and as in duty-bound, your petitioners will ever pray.

Mr. Speaker, these 500 names have been amassed from the city of Estevan, from the towns of Fillmore, Wishart, Invermay, Bienfait, Torquay, North Portal, Rockglen, Pangman, Wadena, Dysart, Aneroid, and the cities of Melfort, Saskatoon, and Regina.

**Ms. Smart:** — Mr. Speaker, I rise again pursuant to rule 11 to present another set of petitions to this Assembly on behalf of another 500 residents of the province of Saskatchewan. These residents are urging the Assembly, all of us here, to urge the provincial government to stop the privatization of SaskPower. Privatization of SaskPower will lead to higher utility rates for Saskatchewan people and will benefit only wealthy investors.

And people are signing petitions from Saskatoon, of course, my home city, but also from Warman and Rosthern, from Biggar and Landis, from Tisdale, Naicam, Delisle, and Vanscoy, among other communities.

**Mr. Van Mulligen:** — Mr. Speaker, I rise pursuant to rule 11 to present a petition to the Assembly for several hundred residents of Saskatchewan. These petitioners are urging the government not to privatize SaskPower, but to keep this major public utility in the service of all Saskatchewan people. These petitioners are from a number of communities including Moose Jaw, Choceland, Snowden, Star City, Chaplin, Rosetown, Saskatoon, Wynyard, Dafoe, and Regina.

**Mr. Koenker:** — Mr. Speaker, I rise pursuant to rule 11 to table a petition to the Assembly urging the government not to privatize SaskPower. What is notable about this particular group of 500 signatures is that 18 of the 20 pages come from the community of Estevan.

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

**Mr. Prebble:** — Thank you very much, Mr. Speaker. I rise for a third time pursuant to rule 11, Mr. Speaker, to present petitions on behalf of 500 Saskatchewan residents. They're from the communities of Debden, Parkside, Shellbrook, Paddockwood, Prince Albert, and my home community of Saskatoon, Mr. Speaker.

These petitioners are urging this Assembly and urging the Government of Saskatchewan not to privatize Saskatchewan Power Corporation but to keep it as a public utility serving the interests of all the people of Saskatchewan and not to be sold off for the benefit of a few wealthy investors. I'm pleased on behalf of these petitioners to present these 500 signatures to the Assembly this afternoon, Mr. Speaker.

**Mr. Rolfes:** — Mr. Speaker, I rise once more pursuant to rule 11 to present to the Assembly the names of approximately a thousand people from the province of Saskatchewan who are all concerned about the privatization of SaskPower and what it will do to SaskPower rates in the future. They would like to keep SaskPower in the hands of all the people of Saskatchewan and have eagerly signed these petitions.

These people are from such places as Beechy, Shaunavon, Wynyard, Tompkins, Saskatoon, and Regina.

**Mr. Shillington:** — Thank you very much, Mr. Speaker. I rise to present petitions signed by approximately 500 people who petition the government not to privatize SaskPower or sell off the gas portion of the utility.

Some of the communities, Mr. Speaker, on this petition, are interesting. Some are major centres — Saskatoon, Melville; communities close to major centres — Indian Head, White City. Some are not. Some are outlying areas who would not have got natural gas or electricity at the time they did had a government of this ilk been in office. I refer then to the communities of Pelly, Lambton, Kelliher, Waldron, Hubbard, and Wadena.

**Mr. Lingenfelter:** — Mr. Speaker, I rise again pursuant to rule 11 to present about 500 signatures on a petition. These people are opposed to the privatization of SaskPower and they come from a variety of towns, and I'd just like to list them out — most of them, I think, represented by Conservative members: Kipling, Weyburn, Estevan, Outlook, Perdue, Big River, and Leoville.

**Mr. Tchorzewski:** — Thank you, Mr. Speaker. I rise pursuant to rule 11 to present this petition of over 500 names. They're residents of Saskatchewan who are urging the government not to privatize SaskPower but to keep this major public utility in the service of all the people of Saskatchewan.

I'm honoured on their behalf to present this petition here today. They represent a wide cross-section of people from many parts of Saskatchewan which includes places such as Cochin, Landis, Wymark, Assiniboia, Lumsden, Gronlid, Yorkton, Raymore, and my own city of Regina.

**Mr. Koskie:** — Thank you, Mr. Speaker. I rise pursuant to

rule 11 to present a petition to the Assembly for some 1,000 petitioners from the various centres in my part of the country — from Annaheim, from Marysburg, from Humboldt, Lake Lenore, Davidson, Lanigan, Middle Lake, Watrous, Muenster, Jansen, Young, Englefeld, and Watson. The petitioners are urging the government not to privatize SaskPower. I so submit.

**Mr. Thompson:** — Thank you, Mr. Speaker. I rise once again pursuant to rule 11 to present petitions containing 400 names of Saskatchewan residents who are also opposed to the privatization of SaskPower. These petitioners are from such communities, Mr. Speaker, as Regina, Saskatoon, Rosthern, and North Battleford. Thank you.

(1445)

**Mr. Brockelbank:** — Mr. Speaker, under rule 11 I have already tabled two petitions of 500 names each. To that 1,000 names I wish to add another 1,500 for a total of 2,500 names that I will have tabled today.

The people that signed this petition, Mr. Speaker, among other things, said that the privatization of SaskPower is not in the public interest. And these petitioners humbly pray that your honourable Assembly, us, may be pleased to urge the the provincial government to stop the privatization of SaskPower.

Mr. Speaker, I am merely an instrument of the desires of these people and it takes great pleasure to lay this petition of 1,500 names on the Table. These people come from varied communities in Saskatchewan, Mr. Speaker, such as Preeceville, Assiniboia, Gull Lake, Duck Lake, Kronau, Carnduff, Nokomis, Oxbow, Alameda, Indian Head, Strasbourg, Melfort, Melville, Rosthern, Lloydminster, and my own city of Saskatoon, Mr. Speaker.

**Mr. Hagel:** — Thank you, Mr. Speaker. It is my honour to rise again pursuant to rule 11 to present a package of petitions with an additional 500 names — these people, Mr. Speaker, coming from communities such as Naicam, Saskatoon, Vibank, Central Butte, Martensville, Willow Bunch, and others.

**Mr. Goulet:** — Mr. Speaker, it is my pleasure to present a petition on behalf of over a thousand residents from the communities of, and city of Regina, Indian Head, Lanigan, Odessa, and many others.

And the petition states that the privatization of SaskPower is not in the public interest; that the privatization of SaskPower constitutes a sell-off of a major public utility which serves all Saskatchewan people; that the privatization of SaskPower will lead to higher utility rates for Saskatchewan people and will benefit only wealthy investors.

Mr. Speaker, I would like, because of this historic occasion, also to translate that back to the people of my own constituency and for other constituencies in the province.

(The hon. member spoke for a time in Cree.)

**The Speaker:** — Order, order. Order. I must admit that I don't have the pleasure of understanding the Cree language, which I assume is the language he's speaking. However, petitions are to be placed briefly. And without, as I said, understanding what the hon. member is saying, it sounds very much like he might be going beyond that point.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — Order, order. Order, order, order. Order, order.

I think that in the best interest of the House, we should just carry on with the presentation of petitions, and if the member from Cumberland wishes to make a few remarks saying he is now presenting the petition, we will carry on. But like I say, to me it sounded like you were entering debate.

**Mr. Goulet:** — Mr. Speaker, on behalf of all the people from the communities that I so named, I thus present the petition.

(The hon. member spoke for a time in Cree.)

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

**Mr. Anguish:** — Thank you, Mr. Speaker. You're doing a fine job here this afternoon. I can understand the sensitivity of some members in the presentation of these petitions here today.

I would like to rise pursuant to rule 11 to present a petition signed by several hundred residents of the province of Saskatchewan in the traditional and ancient right of their ability and their right to petition the Government of Saskatchewan. And in this petition, Mr. Speaker, the individuals who have signed it feel strongly that the privatization of SaskPower is not in the public interest and that the privatization of the Saskatchewan Power Corporation constitutes a sell-off of a major public utility which serves all people of the province of Saskatchewan very well for a number of years.

They also fear that the privatization of SaskPower will lead to higher utility rates for Saskatchewan people and will only benefit the wealthy investors who have the money to buy off a company such as the Saskatchewan Power Corporation. The individuals strongly stressed that they want we in the opposition, in this legislature, to stop the obsession with privatization of the government. In this particular case, they single out the Saskatchewan Power Corporation, and do not want that particular Crown corporation sold off to the detriment of Saskatchewan people, Mr. Speaker.

The several hundred signatures that I have on this petition are from residents of the communities of Prud'homme, Bruno, Vonda, Melfort, Lestock, Smeaton, Kamsack, Wapella, Pilot Butte, Foam Lake, Spiritwood, and Esterhazy.

Today, Mr. Speaker, I have had the honour to present over 2,100 petitions in this Legislative Assembly, and I want to assure you, Mr. Speaker, that I'll be presenting more

petitions in this Legislative Assembly on this very important issue. And with that, I would like to present these several hundred petitions to you now, sir.

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

**Mr. Solomon:** — Mr. Speaker, I rise pursuant, for a third time, to rule 11 to present a petition to this Assembly for over 500 Saskatchewan residents. These Saskatchewan people are not pleased with the sell-off actions of this PC government, and beg the PC government to reconsider their short-sighted action of selling off SaskPower and the future of the young people of Saskatchewan.

These petitioners, Mr. Speaker, are from a number of communities including Lang, Coronach, Ogema, Wolseley, Shellbrook, Henribourg, Rockglen, Nipawin, Kisbey, Pangman, Lumsden, and Holdfast.

**Mr. Kowalsky:** — Pursuant to rule 11, Mr. Speaker, I rise to present petitions signed by some 1,500 people here from various communities in Saskatchewan, including Elstow, Clavet, Hanley, Allan, Rosetown, Colonsay, Bellevue, Parkside, St. Benedict, Hoey, Wakaw, Domremy; also from some smaller communities, and I believe there's some people from Richard, Speers, Hafford, Whitkow, Eltkane, Mayfair, Yellow Creek, Meskanaw, and St. Louis, Mr. Speaker.

Every one of them fears higher utility rates and they oppose the sell-off of SaskPower.

**Ms. Simard:** — Thank you, Mr. Speaker. I rise pursuant to rule 11 to table a petition in the Legislative Assembly speaking out against privatization of SaskPower.

