

May 10, 1989

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Rolfes: — Mr. Speaker, I rise pursuant to rule 11 to present a petition to the Legislative Assembly from approximately 600 residents from all parts of Saskatchewan. These petitioners, Mr. Speaker, are urging the government not to privatize the utility of Saskpower and to leave it in the domain of all the people of Saskatchewan rather than just a few rich individuals. These petitioners, Mr. Speaker, are, as I said, from various parts of Saskatchewan. They are from Elrose, Humboldt, Lanigan, Aberdeen, Nipawin, Dundurn, Kindersley, Saskatoon, Martensville, and Allan. Thank you.

Mr. Shillington: — Thank you very much, Mr. Speaker. In what amounts to a continuing protest by the people of Saskatchewan, I rise to present approximately 500 petitions from a variety of communities: Moose Jaw, Vanscoy, Delisle, Regina, Biggar, Edenwold, Saskatoon, Nipawin, and Milestone. These people, Mr. Speaker, from all parts of the province recognize that this battle is far from won, and continue to petition this government to recognize their rights.

Mr. Lingenfelter: — Mr. Speaker, I rise pursuant to rule 11 as well, and I have here about 600 petitions, or 600 names on a petition, people who are asking the government not to sell off the power corporation to a few rich individuals, and keep it owned by the people of the province through their government.

The names come from towns like Val Marie, Yorkton, Weyburn, Disley, Tisdale, Davidson, and other centres.

The Speaker: — I happened to hear some members suggesting that we move to introduction of guests and come back to petitions later. Is leave granted for that suggestion?

Leave granted.

INTRODUCTION OF GUESTS

Mr. Kopelchuk: — Thank you, Mr. Speaker. Mr. Speaker, it is my honour to present to you, and to the members of the legislature, 23 students from the Pelly School who are seated in your gallery. They are from grades 8, 10, and 12. They are accompanied by Murray Bruce and Gwyn Shankowsky, and it is my honour on behalf of my seat mate and colleague, the member from Pelly, to do this introduction.

I see that they have toured the legislature and are now attending question period, and I would tell them that it'll be my pleasure to meet with them for pictures and refreshments at approximately 2:30. And I would now ask all members of the legislature to welcome them to our legislature.

Hon. Members: Hear, hear!

Mr. Muirhead: — Thank you, Mr. Speaker. It is a great pleasure to introduce to you, and to members of this Assembly, 20 grade 5 students from Craik School, Craik, Saskatchewan. They're sitting in the west gallery, Mr. Speaker.

It is an utmost pleasure today, especially. This is the school that I attended from 1937 to 1949. And I wish to say that these classes, Mr. Speaker, are in trailers right now because we demolished the old school, and we are now building a \$2 million school in Craik, and they'll have a brand-new school.

I'll be meeting with the students which are accompanied by their teacher, Mrs. Murphy, and chaperon, Mrs. Fitzsimmons; and a bus driver, Mrs. Meshke. I'll be meeting with them at 3 o'clock for questions and drinks.

I would ask all members of the legislature to join with me in welcoming the students from my old school, Craik, into the legislature today. Thank you, Mr. Speaker.

Hon. Members: Hear, hear!

Mr. Koskie: — Thank you, Mr. Speaker. I'd like to introduce through you, and to the legislature, some 15 grade 9 students from Lake Lenore High School. They're accompanied by their teacher, Marilee Sterner, and parents, Mr. Steve and Lois Yeager, Florence Pronych, and Donna Nosbush.

I had the opportunity, Mr. Speaker, of meeting with this group this morning. They subsequently went to the RCMP, and they were very interested in what they saw here in their tour, and they arranged to come back for question period.

I'd ask all members to join with me to welcome the students and their chaperons and teacher, and wish them a safe trip home.

Hon. Members: Hear, hear!