There are approximately 446 signatures on this petition, and the people who have signed the petition come from communities such as Regina, Moose Jaw, Lintlaw, Melville, Tisdale, Balgonie, Broadview, to name a few, Mr. Speaker.

**Mr. Upshall:** — Thank you, Mr. Speaker. I again rise pursuant to rule 11 to present petitions on behalf of people from many communities, some 3 or 400 petitioners who join with the thousands and thousands of other people who, simply put, do not agree with the government's actions of privatizing SaskPower.

These people are from such areas as Swift Current, Estevan, Cabri, Pilot Butte, among others.

**Mr. Mitchell:** — Thank you, Mr. Speaker. I rise again pursuant to rule 11 to file a bundle of petitions, this time signed by 1,500 residents of Saskatchewan who are all opposed to this sell-off of SaskPower.

The people signing the petitions that I now present are from communities such as Melville, Wilkie, Foam Lake, Grayson, Invermay, Wadena, Kindersley, Moose Jaw, Balgonie, Estevan, Kayville, Avonlea, and Assiniboia.

**Mr. Pringle:** — Thank you very much, Mr. Speaker. I respectfully rise again pursuant to rule 11 to present petitions with names of 550 Saskatchewan citizens. These 550 individuals urge the Government of

Saskatchewan not to privatize and sell off SaskPower. These citizens are from the rural communities of Duval, Southey, Pilot Butte, and Windthorst.

In total, Mr. Speaker, I presented over 1,700 names today. These residents want to continue owning Saskatchewan Power for the benefit of all citizens today and for future generations. I am honoured to present these petitions today and urge the government members to listen to Saskatchewan's message and not to dismiss it. Thank you.

**Mr. Lyons:** — Thank you, Mr. Speaker. I rise pursuant to rule 11 to table petitions requesting that the Government of Saskatchewan not proceed with the privatization of SaskPower, that it is not in the public interest, and that it serves only a few wealthy investors.

Mr. Speaker, I have here 1,500-plus petitions signed by people in communities such as Kuroki, Wadena, Kelvington, Moosomin, Yorkton, Ebenezer, Wroxton, Stornoway, Bredenbury, Hardy. I also notice that there's close to 200 signatures from the community of Rose Valley, as well as a great number of signatures from the area that I happen to represent in Regina Rosemont.

**Mr. Calvert:** — Thank you, Mr. Speaker. Again pursuant to rule 11 I rise to present hundreds more petitions calling upon this government to stop its privatization of SaskPower. These petitions have been circulating in the communities of Blaine Lake, White City, Radville, Swift Current, and my home community of Moose Jaw, Mr. Speaker. And, Mr. Speaker, I can assure you that there will be many, many more of these from the community of Moose Jaw.

**Mr. Lautermilch:** — Thank you, Mr. Speaker. I too rise pursuant to rule 11 to present, on behalf of over 500 people from Saskatchewan, petitions protesting this government's plans to privatize the Sask Power Corporation. They are indicating that they would like control to remain in the hands of Saskatchewan's people, and it is with pride I present these petitions to you, Mr. Speaker.

**Mr. Trew:** — Thank you, Mr. Speaker. I rise pursuant to rule 11. I'm proud to share the concerns of this batch of 1,000 petitioners who've signed this petition that appeals to the government opposite to hear the people of Saskatchewan and to stop the senseless sell-off of SaskPower. These petitioners understand the SaskPower sell-off is not in the interest of the people of Saskatchewan and will result in loss of control of our future in increased utility costs and a loss of a major part of our Saskatchewan heritage.

Mr. Speaker, these thousand signatures come from the villages and hamlets of Tantallon, Dubuc, Stockholm, Kuroki, Atwater, Norquay, Churchbridge; and of some note, I think that the town of Canora may have twinned with Kenora, Ontario, because there's a huge number of signatures from Canora, Saskatchewan, that is here. Almost one would think that they had to recruit outside people, but I assure you that's not the case.

(1500)

**Ms. Smart:** — Thank you, Mr. Speaker. I again rise pursuant to rule 11 to present another set of petitions, another 500 signatures opposing the privatization of SaskPower. And I emphasize again that these petitions have been signed to deliver a message to all of us here in this Assembly, to the members opposite as well as to those on this side of the House, urging the provincial government to stop the privatization of Sask Power. They don't want this utility sold off. It's a major utility which serves all Saskatchewan people, and its privatization will lead to higher utility rates and will benefit only wealthy investors.

Mr. Speaker, these petitions that I have, have been signed by people in Watson, Pilot Butte, Hammond, Melfort, Englefeld, and Regina. And I'm proud to present them to this Assembly with their urging not to privatize SaskPower.

**Mr. Van Mulligen:** — Mr. Speaker, I rise pursuant to rule 11 to present a petition to the Assembly for several hundred residents of Saskatchewan. These petitioners are urging the government not to privatize SaskPower but to keep this major public utility in the service of all Saskatchewan people.

These petitioners are from a number of communities including Carrot River, Prince Albert, Mayfair, Balgonie, Biggar, Melfort, Watson, Redvers, Maryfield, Gull Lake, St. Brieux, Hafford, Wapella, Kipling, Hudson Bay, Tisdale, Saskatoon, Melville, North Battleford, La Ronge, Whitewood, Moosomin, Redvers, and Elrose.

**Mr. Koenker:** — Thank you, Mr. Speaker. I rise pursuant to rule 11 to table 75 pages of petitions, some 1,500 names of Saskatchewan individuals asking the government not to privatize SaskPower. Almost the entire bulk of these names come from Saskatoon.

**Mr. Romanow:** — Thank you very much, Mr. Speaker. I rise also pursuant to rule no. 11 to present a petition to the Assembly for several hundred . . . actually I should say several thousand. This one I think has about 4,000 — 3,500 approximately — petitioners, residents of Saskatchewan who are urging the government not to privatize SaskPower, but to keep the major public utility in the service of all Saskatchewan people.

The communities represented, sir, are, amongst others, Colonsay and Asquith and Martensville; Melfort, Biggar, Cudworth, Kindersley, Davidson, Lake Lenore, Lanigan, Weyburn, Colgate, Coronach, Minton, Pangman, Moose Jaw, Kronau, Kerrobert, Gravelbourg, amongst those that are listed there.

Mr. Speaker, I simply want to close by informing you, sir, and the members opposite that this is not the last of the petitions on this issue; that thousands more Saskatchewan people will be protesting the government's actions in the days ahead. We'll be using this forum to do so.

Mr. Speaker, today we have tabled petitions signed by more than 50,000 Saskatchewan residents.

Thank you very much.



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

## ORAL QUESTIONS

### SaskPower Grants in Lieu of Taxes

**Mr. Romanow:** — Thank you very much, Mr. Speaker.

My question today, Mr. Speaker, is to the Premier and it deals with the proposed privatization of SaskPower, SaskEnergy. And I have here in front of me, Mr. Speaker, Mr. Premier, a letter dated November 20, 1987, from the Deputy Premier, your seat mate, to the then mayor of Regina, Mr. Larry Schneider, regarding SaskPower grants in lieu and surcharges, which says in part that the corporation will honour the agreements and payments, and they'll be continued as per the terms and conditions of the agreements.

Now at the same time, Mr. Premier, we have here section 43 of Bill 22, which was tabled yesterday, which says that all grants in lieu and surcharges paid by the gas utility are going to be summarily cancelled, thereby raising the prospect, raising the prospect of yet additional tax burdens to property owners.

So, Mr. Premier, on the one hand we have a commitment from your Deputy Premier that these terms and agreements will be honoured; the Bill, of course, breaks that commitment. How do you explain yet this major breach of promise to the people of Saskatchewan?

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

**Hon. Mr. Devine:** — Mr. Speaker, I had a news conference prior to the session today, and I outlined to the public the terms of reference of the commission on SaskEnergy and several questions that they will be asking the general public and issues that they can review. The last one, as a matter of fact, was the impact of a public share offering in SaskEnergy on municipalities throughout Saskatchewan.

And I went on to say that . . . and pointed out to the members of the media, and they asked me, with respect to the impact on rural and urban, there's a net gain as a result of the legislation to rural municipalities because of the tax base, and there is a potential for a net loss in urban municipalities. And what I said to them, Mr. Speaker, what I said to them, Mr. Speaker, is that we would make sure that there is no net loss in this transition process and we will keep it whole, Mr. Speaker, so that in fact the urban municipalities, as we go through this process, can suggest ways that we can provide them with equal benefits, Mr. Speaker.

One possibility is obviously lower gas rates and lower electrical rates, and the other is an increased tax base. So the combination of those two could be of significant benefit to not only rural, but urban municipalities. And in the interim we said that we would keep them whole; that is, not have any negative impact to any of them, Mr. Speaker.

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

**Mr. Romanow:** — Mr. Speaker, I have a new question to the Premier. Mr. Premier, isn't it a fact that if this legislation noted in section 43 indicates in fact the cancellation of all these agreements, surcharges, and payments, isn't it a fact that what really has happened here is that the revelation of the letter by your Deputy Premier on November 20, 1987, promising that there would be no terms and . . . conditions in the terms and conditions of the agreements, that really that amounted to a betrayal when the Bill was tabled; because under clause 43 of the Bill, in fact, all of the agreements are cancelled, summarily cancelled, and that what you're really saying here now is the explanation that you give, having been caught red-handed in this betrayal of the people of Saskatchewan?

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

**Hon. Mr. Devine:** — Mr. Speaker, the people of Saskatchewan, both rural and urban . . .

**The Speaker:** — Order. I think before the Premier gets into his remarks, I'd just like to bring to the hon. members' attention that he's going to answer the question, but he can't do it if he's going to be interrupted. I ask the courtesy of the members to allow him to carry on his remarks.

**Hon. Mr. Devine:** — Mr. Speaker, the people of Saskatchewan, both rural and urban, would like to see lower gas rates and lower electrical rates, Mr. Speaker, and lower taxes at the municipal level. Through the provision of lower gas rates and an increased tax base, Mr. Speaker, that is broader industry, as we've seen across Saskatchewan and in other jurisdictions, in fact that you can have exactly that.

And when you provide them with an opportunity to reduce the electrical rates for rinks in communities; when you can reduce the gas rates for people, rural and urban, and you can increase the tax base because of new industry, we've seen in other cities, in other urban places, Mr. Speaker, the opportunity for significant benefit to those communities.