Mr. Hopfner: — Thank you, Mr. Speaker. I'd like to join with the member from Quill Lakes in welcoming the students from Lake Lenore. As the member from Quill Lakes will well know, that was my home town, and I attended school there and lived there for my first 16 years of life. And I'd just like to say it's a pleasure seeing some familiar faces again. Thank you, Mr. Speaker.

Hon. Members: Hear, hear!

Mr. Trew: — Thank you, Mr. Speaker. It gives me a great deal of pleasure to introduce to you, and through you to members of the Assembly, two gentlemen seated in your Speaker's gallery. They are Vince Folk and Blaine Coleman, both from Whitewood. I had the pleasure of spending a fair portion of the morning with them, and indeed I hope to spend a bit of the afternoon with them afterwards. I hope they enjoy the proceedings, and I ask all members to welcome Vince and Blaine to the Assembly.

Hon. Members: Hear, hear!

PRESENTING PETITIONS (continued)

Mr. Tchorzewski: — Thank you, Mr. Speaker. I rise pursuant to rule 11 to present these petitions to the Assembly on behalf of some 800 residents of Saskatchewan. They are, as my colleagues have indicated, urging the government not to privatize Saskatchewan Power Corporation but to keep this major public utility in the service of all of the people of Saskatchewan.

This is a list of names, Mr. Speaker, that are from communities such as Lipton, Moose Jaw, Regina, Fort Qu'Appelle, McLean, White City, Wadena, Swift Current, Elstow, Watrous, Saskatoon, Biggar, Melville, Killaly, Lemberg. I am pleased on their behalf to present these names, Mr. Speaker.

Mr. Koskie: — Thank you, Mr. Speaker. I too rise pursuant to rule 11 to present some 600 petitions of residents of Saskatchewan who are opposed to the government's move to privatize SaskPower.

The signatures are from a variety of communities: Leroy, Preeceville, Muenster, Watson, Raymore, Leoville, Christopher Lake, Domremy, Prince Albert, Kendal, Earl Grey, Strasbourg, and Saskatoon. Thank you, Mr. Speaker.

Mr. Thompson: — Thank you, Mr. Speaker. I rise pursuant to rule 11 to present petitions to the Assembly, containing 600 names of Saskatchewan residents who are opposed to the privatization of SaskPower.

These petitioners are from such places as Manitou Beach, Watrous, Meadow Lake, Shaunavon, Rapid View, Pilger, Biggar, Humboldt, Young, Saskatoon, and Lake Lenore. Thank you.

Mr. Brockelbank: — Mr. Speaker, I rise under rule 11 to add to the names that have already been submitted with regard to the petition of the people of Saskatchewan which begins: "That the privatization of SaskPower is not in the public interest . . ." I have 600 names on this particular petition, Mr. Speaker, and they come from such varied communities in Saskatchewan as Canwood, Hoey, Albertville, Prince Albert, Colonsay, Allan, Shipman, Arelee, Sonningdale, Perdue, Hafford, Biggar, Shellbrook, Holbein, and my own city of Saskatoon, Mr. Speaker.

Mr. Hagel: — Thank you, Mr. Speaker. It is my honour to rise to present, pursuant to rule 11, the signatures of over 600 signatories to the same petition objecting to the privatization of SaskPower. Mr. Speaker, these signatories come from communities such as Central Butte, Midale, Bienfait, Hudson Bay, Bradwell, Indian Head, Saskatoon, Rosthern, Regina, Moose Jaw, and others. And it is my honour to present them to this Assembly.

Mr. Anguish: — I rise under rule 11, Mr. Speaker, and pursuant to rule 11 I'd like to present a petition concerning the privatization of the Saskatchewan Power Corporation. These signatories, who are residents of the

province of Saskatchewan, do not wish the privatization of SaskPower to take place. And the signatories come from Moose Jaw, Saskatoon, Unity, Humboldt, Lanigan, Rosthern, Duck Lake, Laird, Aberdeen, and Battleford.

Mr. Speaker, this brings to total 2,700 petitions that I have personally presented in this Legislative Assembly, and I hope to present more to you, sir.

Ms. Atkinson: — Thank you, Mr. Speaker. I also rise pursuant to rule 11 to present a petition signed by over 600 people who are residents of the province of Saskatchewan. These people are opposed to the privatization of the Saskatchewan Power Corporation, and they have signed a petition outlining their opposition to the privatization of SaskPower.

These petitioners are from a number of communities including Kinistino, North Battleford, Dalmeny, Regina, Allan, Biggar, Prince Albert, Hanley, Lintlaw. Many of the people who have signed the petition are residents of my own constituency, Saskatoon Nutana.

Mr. Solomon: — Thank you, Mr. Speaker. I rise as well pursuant to rule 11 to present a petition to this Assembly for over 600 residents of Saskatchewan. These petitioners are urging the Government of Saskatchewan not to privatize SaskPower but to keep this major public utility in the service of all Saskatchewan people rather than the hands of a few wealthy outside of the province.

These petitioners are from a number of communities, Mr. Speaker, including Moose Jaw, Tuxford, Drinkwater, Rouleau, Bateman, Sifton, Shamrock, Gravelbourg, Fort Qu'Appelle, Swift Current, Kronau, and my home community of Regina.

Mr. Kowalsky: — Mr. Speaker, pursuant to rule 11 I rise to present a petition on behalf of 600-some people from the districts of Biggar, Mildred, Wakaw, La Ronge, Aberdeen, Perdue, Allan, Dundurn, Hague, Plunkett, Asquith, Leoville, Marcelin, Delisle, and Warman. Each one of them has signed to voice their opposition to the privatization of SaskPower.

Ms. Simard: — Thank you, Mr. Speaker. I too rise pursuant to rule 11 to file a petition with the Legislative Assembly protesting the privatization of SaskPower. There are approximately 600 names on this petition and they come from communities such as Dorintosh, Meadow Lake, Codette, Duval, Landis, Wilkie, Killaly, Fort Qu'Appelle, Glenavon, Unity, Chitek Lake, Leroy, Cupar, and Avonlea. Thank you.

Mr. Upshall: — Thank you, Mr. Speaker. I too rise pursuant to rule 11 to present a petition on behalf of approximately 600 people who are adding their name to the tens of thousands of people who are opposed to the government's plan to privatize SaskPower. These people come from areas such as Humboldt, Lanigan, Hoey, Bruno, Perdue, Rosthern, Birch Hills, and Gronlid.

Mr. Mitchell: — Mr. Speaker, I rise also pursuant to rule 11 to present petitions signed by approximately 600 citizens of the province, all of whom are urging the provincial government to stop the privatization of

SaskPower. The people who have signed this petition are from communities such as Borden, Medstead, Strasbourg, Lucky Lake, Lestock, Weldon, Fort Qu'Appelle, Prince Albert, and Saskatoon.

Mr. Pringle: — Thank you very much, Mr. Speaker. I'm honoured to once again rise pursuant to rule 11 to present a petition to the Assembly of approximately 600 names of Saskatchewan residents. As you know, the right to petition is at the heart of our parliamentary system; therefore, I compliment the citizens of Saskatchewan for overwhelmingly taking part in such a fundamental, democratic process.

These 600 residents are from communities of Landis, Biggar, Rosetown, Allan, Borden, Young, Watrous, and Saskatoon. They asked the provincial government not to privatize SaskPower as it is not in the best interests of all Saskatchewan residents. Mr. Speaker, it is with pleasure that I table these names today. Thank you.

Mr. Lyons: — Thank you, Mr. Speaker. I too rise to present to you, to the Assembly, 600 petitioners of those who oppose the privatization of the Saskatchewan Power Corporation, who oppose the selling off of a public utility to wealthy out-of-province investors. These petitioners, Mr. Speaker, come from such communities as Saskatoon, Allan, Clavet, Gronlid, Codette, Wilkie, Landis, Bengough, Willow Bunch, and represents over 3,100 petitions which I've had the honour to present to the Assembly.