So, Mr. Speaker, I said, as I did in the news conference today, that we would make sure that there is the same financial revenue going to the urban municipalities as we go through this transition, so that in fact they can have a net gain, Mr. Speaker. And we have seen that, obviously because of the increased tax base at the rural level, and we look forward to that at the urban level as well, Mr. Speaker.

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

**Mr. Romanow:** — Mr. Speaker, I have a new question for the Premier, and I hear the Premier's answers with respect to my questions. But I'm speaking here to the question of the Premier's — or I'll put it not on a personal basis — the government's word and its commitments. And the fact is that when these Bills were tabled, they countermanded — the Bills did — the words of the Deputy Premier, the minister in charge of the Power Corporation, in each and every one of these areas, which if it hadn't have been for the outrage of the people of the province of Saskatchewan, exhibited by the 50,000-plus petitioners

that we signed today, which if it hadn't have been for that, would not have resulted in this countermanding of word coming to light.

I mean, my question to you, sir, is: can you not admit that your Deputy Premier has badly mishandled this whole file? He has not been telling the people of the province of Saskatchewan the truth, and that really what you ought to be doing is asking for his resignation under the circumstances.

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

**Hon. Mr. Devine:** — Mr. Speaker, I believe that it's fair to say that none of the benefits, Mr. Speaker, or perceived costs associated with the legislation takes place until the legislation is addressed and the legislation is passed.

And, Mr. Speaker, the hon. member knows that if you're going to introduce legislation that has an impact on rural communities, whether it is the rat eradication program, or whether it is rural gas, the irrigation programs, or with respect to water programs, obviously the legislation has to pass. And during that process, Mr. Speaker, you do the kinds of things necessary so that the local communities, whether they're rural or urban, can respond to that.

And this is the case here, Mr. Speaker. We've only introduced the legislation, and we're into a situation where we have public hearings with respect to the process. And if I might, I think it's fair to say that the opposition has stood up, and even prior to us tabling the legislation, and said, well my gosh, that this is going to be something terrible, prior to even seeing it, let alone letting the legislation be addressed.

So that there's no change in urban municipalities at all right now, none at all. And this legislation, if they want to debate it, will be here.

One of the questions you can ask is: what kind of an impact might you have on urban municipalities because of a new tax base? What could you do with lower rates, increased industry, and a change in the tax base that allows taxes, say in the city of Regina, to come down to be comparable with other jurisdictions across Canada, Mr. Speaker? That's really possible. And in fact we might be able to do that, Mr. Speaker.

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

**Mr. Lingenfelter:** — Mr. Speaker, I have here the terms of reference that your government has laid out for the special panel. I want to say, Mr. Speaker, that it's unusual when the terms of reference are handed to the press before they're shared with the House while the House is sitting. I say to you that yet another attempt by this government showing their arrogance — their arrogance — and how out of touch they are. And I want to say to you, Mr. Minister . .

**The Speaker:** — Order, order, order. Order, order. The noise level is a bit high, and I'd also like to remind the hon. member that his preliminary remark sounded much like a debate to me and to get to the base of his question. Order, order.

**Mr. Lingenfelter:** — I want to ask the Premier, it seems very strange the way you're running this Bill through the House in attempting to whitewash the people of the province. The terms of reference are basically the same terms of reference that your minister of privatization, in a very expensive dog and pony show, took out to the people of the province — exactly the same. And you came back here and you presented the Bill after the money was spent.

**The Speaker:** — Order, order. Order, order. I believe the hon. member should get to his question.

**Mr. Lingenfelter:** — Well, Mr. Speaker, if I would have an opportunity to go through the terms of reference, I have a question to ask about . .

(1515)

**The Speaker:** — Order, order. I have given the hon. member ample opportunity, as I'm sure he realizes, and I believe by now he should be to his question.

**Mr. Lingenfelter:** — My question is this: after months of spending millions of taxpayers' dollars on advertising public participation Tory-style, a travelling road show by the minister to many communities with the same terms of reference . .

**The Speaker:** — Order, order, order. If the hon. member does not state his question at this time, we will go to the next question.

**Mr. Lingenfelter:** — I want to ask the Premier: after all those millions of dollars have been spent, 70 per cent of the people are opposed to your plan. Are you rejecting your minister, and are you saying that he has done such a terrible job that you have to go through the whole process again, spending millions more of taxpayers' money to make them believe something they already know they are adamantly opposed to? Is that what you're saying?

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

**Hon. Mr. Devine:** — Mr. Speaker, the media asked the similar question with respect to the public hearings. And I responded to them by saying, because of the circumstances, that we could not table the legislation here which described the economics of it — that is, lower rates and diversification for the people of Saskatchewan in rural communities as well as urban — that I suggested that at least we should be able to give them the facts and the information. If we couldn't do it in here, we'll at least do it outside.

And I've invited, and I think the hon. member, the Leader of the Opposition, knows we've invited them to participate. And he is quoted in saying that they will not participate in this independent panel. And I quote him out of May 5. He just said, the issues cannot be resolved by numbers or facts or figures.

Well, Mr. Speaker, the commission has been asked to look at the numbers and the facts and the figures. And the fact is, Mr. Speaker, the truth is that we are not going to

sell SaskPower. In fact, SaskPower is a major shareholder and will benefit as a utility in this operation, and we want the people of Saskatchewan to know the truth, Mr. Speaker.

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

**The Speaker:** — I realize that in the asking of questions and in the answering of questions there is a great deal of information that can be introduced. However, I'd just like to draw it to the hon. member's attention that long questions will no doubt inevitably invite the long answer. And that's not the purpose of question period. And I'd just like to ask your co-operation on both sides of the House.

**Mr. Lingenfelter:** — Mr. Speaker, I have a question to the Premier, a new question. And I want to ask you, Mr. Premier: you have stated that you invited us to be involved in your whitewash, and I say we reject it now and rejected it before. We're not having any part of it.

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

**Mr. Lingenfelter:** — I want to ask you, Mr. Premier: can you outline for us a budget that should be attached to the terms of reference, i.e., can you tell us what your chairperson is being paid for doing the commission on the special panel.

**Hon. Mr. Devine:** — Mr. Speaker, I raise . .

**The Speaker:** — Order, order. Order.

**Hon. Mr. Devine:** — Mr. Speaker, I raise the point, Mr. Speaker, in response to the hon. member saying that this is a whitewashed panel. The Leader of the Opposition on television calls it a major *coup* for the opposition because the panel will be going across the province of Saskatchewan. If it is a major *coup* that people are going to be participating in this, Mr. Speaker, how can it be a major *coup* and a whitewash at the same time, Mr. Speaker? Pretty difficult.

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

**Hon. Mr. Devine:** — I think the facts, to be fair to the hon. member, Mr. Speaker, the hon. member wants information — at least he says he wants information — on what the SaskEnergy Bills mean. They wouldn't allow us to table them here, Mr. Speaker, so we've taken the public participation panels out to the public so that they can ask questions on dollars, cents, rates, what it does to SaskPower, and what it does to SaskTel, Mr. Speaker.

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

**Mr. Lingenfelter:** — A new question to the Premier. Mr. Minister, I want to know from you, having spent millions of dollars of taxpayers' money advertising public participation, how much more are taxpayers going to be called to pay for this whitewash that you have set up?

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

**Hon. Mr. Devine:** — Mr. Speaker . .

**The Speaker:** — Order, order. Order. Order. Order, please. If those hon. members wish to debate, I think this is not the forum for it right now.

**Hon. Mr. Devine:** — Mr. Speaker, I believe it was the Leader of the Opposition, Mr. Speaker, it was the Leader of the Opposition in 1981, when he was deputy premier, when he was asked what the bell ringing cost, and he said, Mr. Speaker, \$20,000 a day in 1981 for every six hours. Now, Mr. Speaker, the opposition has been out for two weeks, so 10 working days and at constant dollars, Mr. Speaker, it's about \$30,000. That's \$300,000 they've cost the taxpayers of Saskatchewan, Mr. Speaker, since they've been out.

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

**Mr. Lingenfelter:** — Mr. Speaker, the Premier is hiding from the very fact of what we're here for. He's hiding from the people of Saskatchewan how many millions of dollars he will be spending on advertising and his dog and pony show to try to sell privatization of SaskPower.

I want to ask the Premier for the third time: how many millions of dollars in advertising and how many thousands of dollars will your panel cost the taxpayers of the province?

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

**Hon. Mr. Devine:** — Mr. Speaker, the NDP are costing the province of Saskatchewan \$2 million a month by holding up Rafferty, and you're going to be held responsible for that, and a power project, Mr. Speaker . .

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

**Hon. Mr. Devine:** — And a power project, Mr. Speaker. SaskPower wants to build Shand and cool it by a water project, Mr. Speaker . .

**The Speaker:** — Order, order. Order. Order, order. Order.

**Hon. Mr. Devine:** — Thank you, Mr. Speaker. We know, Mr. Speaker, that it's important that information be given to members of the Legislative Assembly. That's why we have a task force on health, Mr. Speaker, and Dr. Bob Murray is heading that up, and he's travelling all across the province, Mr. Speaker, as will Dr. Lloyd Barber on this task force on SaskEnergy. People want to know the truth, Mr. Speaker. They want to know something that is important about rates and structure and electricity and gas, Mr. Speaker, and they will receive that from this commission.

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

**Mr. Lingenfelter:** — I want to ask the Premier: why are you afraid to admit to the public and to this Assembly what you are going to be paying in advertising and paying out in terms of this special panel that the taxpayers have to pay for? Why are you hiding that information? Can you tell us that?

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

**Hon. Mr. Devine:** — Mr. Speaker, I raise with you and with the media again, the Leader of the Opposition says this is a very good thing. It's a major *coup* that the panel goes across the province. I have not limited the number of hearings. They can have as many hearings as they like; it's open-ended. They can go to as many towns and places as they like.

I'm not sure how much that they will do, Mr. Speaker, and how many towns and villages, how many cities. I mean they'll come back and say, well, you're going to spend money having this go to the people in rural communities and urban communities and he says it's such a great thing, and now . .

**The Speaker:** — Order, order. Order. Order. I'd like to address myself to the member from The Battlefords who is hollering at the Chair from his desk in a very, very loud voice, and of course that is not acceptable in this House. Challenging the Chair is not acceptable. I ask the hon. member to now rise and apologize.

**Mr. Anguish:** — Well, Mr. Speaker, if I've offended the . .

**The Speaker:** — Order, order, order. The hon. member will rise and apologize without any equivocation or further explanation.

**Mr. Anguish:** — I apologize.

**Mr. Romanow:** — Mr. Speaker, I have a new question to the Premier of the province of Saskatchewan. And I think his answers indicate why it is that the province's debts and financial picture is so dismal. There's nobody in charge there when the Premier doesn't know the number of this budgetary expense.

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

**Mr. Romanow:** — Nobody in charge. Nobody in charge. Just simply going ahead with this mania of privatization while everything else . .

**The Speaker:** — Order, order. I realize that the hon. members might be a little edgy today. We're having difficulty hearing the Leader of the Opposition who's trying to put his question, and I ask the co-operation of the House to allow him to put his question.

**Mr. Romanow:** — Mr. Speaker, I have a very simple question which I will ask the Premier on the terms of reference. Of all the Bills that you have identified here, you do not have identified The Public Utilities Easements Act. Why?

**Hon. Mr. Devine:** — No, it's not part of it, Mr. Speaker. That's why it isn't there.

I can say, Mr. Speaker . . I'll go back and say to the hon. member, with respect to the cost of these panels, I've given it open-ended to the chairman to hold meetings wherever he wants, whenever he wants, Mr. Speaker, and to report back by October. So if that's the case, Mr. Speaker, I don't know how many places he's going to be and how many town halls he'll be, and obviously with the

health care commission they've had free rein.

So when they do that with the blessing of this administration, they can hold their hearings and then we'll come back in, Mr. Speaker, and that will be the summary of the costs.

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

### Impartiality of Members of Panel of Inquiry

**Mr. Lyons:** — Thank you very much. Thank you, Mr. Speaker. Mr. Speaker, my question today is to the Premier. Mr. Premier, your so-called unbiased panel of prominent citizens are made up of people clearly which have an ideological basis to them.

I refer, first of all, to Mr. Lloyd Barber, who as you know is a well-known member and a leading member of the Tory front group called the Institute for Saskatchewan Enterprise. Kathryn Ford, another member of this so-called independent panel, is part of a law firm which does a land-office business with the government and which has been a major contributor to your party.

Mr. Premier, the question to you is this, sir: how do you expect anybody in the province of Saskatchewan to take you or this panel seriously, given its obviously biased nature?

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

**Hon. Mr. Devine:** — Well, Mr. Speaker, I think it is common knowledge in this Assembly, and certainly across Saskatchewan, that the former premier of Saskatchewan, Mr. Tommy Douglas, was on the board of directors of Husky Oil. As a result, Mr. Speaker, he was not criticized by the NDP being biased because he was on the oil company's board, Mr. Speaker.

And yet they can come back now and take the president of the University of Regina, who was the dean of commerce, Mr. Speaker, at the university of Saskatoon, the dean of commerce, and say, because he's president of the U of R and he's a dean of commerce at the University of Saskatchewan, therefore he must be biased.

But it was quite all right for a former CCF-NDP premier to be on the board of directors of Husky Oil. I don't think they're being fair, Mr. Speaker, not at all.

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

(1530)

**Hon. Mr. Hodgins:** — Mr. Speaker, before moving into introduction of Bills, I would ask leave of the Assembly to introduce some guests, please.

Leave granted.

### INTRODUCTION OF GUESTS

**Hon. Mr. Hodgins:** — Thank you, Mr. Speaker. Mr. Speaker, on behalf of my seat-mate, the member for Melville, the minister in charge of Human Resources,

Labour and Employment, it's my pleasure this afternoon to introduce to you, Mr. Speaker, and to all members of the legislature, a group of grade eight and nine students from Grayson, Saskatchewan, and the Grayson school. I understand they total 42 in number. They are seated in your gallery, Mr. Speaker. They are accompanied by their teacher, Ben Appell and Fay Appell — pardon me if I didn't pronounce that quite correctly — and as well, their chaperon, Laurie Berezowski.

I do understand the students are here for some time today. I will be pleased to meet with you on behalf of my good friend and colleague and seat-mate for pictures and drinks a little later on. And I would ask, Mr. Speaker, that all members of the legislature join with me on behalf of my seat-mate, the member for Melville, to welcome all of these students to the Saskatchewan legislature.

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

**Hon. Mr. Berntson:** — Mr. Speaker, I hear members opposite asking from their seats that we go to interim supply. We're quite prepared to do that if we have leave to. If we have leave to go to interim supply, we'll do that now, Mr. Speaker.

#### STATEMENT BY THE SPEAKER

##### Membership of the Standing Committee on Crown Corporations

**The Speaker:** — Order, order. I'd like to make this statement before orders of the day. Before orders of the day, I would like to make a brief statement.

In view of Mr. Goodale's resignation from this Legislative Assembly, I would like to inform members that his name is dropped from the membership list of the Standing Committee on Crown Corporations.

I'd like to make a further statement.

The Deputy Premier has indicated that they're prepared to go to interim supply if the House agrees. Is that agreed?

Leave granted.

#### ORDERS OF THE DAY

##### COMMITTEE OF FINANCE

##### Motions for Interim Supply

**Hon. Mr. Lane:** —

Resolved that towards making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending March 31, 1990, the sum of \$336,400,300 be granted out of the Consolidated Fund.

**Mr. Shillington:** — Thank you very much, Mr. Chairman. I might add, for the benefit of the minister and members opposite, it's our intention to spend some time on this matter. I indicated, when the budget was introduced, that we had major concerns about a number of aspects of the

budget. You now want one-twelfth of that budget. We have some questions with respect to the money that you're requesting this Assembly grant you.

Mr. Chairman, I want to say initially that the delay, which now stretches into 10, 15 minutes, is yet another illustration of a government which is in almost complete disarray.

Mr. Chairman, going backwards, we have today a government which brings in interim supply and is not ready for it. Last night we had a government which has been crying like a stuck pig because the Assembly was not in progress. The Assembly comes back and there aren't sufficient members here to keep a quorum.

Mr. Speaker, the government is in disarray. It doesn't know where it's going. Regrettably, the public of Saskatchewan think they know where it's going and they don't like the direction. Mr. Chairman, they don't like the complete fascination and the complete holding on privatization to the exclusion of all else. As we have tried to point out to some of the members opposite, there are other issues in the province of Saskatchewan besides privatization, some other things that need some attention. And these interim supply . . . this matter of interim supply brings up some of those questions which need to be discussed and from which some answers should be given.

(1545)

I want to say, Mr. Chairman, that I expect we'll be on this for the best part of today and perhaps longer than today. I do not expect this interim supply to pass very quickly . . .

**An Hon. Member:** — Stonewalling.

**Mr. Shillington:** — No indeed, I'm not stonewalling. I will . . .

**An Hon. Member:** — Yes you are.

**Mr. Shillington:** — Well, I'm getting some assistance from the member from Cut Knife-Lloyd who, in his own inimitable way, is assisting the progress of the business in the House. I say to the member opposite, if we get information from the minister we may move along, but if past experience is anything to go by, we get very little information from this minister. His efforts are a study in obfuscation, a study on how to avoid giving information.

Mr. Minister, we believe . . . when you brought in your budget we stated that it was cooked, that it was cruel and that it was incompetent. The information, Mr. Minister, which we have got since that time has only confirmed that view. It confirms the view that you and your officials didn't think this out. And that's the charitable view. The charitable view is you didn't think out what you were doing.

A less charitable view is that you did. You ignored the real needs of the public of Saskatchewan and you went and you barrelled ahead in any event, proceeding in a fashion which is contrary to their best interests, which they believe to be contrary to their best interests, and which surely you must know leads you to a path of political

destruction.

Well it's interesting the Minister of Finance leaves the Assembly. This is a Committee of Finance, Mr. Deputy Chairman; I have the right to ask the minister questions. I would appreciate it if the Government House Leader would tell me, in the absence of the Minister of Finance, who I direct my questions to. He just walked out of the House.

**An Hon. Member:** — I'll write it down.

**Mr. Shillington:** — I don't expect a great deal from the member from Lumsden by way of courtesy; I do expect that during Committee of Finance he's got to be here.

The member from Lumsden strolls back in again.

**Mr. Chairman:** — Order. The member from Regina Centre is not to make reference to members' absence or presence, and I would ask him to refrain from doing that.

**Mr. Shillington:** — Mr. Chairman, I want to make this point while the minister's in the House. This is not the Legislative Assembly; it's Committee of Finance. It's an opportunity for us to ask the minister questions. When he leaves the House, I do not know who I ask the question to.

**Mr. Chairman:** — Order. Members are not to make reference to absence or presence of members in the House.

**Mr. Shillington:** — The Minister of Finance seems to think this is a Bill. I may have mistaken your role, but I assumed you were in that chair as chairman of Committee of Finance. That being the case, this is not a sitting of the Assembly; this is a committee of the Assembly. We have the right to debate. We also have the right to ask the minister questions. I can assure the member from Lumsden and the member from Souris-Cannington that there's going to be a bit of each. And if we don't get some information, if we don't get more information than we have in the past, there is going to be a fair amount of each.

Mr. Minister, one of the things I raised when you introduced your budget was the accuracy of your projection with respect to the transfer payments. Mr. Minister, in 1987-88 the equalization payments were stated to be 400,600,000. You project them this year to be 427,600,000.

Mr. Minister, I think it's become apparent since then that the federal government is cutting back on the transfer of payments, and I wonder, Mr. Minister, if you would give us your revised figure on what the transfer of payments are.

**Hon. Mr. Lane:** — The . . . I assume I'm closing debate on the resolution.

**Mr. Chairman:** — Order. It's Committee of Finance. The member from . . . the opposition members, or any members are allowed to ask questions of the Minister of Finance, and it's a question/answer in Committee of Finance.

**Hon. Mr. Lane:** — The answer is that our estimates on the change to EPF (established programs financing) as a result of the federal budget will have no impact in the next fiscal year. You may recall that the federal budget says that the changes will take place the following fiscal year, so there's no impact for this fiscal year at all.

**Mr. Shillington:** — Mr. Minister, I also understood, from information that's been gained since, that you were made aware that there would be no increase for this province for these transfer payments; you would get the same figure you did last year. I wonder if the minister would comment on that.