Mr. Calvert: — Mr. Speaker, under rule 11 I rise to present yet another 600 names of Saskatchewan residents. These people make their homes in the communities of Endeavour, Ponteix, Parkbeg, Bateman, Hodgeville, Gravelbourg, Liberty, Crane Valley, Swift Current, and my home community of Moose Jaw, and they are unanimous in opposing the privatization of SaskPower.

Mr. Lautermilch: — Thank you, Mr. Speaker. I too rise pursuant to rule 11 to present a petition on behalf of over 600 Saskatchewan residents who are opposed to the privatization of the Sask Power Corporation and are exercising their democratic right to display their opposition.

Mr. Trew: — Thank you, Mr. Speaker. I'm again honoured to rise pursuant to rule 11 to present petitions. Today I have a list of over 600 signators to the petition of people opposing the sell-off of SaskPower. These people understand that SaskPower is there for the benefit of all Saskatchewan people and therefore are urging the government not to privatize it.

These 600 people are from places such as Lestock, Punnichy, Dysart, Radville, Bankend, Outlook, the James Smith Reserve, Sifton, Regina, Fillmore, Odessa, Moose Jaw, Pennant, Kyle, Hodgeville, Stockholm, Killaly, Melville, and Kinistino. And indeed, Mr. Speaker, the good folks of Punnichy ran out of paper. Obviously if we made a mistake, it was we sent too small a petition out.

Ms. Smart: — Thank you, Mr. Speaker. I too am honoured to rise pursuant to rule 11 to present to this Assembly a

petition signed by a number of people in different communities in Saskatchewan.

This petition is addressed to all of the members of the Assembly, including the members opposite, urging them to urge the provincial government to stop the privatization of SaskPower. The people who have signed this petition understand very clearly that the privatization of SaskPower will lead to higher utility rates for Saskatchewan people and will benefit only the wealthy investors. They're opposing the privatization of SaskPower, Mr. Speaker.

And among the approximate 600 signatures, only a few of the many communities represented include Cando, Battleford, Martensville, Landis, Rosetown, Perdue, Arelee, Allan, Spruce Home, Eston, and many signatures from my constituency of Saskatoon Centre.

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 Eston, Loreburn, Moosomin, Kamsack, Rosetown, Regina, and Saskatoon.

Mr. Koenker: — Mr. Speaker, I rise pursuant to rule 11 to present a petition from the communities of Ogema, Creighton, Aberdeen, Hafford, Kipling, and many others, all of whom are opposing the sale of SaskPower. There are some 600 names or 48 sheets of paper here.

Mr. Romanow: — Thank you very much, Mr. Speaker. I would like to join my colleagues, pursuant to rule no. 11, and table additional petitions with respect to this important issue.

Before taking my place I would just simply advise, Mr. Speaker, that today, by today's petitioning process, we have tabled the names of approximately 16,000 additional signators to the petitions of 50,000-plus that we tabled yesterday.

I simply want to tell you, Mr. Speaker, that in the days ahead we do not anticipate this to be the last of the petitions, but a continuation of the people's desire that the government opposite listen and drop totally, finally, and completely, the SaskEnergy Bills.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Petersen: — I would like to ask leave to introduce some guests, Mr. Speaker.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Petersen: — Thank you, Mr. Speaker. I'd like to draw your attention to your gallery where I have 14 students in

from the Elfros School in Elfros, Saskatchewan. They are going to be joining me later for a small question period, I hope, and some refreshments in the members' dining room. Their teachers are Patricia Hack, Wendy Wilkinson, and their bus driver is Doug Ford. I'd like all members to join me in welcoming them here today and wishing them a safe journey home.

Hon. Members: Hear, hear!