**Hon. Mr. Lane:** — What I explained once before was that on the estimates — blue book to blue book — we put in an increase. The increase was based on the last fiscal year's actual payments as opposed to blue book payments. So in fact we put in a decrease on next year's blue book from last year's actual. So that's all I can tell you, as I had explained it once before. A fair comparison to say blue book to blue book, but we take into account the actuals in doing next year's estimates, and we're showing a reduction on next year's blue book from last year's actuals.

**Mr. Shillington:** — How much of a reduction?

**Hon. Mr. Lane:** — Well I'll get my officials in and get you the specifics. I don't have them handy, but we'll get the officials in and give you the information. We had given it before, but we'll get the officials in.

**Mr. Shillington:** — I think it would be very useful, Mr. Minister, if you did get the officials in. I think this process is going to take a very long time if you don't. This is information, Mr. Minister, which we indicated we had some concerns about.

I take it that the minister is going to get his officials, and if he is, I may move on then to a less technical subject.

**An Hon. Member:** — They're coming.

**Mr. Shillington:** — Well that's both courteous and kind to the member from Meadow Lake, but the question though was addressed to the Deputy Premier, or Government House Leader. Are the officials coming? If they are, I'll get on to a different subject.

**Hon. Mr. Lane:** — Let me just clarify "and transfer payments," because the debate had been on EPF, established programs financing. Okay. The equalization is totally different and unrelated to, you know, any reduction in transfer payments. There's been no change in the equalization formula as a result of the federal budget, nor would we have expected one.

So we will have increases. We expect an increase actually on some later figures on equalization, but that, I think in fairness, was beyond the federal government's power to unilaterally change the equalization. Normally when we talk to transfer payments . . . If you and I are talking the same item, I'm referring to established program financing when we're talking transfer payments.

**Mr. Brockelbank:** — Mr. Chairman, I wonder if I might direct a question to the minister with regard to a statement that he made earlier. Now I may not have completely understood his statement, but I'll read him a clipping from the *Saskatoon Star-Phoenix*, May 2, '89, "Budget Costs Saskatchewan at least 50 Million:"

The federal budget will force Saskatchewan to rework its own budget to find at least another 50 million, says deputy finance minister, Art Wakabayashi.

Now, Mr. Minister, I believe you said the federal budget would have no impact on the Saskatchewan budget. If that is the case, why is the contradiction here?

**Hon. Mr. Lane:** — The question was on the transfer payments. You will note in the federal budget that there is a change on the crop insurance, and the crop insurance details are being worked out as part of a comprehensive program for farmers so that we get away from the *ad hoc*-ery — to use the opposition's phrase — on programs. And that's part of that process. And there will be adjustments and negotiations going on. That's where that figure comes from if you take a look at the changes on the proposals for crop insurance, part of an overall package. The question was on transfer payments. And I think I've explained that, that the transfer payment impact, which will be \$8 million in the next fiscal year, it doesn't come into account in this fiscal year.

**Mr. Brockelbank:** — Then perhaps, Mr. Minister, you will clarify for me that the \$50 million rework of the Saskatchewan budget will fall solely in the area of crop insurance, or could you identify the areas where that 50 million cut will fall?

**Hon. Mr. Lane:** — It's crop insurance. But understand what I've tried to explain on the crop insurance is that it is part of an overall package that is being developed between the federal government, provincial government, and several other provinces for a comprehensive insurance package for agriculture. So that is one part of that package. And we don't have the final details of that and we won't have it probably for the immediate future, as negotiations are still going on.

**Mr. Shillington:** — Thank you. Regardless of when the transfer payments take effect, regardless of when the reduction in transfer payments to the provinces take effect, take effect they will. I wonder if the minister would agree with this Assembly that that's a most unfortunate way for the federal government to be balancing their budgets, at the expense of the province.

That is not saving — as any number of editorial writers in Canada have pointed out, and as any number of writers have pointed out — that does not save the taxpayer any money at all. It simply transfers the problem from one level to another. And I wonder, Mr. Minister, if you would agree that a reduction in payments to the provinces is a most unfortunate way for the federal government to attempt to solve its mismanagement.

**Hon. Mr. Lane:** — Well you can't say regardless. It doesn't take into effect . . . it doesn't come into effect in

this fiscal year for us to affect our budget. So having said that, I indicated publicly that I didn't like it, that I would prefer that it be maintained at previous levels.

Now the difficulty with the argument is we've had the debate on EPF before, is that the inflation factor was maintained in EPF. You may recall the debate a couple of years back in this Assembly where the federal government capped or reduced the rate of growth of the established programs financing. It was negotiated through the leadership of Saskatchewan that at least it couldn't fall below the rate of inflation. So the inflationary protection was maintained in this federal budget.

So if the rate of inflation is 5 per cent, for example, the growth in EPF will be 5 per cent. So there may not be a reduction, depending on the rate of inflation. I mean that's the difficulty with saying that there absolutely is a reduction. There may not be an absolute reduction through the process.

Having said that, do we wish that the previous formula that had been there three years ago is maintained? Of course, and we said that. And we wish that, at an absolute minimum, there had been no change in the second formula that was adjusted two or three years ago.

So the difficulty I have in saying absolutely there's going to be a reduction, I can't say that, simply because the inflation factor was maintained, and in fact there still may be an increase. But it won't be higher than the rate of inflation which, in many of these programs — health and education — are in some cases increasing at a rate greater than inflation.

(1600)

**Mr. Shillington:** — The minister is playing with words, and well the minister knows it. If you talk about constant dollars, which is the only sensible medium in which to talk about, then your transfer payments from the federal government are going to go down. If you talk about absolute dollars, you might be right, but in constant dollars the money's going to go down, adjusted for inflation. So let's do away with the ballyhoo about the problem with this being that inflation was . . . that there's an inflation factor.

The problem you're having, Mr. Minister, and the only problem you're having, is that there's a Conservative government in Ottawa which has got you people on a short leash, and that's why you're not making effective representation on behalf of the province of Saskatchewan.

I want to ask you, Mr. Minister, what representations . . . (inaudible interjection) . . . well I'm getting some assistance from the member from Maple Creek again. The member from Maple Creek may get up on her feet and ask these same questions, and I think a fair number of your constituents wish you would take a more active role in criticizing this government.

Mr. Minister, I wonder if you would tell us what representations you've made to the federal government in an effort to forestall the reduction of transfer payments to

the province. Mr. Minister, it may well be that the federal government thinks that their mismanagement has been so horrendous that the problem should be transferred, because nobody else can have as bad a problem as they got.

Well I got to say, Mr. Minister, you ought to make a representation to the federal government that your mismanagement is even more calamitous and that they ought not to be transferring the problem here because you've made a bigger mess yourself here.

I wonder, Mr. Minister, if you've gone to Ottawa and said, Mr. Minister, the mess we've made is much worse than the mess you've got and you shouldn't be transferring the problem here.

**Hon. Mr. Lane:** — Well I mean, you want to attack the member from Maple Creek. No wonder your own constituents are saying you ask some of the silliest questions in the history of this legislature.

So all I suggest to you, and we've been through the debate before, and I said the last time that because you were making the allegation, if I recall, on the budget, that I had misled because the federal government were going to reduce transfer payments . . . That's what you said. It turns out that they didn't reduce the transfer payments, so you're wrong.

**An Hon. Member:** — Yes, they did.

**Hon. Mr. Lane:** — No, they didn't. They didn't.

So having said that . . . And you said that my budget was phoney because I didn't take into account the reduction of the transfer payments that didn't happen. Okay, so having said that, there wasn't a reduction in EPF for the fiscal year that we're in. Understand?

I've indicated that in the future year, next year, it's going to be our estimate about \$8 million. We'll have to adjust that in next year's budget. No question about that. But I'm suggesting to you as well the inflationary factor may come into play. It may be higher and there may not be that reduction.

Having said that, you asked prior to, or at the time of the budget, did we make representations to the federal government opposing any effort to transfer . . . or to reduce transfer payments, as was speculated, and I said yes, we had. I said that along with every other provincial Finance minister we had delivered on a personal basis to the federal Minister of Finance, that it was not fair for the federal government to transfer its deficit problems onto the province that didn't have the fiscal capacity to deal with the problem.

I've said that. I've said publicly, after the federal budget, that the future year reduction in EPF which, if it holds at \$8 million, that I didn't like it. I said that. So to say that we didn't make representations or to say that we just endorsed it is not fair, and it's not accurate. We did, and we did express our opposition to any reduction in transfer payments to the federal government.

**Mr. Shillington:** — What I said, Mr. Minister, is you haven't made very effective representations. I think that's patently true. Maybe one of the reasons why you're not listened to with great respect is that you've been doing the same thing to the municipalities. You have been doing to the municipalities, Mr. Minister, precisely what the federal government is doing to you. You have been reducing the money available to them, and that is true in a great number of areas. In some areas, it's true in absolute figures; in some areas, it's true in constant dollars.

Mr. Minister, you've attempted to transfer the consequences of your mismanagement onto the municipalities. I wonder, Mr. Minister, if you think that's not perhaps part of the reason why the federal government thought it fair game in dealing with you.

**Hon. Mr. Lane:** — Well it strikes me, if I either read correctly or it was reported correctly, that the NDP government in the city of Regina said it wasn't having a tax increase this year. So they didn't have a tax increase; they must have been able to manage with the amount of money that they had. I mean, that's your mayor's words.

**Mr. Shillington:** — The minister calls the Regina city council the NDP government of the city of Regina. Mr. Minister, I don't know if they think that's fair. But I wonder, Mr. Minister, if you think there's any conclusions to be drawn from the fact that the people of Regina elect a city council you don't like and elect an overwhelming number of MLA's you don't like. I wonder, Mr. Minister, if that tells you anything about the success of your policies so far as they affect people living in an urban environment.

**Hon. Mr. Lane:** — Okay, we're getting that actual information on the question that you had asked earlier with regard to the actual EPF and the blue book EPF. I'm sure we gave them during the last interim supply.

I mean, I've made my comments with regard to the city of Regina. They spoke; they said that they're not going to have a tax increase. And I think that speaks for itself.

**Mr. Shillington:** — Mr. Minister, you'll admit that in constant dollars the amount of money which you've made available to urban governments has gone down. Indeed, Mr. Minister, in absolute dollars the money which is the portion of the funds spent by this government on urban municipalities has gone down.

Mr. Minister, in the '87-88 year, \$94,176,000 was voted for urban municipalities. In the upcoming year only \$89,390,000 has been voted for the urban municipalities.

Mr. Minister, the urban revenue sharing in constant dollars is down, if not in absolute dollars. The grant to the Meewasin Valley Authority in constant dollars is less than what it was. The grant to the Wakamow Valley Authority in constant dollars is less than what it was last year. The grant to the Wascana Centre Authority in constant dollars is less than what it was last year.

The grant to the city of Swift Current for Chinook Parkway is less in constant dollars than what it was. Grants to the municipalities and organizations for local studies and



research is less in absolute dollars than what it was.

The grants to municipalities under the municipal transit and transit assistance in constant dollars is less than what they got last year. Last, but certainly not least, the northern revenue sharing is static. One figure which isn't static, I note, is the money you vote to the Saskatchewan Assessment Authority which, now that I look at it, in constant dollars is also less, actually.

Mr. Minister, you have in effect frozen the funding to urban municipalities. You have frozen the grants that they're getting. You have frozen the grants, and with respect to the money which is being paid in program services, you are spending less. Mr. Minister, by spending less on the municipalities you are in effect transferring the effects of your mismanagement to the urban municipalities, and you've been doing that, Mr. Minister, for the full eight years you've been in office.

One of the first things you did, Mr. Minister, one of the first things your government did when you came into office was amend the revenue sharing. Revenue sharing, as you will recall, was set up in the '70s, provided the urban municipalities with a fixed percentage of provincial government revenues. If that formula had been left intact, they'd be getting far, far more under revenue sharing — tens of millions of dollars more under revenue sharing than they're getting now. Mr. Minister, all that remains of revenue sharing is the name. That's all that's left of the program.

Mr. Minister, I say again that it ill behoves you to complain about the federal government when you've been doing the same thing to the municipalities for the full term you've been in office. I don't have all of the estimates laid out before me here now, but if my memory serves me correct, not once in the seven years that you people have been in office, going almost eight years you people have been in office . . . over eight years I guess you people have been in . . . seven. In the seven years you've been in office, not once in those seven budgets have municipalities ever been accorded an increase in their revenue sharing which is equal to the rate of inflation. I think that's an accurate statement.

Mr. Minister, how do you expect to effectively and with credibility go to the federal government and say, you shouldn't be transferring the results of your mismanagement to us, when you in effect have been transferring the results of your mismanagement to the municipal governments for the last seven years. You've done it every year.

I wonder, Mr. Minister, how do you expect to have any credibility on the subject of fair and equal treatment between different levels of government when you've treated the municipalities in the fashion that you have over the last seven years?

**Hon. Mr. Lane:** — Well I think the hon. member should take into account that part of the expenditures this year for municipalities include a recreation facilities program, capital programming, a major expenditure in Cumberland House in northern Saskatchewan — specific projects.

To argue that every budget, every department, and every expenditure should increase by the same relative amount is really, really a rather strange argument. That, in effect, means you can't do anything new.

And there have been some major new initiatives. For example, rural municipalities for the first time in this province's history are going to be able to participate in a capital program. Never happened before.

So there are specific items. And we made changes to local government financing which from, I gather, the applications already in from local governments, that the changes are being extremely well received.

So certainly the hon. member can make his arguments with regard to transfer payments, but to look at the whole question of funding for local governments, I think, would be a better argument to make.

I do call to the hon. member's attention the fact that some local governments have indicated that they are not raising taxes. Others are making strong applications under the new changes to municipal financing — welcomed. And I just have some difficulty with the hon. member's argument because we've made our representations.

I think in terms of this fiscal year, with a great deal of success, and having made our arguments with the federal government, to at least maintain an inflation factor in transfer of payments was to great effect.

(1615)

So having said all of that, again I just . . . we have a difference of opinion but I disagree with your argument.

**Mr. Shillington:** — Well, my question . . . let me then sum up my question in a more concise fashion. Mr. Minister, what's the difference between the way the federal government's treating you and the way you've treated the municipalities over the last seven years?

**Hon. Mr. Lane:** — Go ahead. Sorry. Can you repeat the question?

**Mr. Shillington:** — Well my question is a very simple one, Mr. Minister. What's the difference between the way you're treating the municipalities and the way the federal government's treating you?

**Hon. Mr. Lane:** — Well we increased expenditures in several different areas and I've just talked about some of the capital. And I've talked about some of the capital, and I've talked about some of the special projects and the easing of the ability to finance, to be able to finance over a longer period of time with support for government. So it wasn't just, as the hon. member is arguing, a reduction or restraint exercise. It was far more than that.

We certainly did shift expenditure items to different areas; I acknowledge that. And we did ease the ability of local governments to access capital so that they could begin to accelerate some of the infrastructure rebuilding which they had asked for. So it's far broader exercise than

what went through at the national level.

**Mr. Shillington:** — Mr. Minister, you're being very, very generous to yourself. I'm looking at the Urban Affairs estimates. Not a single one of these items goes up at a rate equal to inflation. About half of the subvotes have a decrease in expenditure, about half have a very modest increase less than the rate of inflation, and none exceed the rate of inflation. Mr. Minister, I think you're being very generous to yourself. I say to you, Mr. Minister, that you are being treated by the federal government exactly as you have treated the municipalities.

Mr. Minister, you are . . . The system in this country of trying to straighten out your affairs at the expense of everyone else is a very short-sighted system. It's, I suppose, what one might expect when one has Conservative governments in office both federally and provincially. But, Mr. Minister, you're both being short-sighted; you're both making a very serious mistake in the conduct of this country's public affairs. The way to solve your problems are to get your own waste and mismanagement under control and not to try to pass that on, and that's what you're doing, Mr. Minister.

So I wonder, Mr. Minister, if you'll admit that just as you ought to be treated more generously by the federal government, so you ought to be treating the municipalities more generously. I wonder, Mr. Minister, if you'll admit that what's sauce for the goose should also be sauce for the gander.

**Hon. Mr. Lane:** — Well, I mean, I'm reluctant to tell the hon. member that the world is changing out there and that there are different priorities from time to time. And you don't make mention in the budget of additional expenditures for distance education and a new communications network for Saskatchewan, and you don't make mention of increased funding for day care, something sadly neglected by your government when you were in office.

And when I talk about special funds for education, never done before by any other government in Canada — done by this government. So I could go on. And doubling expenditures on education in the last eight years — doubling — doubling the expenditure on education. Nearly doubling the expenditures on health care — in eight years. So there are new projects, new hospitals. There's some changes. We talk about the breast cancer screening. There are some new priorities and some new expenditure areas that this government tried to address.

So to say that things are static and that you are going to lock yourself into the same amount for everybody every year plus inflation, you can't make any changes, and I don't think that that's right. So what we did with the budget this year, as we have done with others, is we try and address the priorities as the government sees them.

And I suggest to the hon. member that when you try and address other priorities, not everybody's going to get all of the money they want. And I've acknowledged that on several different occasions. So to state that you should just keep static and you just add inflation and that's the way it is year after year after year, then you will never be able to

address the changing priorities that the public feels are important.

So we've tried to do that. I think we struck a fair balance in the budget to address some of these other priorities, some of them certainly new, but the fact that there are new problems or new issues to be addressed should not be ignored. And I don't think you should lock yourself into the position where everybody is guaranteed X amount of money so that you can't shift your priorities to respond to society's needs or the public's needs.

**Mr. Shillington:** — Well, Mr. Minister, this could go on for some time. I think your spectacular lack of electoral success in urban areas speaks volumes about your treatment of people who live in an urban environment.

Almost from the beginning, Mr. Minister, you've had almost a guerrilla war on with people who live in urban areas. It is of course your crass and cynical view that you can divide up the province into rural people and urban people. You can tell the rural people to go jump in the lake, which would be harmless enough now because they're virtually all dry; you could tell urban people to go jump in the lake, and the rural people will still elect you. All I can say is, Mr. Minister, we'll see; we'll see.

You were challenged to call an election by the opposition leader a few days ago. I noticed a discernible lack of interest in that alternative. All I can say is, Mr. Minister, we'll see.

Mr. Minister, I want to get back to the question of the transfer of payments where this began, and I want to tell you now that you've had apparently some information from your officials who have been in and out. I want to know if you can tell me how the changes in the transfer payments are going to affect the province this year and next year.

**Hon. Mr. Lane:** — I've already indicated there's no change in this year. The next year I indicated that our estimates, assuming that we're below the rate of inflation, will be \$8 million next fiscal year.

But let me respond to the hon. member's accusations. I don't believe that the people of this province see the home program as a rural program. I suspect that there are literally thousands of Saskatchewan home owners that live in the cities, that have taken advantage of that program. To say that they're ignored through the home program I think is just not correct.

To say that the home owners in this province getting nine and three-quarter per cent mortgage protection on the first \$50,000 mortgage for their home and their residence is ignoring city people I think is not true and it's not accurate.

To say that new sewer and water programs for cities and municipalities is ignoring the cities, is simply not true.

To talk about new job creation activities in cities, like upgraders and projects and Ipsco and Flexi-Coil, and wherever it may be in Saskatoon, to say that creating jobs in the cities is ignoring city people, is not right.

To say that we ignore things like Saskatchewan Place in Saskatoon, the new facilities in Regina, recreational facilities, is ignoring them, I think is not true.

Talk about a new bridge in Saskatoon — is that ignoring Saskatoon? No, it isn't. There are things that needed to be done; they were projects that needed to be done. In some cases they were projects that were refused to be done by your government. Let me talk about the 42nd Street bridge. You may not have . . . you may have taken your kayak across that point, the hon. member from Saskatoon Westmount.

Now let me talk about the . . .

**An Hon. Member:** — You just opened it, that's all you did.

**Hon. Mr. Lane:** — Oh no, we did not. We built that. We built that and we funded it, and Saskatchewan Place in Saskatoon I think was well received.

Let's talk about some ignoring of the cities like the new City Hospital in Saskatoon, major expansion to the University Hospital in Saskatoon, major expansion to the St. Paul's Hospital in Saskatoon, new nursing homes in Saskatoon — major new nursing homes — Frank Eliason Centre in Saskatoon.

And we talk about Regina, and we talked about the Wascana Rehabilitation Hospital in the city of Regina. Is that ignoring the city of Regina? I think not.

So I suggest to the hon. member, when we take a look — and you're talking about the lack of support for urban centres, and I talk about those projects. And I didn't talk about the other urban centres that the hon. member says that we've had a lack of electoral success so we're dividing them. And I don't hear that when I talk about Yorkton, and that's a city in this province, okay, that happened to elect a Conservative. And I take a look at Lloydminster, and I happen to take a look at Weyburn and Estevan and Swift Current and Melville and Melfort.

So I take a look around at cities that haven't been ignored. So you can make your statement, but I suggest to you that your statement is not accurate.

**Mr. Shillington:** — Mr. Minister, any time you want a by-election anywhere in urban Saskatchewan, I think we wouldn't particularly object.

Mr. Minister, I want to get back to the question of the transfer payments. You say it will be \$8 million. Is that . . .

**An Hon. Member:** — The following year.

**Mr. Shillington:** — The following year, yes, 1990-91. Do I take it — and this is just for clarification; I'm not being argumentative right at the moment — do I take it that this counts inflation? That's \$8 million, assuming zero inflation, that's \$8 million — or what precisely are you saying?

**Hon. Mr. Lane:** — That's my advice, yes, that it's

assuming no inflation, no change over this year rate . . . Let me put it this way. No change in this year's rate, okay — no change in the rate, we would have a loss of \$8 million.

**Mr. Shillington:** — Now I assumed you were talking about established programs financing. Does the minister anticipate, as a result of the federal budget, any decrease in any of the other receipts from other governments? I'm on page 10 of your *Estimates*. They're all from the federal government: Canada assistance plan, economic development agreements, equalization payments, statutory — I'll ignore that one — other federal-provincial programs. Do you anticipate any reduction in any of those other items as a result of the federal budget?

**Hon. Mr. Lane:** — No. And were you talking about equalization?

**An Hon. Member:** — I'd mentioned that as one of them.

**Hon. Mr. Lane:** — We actually expect an increase in the equalization over our estimates.

**Mr. Shillington:** — I take it then that the economic health of the province is worse than what you anticipated it was when you drew up these estimates.

**Hon. Mr. Lane:** — Ontario and Quebec's are better.

**Mr. Van Mulligen:** — Thank you, Mr. Chairman. I want to ask the minister if there's anything in the interim supply before us, because certainly it wasn't there in the budget, and I wonder if there was any correction at this point in your interim supply which might help to improve the province's bond credit . . . or the credit rating that the province has.

Is there anything in these interim supplies which will tend to improve the credit rating of the province? I point out that the Canadian Bond Rating Service gave Saskatchewan a AA-minus rating which, as I understand, is some points lower than it has been in previous years. Is there anything in this interim supply which would help to improve the province's credit rating?

(1630)

**Hon. Mr. Lane:** — We've had no change in our rating. We've had, I believe, one meeting with S&P, Standard and Poor's. We indicate that on their review that they see no change. We haven't met with the others.

Understand that the interim supply is simply one-twelfth of the budget amount, and in interim supply there's no policy change, that it's just straight one-twelfth of the budget. So we wouldn't expect on this year's budget that there would be any change in any of the rating changes. Again, I've indicated to you we haven't talked to a couple of them yet. We wouldn't expect any change.

I can't frankly tell you what the impact of a drought would be on the ratings. If we did not have a drought and had a return to normal cropping, I would think that the movement would be towards an upgrade rather than the other way, and I say that if we return to normal cropping.

**Mr. Van Mulligen:** — Mr. Minister, credit ratings in Saskatchewan started to slip much before last year's drought, and has been attributed by many observers to be a reflection of the fiscal management, or more appropriately, the fiscal mismanagement that you and your predecessors have displayed in the office of Minister of Finance, and generally is an indictment on the fiscal management of the province by the PC government.

You say that Standard and Poor's indicated that there would be no change during the course of this year. Can you tell us what steps Standard and Poor's outlined which might see the credit ratings in Saskatchewan, for Saskatchewan, improve. Did they outline any measures or steps that you should be taking to improve the situation?

**Hon. Mr. Lane:** — No, none at all. They'll simply judge that now on the state of the economy and whether agriculture comes back. That's what they're primarily going to watch for.

**Mr. Van Mulligen:** — Mr. Minister, you will know that on April 19, the city of Regina announced that the Canadian Bond Rating Service gave the city of Regina a AA-plus rating. Mr. Minister, considering how many times you have made disparaging remarks about the city's ability to handle its finances, how do you feel about the fact that its credit ratings is two steps above that given to your government? And the question I have: who's the bad manager here?

**Hon. Mr. Lane:** — Well I simply indicate to the hon. member that if you want to take your argument to the point that you're quite satisfied with the operations of the city of Regina, then perhaps the city could have reduced business taxes, for example, which are I think acknowledged by all except for a few councillors as being extremely high, and there were some options that the municipal government had.

And so having said that to the hon. member, the debate as to how the government's credit rating . . . we've been through that again over the last couple of years. There's been no change over the last couple of years. That depending on the state of the economy — and I very carefully said that as opposed to the question of government management because that's not a factor, in their view, in terms of whether it will be upgraded or downgraded — they will watch the overall state of the economy. And the assessment will be based on, in my view, whether agriculture comes back.

We've made it clear to all concerned, and we've said it publicly, that if we are into another drought, there will be a response from the provincial government. We may or may not end up debating the adequacy of the response, but certainly we will try to assist. That will be a factor.

That will be a factor, as I have said publicly on many occasions, that will be a factor in our economic track to reduce the deficit. It will be a factor on how outsiders see the economy of the province. But we will simply have to await that event and see whether we return to normal crop or not.

**Mr. Van Mulligen:** — Well, Mr. Minister, let me see if I've got this clear now. The city of Regina's credit rating is AA-plus. The credit rating of the province of Saskatchewan is AA-minus. So the city of Regina's credit rating is two points higher than that of the province of Saskatchewan.

When I asked you the previous question, you went on to indicate areas in which you felt the city of Regina might improve in, and you were pointing to aspects of civic management that you felt should be improved. Am I to assume from that, Mr. Minister, that there are areas of provincial management that might be improved, given a credit rating that is even lower than the city of Regina?

**Hon. Mr. Lane:** — I've already indicated that what they will watch is the overall state of the economy, and I've indicated the potential difficulties with regard . . . I mean, we can get into the comparison of the city of Saskatoon and the city of Regina if the hon. member wants to get into that. I believe Saskatoon's is considerably higher than the city of Regina.

And so you can make those comparisons if you wish, but we should keep in mind that underlying all cities' credit rating is the province. And overall, the policies obviously of the provincial government have been of some assistance to the cities, notwithstanding what your colleague the Finance critic said, to allow them to be in that position.

**Mr. Van Mulligen:** — Well, Mr. Minister, in fact the city of Saskatoon has an even better credit rating at a AAA, a step above that of Regina's. Regina's is a AA-plus, which is two steps above that of the province of Saskatchewan. You say that the credit rating agencies are reluctant to improve the province's credit rating because of the provincial economy, yet two of the major centres in this province, which I assume are part of his overall provincial economy, have better credit ratings than the province does itself. Now to me, Mr. Minister, that suggests that you should be sitting down with the mayor of Regina and the mayor of Saskatoon, that you should be sending your officials to sit down with the treasurers of Saskatoon and Regina to see how you might improve the fiscal management of the province of Saskatchewan. And I want to ask you, have you taken steps to do that?

**Hon. Mr. Lane:** — Well I find it a little surprising, it's now the second member from the NDP that has stood up in the House and said that life revolves around Saskatoon and Regina, and that that's what is judged on the provincial economy.

And we have tried to respond, and we've tried to respond in this budget to some difficulties in areas beyond Saskatoon and Regina with a five-point program to try and help the viability of some of our smaller communities, and that's a factor in the provincial economy, as opposed to a city economy. And the efforts of the government to help diversify the economies of the cities is helpful to the cities, and I refer to things like an upgrader in the city of Regina. I see efforts to expand the business opportunities in Saskatoon, many of which you opposed.

So the economic diversification and development efforts of the provincial government help the cities, help diversify the economies of those cities and help expand their tax base. And we as a province have to recognize that there are some areas that are having some very severe difficulties, and we're going to try to respond to them.

As I say, we've set out a five-point program this year of rural capital financing; some cultural and recreational programming that is designed to assist those communities; the investment fund for the Saskatchewan government growth fund; the fact that we're going to allow business associations to get set up in areas outside of Saskatoon and Regina so that the small businesses in the smaller communities can get together and identify what type of business would be helpful to them, that would help make their community viable or diversify the community.

So I could go on and on and on of the problems that we're trying to address that are not uniform across the province. And every provincial government has to have the same obligation, so they take into account the overall effect of the economy.

We're trying to help the cities in terms of job creation activities, new businesses, new corporations, new manufacturing, new processing. And it helps them, and it should help them.

We're not concentrating all our efforts on the areas that most need the help. We do have a plan; we've laid it out. But we are judged as a government and as a province on the totality of the whole province. And I hate to tell the hon. member, I hate to tell anybody, but outside the city of Regina agriculture is having some very difficult times — very, very difficult times.

And you can say it's the fault, as the hon. member has in Regina Elphinstone, that it's the government's fault that agriculture's having difficulty. Many farmers may not believe that; many farmers may not believe that.

But having said that, we're judged on the broader economy, not the specific economy, and we have tried to help the cities. We'll continue to try and help the cities diversify, improve their tax base, create the jobs, create the opportunities, create the stability, create the viability, and it will help them. And I hope that it continues to improve their credit rating every time we try and help.

**Mr. Van Mulligen:** — Well, Mr. Minister, you choose to explain the province's abysmal record when it comes to credit rating. You choose to blame economic conditions, you cry economic conditions. But you know, in spite of the fact that successive budgets by your government have reduced the amount of money available through urban revenue sharing to cities such as Regina and Saskatoon, the finances of Regina and Saskatoon are in a better condition than that of the province of Saskatchewan.

And despite the fact that you have given this province massive tax increases every year since you took over the portfolio, you have not controlled the waste and mismanagement enough to reduce the accumulated

deficit by one penny — by one penny, Mr. Minister.

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

**Mr. Van Mulligen:** — To the contrary, you've increased it, and you've increased it in a magnificent way I might add, Mr. Minister. You know, despite the fact that Regina and Saskatoon have had to suffer through the same tough times in agriculture because those cities' economies are very dependent on what happens across the province, what happens in agriculture — despite that fact, they are managing and they are not blaming everyone else for their troubles.

Mr. Minister, the impression that I receive, the impression that people across Saskatchewan receive, is that you are incompetent. And it's because of your incompetence and because of your mismanagement that the credit rating of the province has slipped. And therefore we are having to spend more to borrow money. That is a fact, Mr. Minister.

And I guess what the people of Saskatchewan want to know, what concrete plans do you have now? Put aside all your words about we're going to do this, we're going to do that. Where are your concrete plans to stimulate the economy, to restore some confidence in the economy of this province and also to restore the credit rating in this province?

(1645)

**Hon. Mr. Lane:** — Well I've indicated some of them, and I'm pleased to be able to respond to the hon. member.

Let me first of all clarify and clear up a belief that the hon. member has that it costs the province more to borrow. If in fact you check the borrowing rates of the province of Saskatchewan, and you can check your 30-day treasury Bills or 90-day treasury Bills if you want an immediate one, we are borrowing at virtually the same rate as the province of Alberta, virtually the same rate as the province of Alberta.

We have within one or within a basis point . . (inaudible interjection) . . Well one one-hundredth of a per cent I think is really a massive expenditure . . (inaudible interjection) . . Well except that if you're prepared to take that argument, then we'll take you and table you some borrowings where we borrowed at a better rate — a better rate . . (inaudible interjection) . . Yes we have. And we have done some borrowings at a better rate than the province of Alberta.

So having said that, I suggest to the hon. member, we did a borrowing, I believe, a year ago in the Euro-Canadian market at a better rate — major borrowing, \$350 million — better rate than the province of Alberta. So all I'm telling you is that to say that the credit rating changes have impacted on the cost of borrowing, it's simply not true.

And I'll take it further and give you the argument of how it works against Saskatchewan. You can take Manitoba, long-suffering Manitoba, trying to get its house in order after 17 years of NDP government, has a lower credit rating than the province of Saskatchewan — lower credit rating than the province of Saskatchewan.

**An Hon. Member:** — That's because they haven't got any oil. That's the difference.

**Hon. Mr. Lane:** — Oh, no. They have hydro. They have hydro. They have a large city . . . a much more diversified economy because of a large city, hydro, massive hydro projects. So I suggest to the hon. member, they're able to borrow at virtually the same rate as Saskatchewan and Alberta. So don't make the argument, because it's not a correct one that the credit rating has affected borrowing. It has not.

Having said that, you ask what we're trying to do. I've indicated what we put out in this year's budget a five-point plan to try and help the smaller communities. We've allowed the rural municipalities to have a capital program. We've allowed the cultural and recreational facilities grant program which will be designed to assist — not totally, but in part — the smaller communities.

We've allowed the establishment of business associations so that businesses in the smaller centres can get together, try and attract new businesses to diversify and stabilize themselves, remain viable, and the government will guarantee the loan.

We can talk about the changes to the venture capital so that smaller communities . . . the rural development corporations, which are very popular in rural Saskatchewan because they're a vehicle to let people try and diversify their economy and stabilize their economy, will now be eligible for the venture capital programs.

We talk about public participation, and we have debate of trying to get Saskatchewan people to invest in their own province. You don't like that. That's your choice. Nearly 80,000 people — nearly 80,000 people — have chosen to try and invest in their own province, be they Power bonds, SaskTel bonds, be they Saskatchewan Stock Savings Plan, be they employees in WESTBRIDGE, employees in other activities. When we put them all together, nearly 80,000 people have chosen. We've given them the vehicles to do that, to help them participate in their economy and in the economic development of this province.

We've set up the venture capital, the stock savings plan. We've also set up programs to attract business. And you say we shouldn't be going out advertising to try and tell people about Saskatchewan. Last year we had more applications on tourism than in any other time in our province's history, and I think it fair to say that everybody was expecting after Expo '86 that there would be a drop-off. In fact there was an increase.

And we've talked about the efforts to process our agricultural products here. And we've done it with Intercon and Gainers and Yorkton — progressive meats, I believe, in Yorkton — Canada Packers in Moose Jaw.

And we talk about processing our forests, and we announced a paper mill. You said it wouldn't happen. You're welcome to go to P.A. You can judge whether it's operating or not yourself. We're trying to process our oil and gas here in the province. We're trying to process our

resources here in the province. So you ask what our plans are. That's a rather broad scope right there. And I could go on and on and on and list some of the projects if you want that.

Now am I standing up and saying that the problem is solved? Not in the least. Am I standing up and saying that processing our resources here in the province is the right thing to do? I am, and I believe it is the right thing to do. And is it the right thing to do to try and process our agriculture here? I believe it is; the government believes it is. And we're trying to do that and we've had some successes. Is it the right thing to do, in our view, to try and get the people to participate? This government happens to believe it is the right thing to do.

So to say, you know, that we haven't done anything . . . you may disagree with what we've done — that's your affair and that's your position; that's what this legislature is all about — but we've laid it out, and there'll be more, and there'll be more announcements coming. But I mean, we have a long way to go to diversify the economy, and this government fully recognizes that, but I think that we have taken steps to move the process along and to try and diversify the economy.

**Mr. Van Mulligen:** — Well, Mr. Minister, when you look at all the economic indices — let's take, for example, the net out-migration, the people that are leaving the province in droves, or whether you want to take housing starts in Saskatchewan as an index of economic activity — and then one listens to your words, the conclusion that the people of Saskatchewan have come to: too little, too late; step aside; let someone else do the job and do it better. That's the conclusion that the people of Saskatchewan have come to.

I just want to deal one point, Mr. Minister, one point. When I asked you about borrowing, about borrowing, you said, well, there's no difference in terms of Saskatchewan and Alberta. Then you qualified it, and you said, well, virtually no difference. Then you said, on a given a day we might be able to get a better rate than Alberta has on the market on that particular day. And I don't quarrel with that. I would also say that there probably days that Alberta and other jurisdictions do better than Saskatchewan in terms of borrowing on that particular day.

But overall, overall there is a virtual difference, there is a virtual difference, and even if it's one one-hundredths of a point, Mr. Minister, when you start talking about millions of dollars, it begins to add up, it begins to add up.

You know there's an old saying, an old saying: penny wise, pound foolish. I think the saying that they can apply to you and your government is penny foolish and pound foolish.

**Mr. Kowalsky:** — Mr. Minister, I want to direct your attention to the taxation policy that you have put forth here, and I want to ask you a very straightforward question regarding how you work with the federal government. Do you believe that your system of taxation should parallel the federal government's system of taxation? That is, if you have a deduction for a married

equivalent, for example, should you have the same kind of a deduction on the provincial level as well? Is that a general principle that you're trying to follow?

**Hon. Mr. Lane:** — No.

**Mr. Kowalsky:** — I would wonder, Mr. Speaker, why you wouldn't. I would wonder why you wouldn't, Mr. Minister.

There's two issues here that I want to bring to your attention: one with respect children who are 18 years of age, who this year got a deduction at the federal level but not at the provincial level; and secondly, a deduction that's available to people at the federal level, a disability for dependants other than spouses.

Now in both cases we're talking about families, Mr. Speaker, we're talking about families. Your government has tried to make a lot about how you are favouring families. Here we have a situation where you have two, what I think are glaring omissions, very glaring omissions — very glaring omissions.

One case where the federal government is obviously treating a family of somebody up to 18 years of age and you aren't, and allowing a deduction and you're omitting, and you already . . . you could have fixed it up, because we brought it to your attention.

And the second case where — and I draw your attention directly to page 3 of the income tax book, page 3, where there is a non-refundable tax credit available to a dependant other than a spouse, line 318 at the federal level. And yet when you go to the provincial tax level, what do you do? You omit it. There is not a thing there in terms of a deduction for a family member other than the spouse in the case of disability. There are many people in this province who are supporting family members that are disabled, and it would be just . . . well, it would serve a good purpose, Mr. Minister, if you had a parallel system.

You know what you're doing? Not only are you penalizing families when you're not providing that kind of a deduction, but you're also penalizing somebody who is disabled or somebody who is trying to help disabled people. Why didn't you put into the Saskatchewan income tax deductions an amount for a family member who is supporting a disabled person other than a spouse?

**Hon. Mr. Lane:** — Well, I don't know if the hon. member . . . you asked the question at the outset, are we trying to have a parallel system? Understand that under our tax collection system, all provinces except the province of Quebec have the federal government collect the personal income tax. Two provinces have their own collection system on the corporate side. Within that, there are some parameters established by the federal government as to what variations from the system the federal government will allow. Okay, they're fairly limited, because they can't, in their view, have a system which in effect allows each province to set up its own system — one of the constraints we have on tax reform here. Having said that, I'm not disagreeing with the point you make with regard to the disability exemption. You have a fair point. Whether the federal one is adequate or not is something

I'm prepared to take a look at.

With regard to the change — and we had discussed this earlier in the session of the raising the age from 17 to 18 — as I indicated, all of the provinces, because it came late in the year, were unable to make the adjustments. I've already undertaken that in our amendments to the legislation this year, of The Income Tax Act, we will make the adjustment so that we're in compliance with the federal government. It did come late, and my understanding is that no province was able to comply as a result.

But take a look on the other side what we've chosen to do within the federal system. We have the only tax credit for single parents. No other province has that. We have a seniors' tax reduction which no other province has to my knowledge. We have the low income tax reduction which in effect is savings of about \$42 million, which affects the tax level at which income tax comes into play. So it may come into play at a lower rate on the federal and at a higher level of income for the province.

So you ask if we were going to have an absolutely parallel system, or a parallel system. I said no. We're within the federal system, but certainly we have chosen where we could, with the changes, to recognize some of the issues that we wanted to deal with. And I've indicated seniors and I've talked about the single parents, which I think the hon. member would support me on, in terms of having a special tax deduction there which no other province has. I'm prepared to take a look for next year's at the point you make.

On the other, I don't think your position's unfair. Whether we will be able to do it or that will be the area chosen to try and help the disabled, that's a matter of some debate . . .

**Mr. Chairman:** — Being 5 o'clock, the committee is recessed till 7 p.m.

The Assembly recessed until 7 p.m.