READING AND RECEIVING PETITIONS

Acting Clerk: — Pursuant to rule 11(7) I have examined the following petitions and found them to be in order:

Of certain residents of the province of Saskatchewan praying that the Legislative Assembly may be pleased to urge the provincial government to stop the privatization of SaskPower.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

Federal-Provincial Drought Payment

Mr. Romanow: — Thank you, Mr. Speaker. My question today is to the Minister of Agriculture, the hon. the Premier, and it concerns the federal-provincial drought payment announcement back in November of 1988, and it deals with my puzzlement about the way this matter has been handled by the governments in Regina and Ottawa.

First an announcement in November of 1988, which we now find out apparently did not have the ground rules clear as to who pays what. Secondly, during the period running up to the federal budget, the silence of our Premier and our government in advocating the necessity of the federal government complying with the promise. And now, thirdly, that the federal Wilson budget is down and the numbers are written and farmers are clearly out about 400 to \$500 million. Now the Premier, you're going to Ottawa on Friday to fight for the drought payments.

This surely is a bizarre way to fight for drought payments for rural Saskatchewan. My question to you, sir, is simple and very clear-cut: how in the world do you justify this kind of political negligence and leaving the farmers out their in the wind — the dry wind — and not insisting that those drought payments are made and having been made in January of this year when they should have been?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, as a result of our lobby with the federal government, we have been able to deliver hundreds of millions and indeed billions of dollars of cash to farmers in western Canada and certainly in the province of Saskatchewan like they've never received before.

I will say to the hon. member, as I have on earlier occasions, this drought payment is to be made during the crop year 1988-89, and it will be, Mr. Speaker. We will

see that. And as they explained, the initial payment will go out for seeding, and the final payment will be out before the end of the crop year. Well, Mr. Speaker, as you know, if you had a crop you'd be marketing it as the quotas come along, and you market it throughout the crop year.

So if this amounts to something like 840 or \$850 million, most of it, or at least half of it, coming to the province of Saskatchewan, it will, Mr. Speaker, amount to in the neighbourhood of 25 to \$40 an acre, which on a thousand acres would be \$40,000, Mr. Speaker, to members and residents in the province of Saskatchewan who suffered drought. And I fully expect that to be the case, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Mr. Speaker, I have a new question for the Premier. The promise made by the Prime Minister, Mr. Mulroney, and by yourself in November to the people of this province, the farmers, was a drought payment of \$45 per acre. Some several months have gone by; we're in the spring seeding period. This money ought to have been, should have been in the hands of the farmers long before this time, especially in the light of their crisis.

I am asking this question to you, Mr. Premier. How in the world is it that you can justify this inordinate delay of time in the development and the announcement and the implementation of this policy in the face of your election promise? What in the world has preoccupied you? What's the reason for the delay? Are you so preoccupied with your privatization mania that you have forgotten this very important sector, the farming community?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, the hon. member knows that this is a federal program, and the federal government was re-elected because, Mr. Speaker, they have listened and provided a great deal of support to farmers all across western Canada. And we said, Mr. Speaker, that this will be made in two payments in the crop year. Well the first payment is out, and the second payment will be there before the end of the crop year, and I'm going to hold them to the fact that it's 40 to \$45 an acre, as they said, Mr. Speaker. So we will see when the final payment comes out.

Now I would like more money faster, even more money than this, but I can honestly say, and I'm sure the hon. member knows, that when farmers have faced difficulty before we've never seen this kind of support, ever. This is the most they've ever received against high interest rates, drought payments, deficiency payments, lots of payments, Mr. Speaker — over \$100,000 per farmer in the province of Saskatchewan. That's pretty significant, Mr. Speaker, and I think, in due fairness to the federal government, when they said that they're going to pay it in two payments, initial and final, we should let them make their initial and final payment in the crop year, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Mr. Speaker, I have a new question to the hon. the Premier, the Minister of Agriculture. There are some reports out of Ottawa that the July payment itself is going to be delayed and that the announcement is going to be made fairly soon, perhaps even at your ministers' meeting on Friday.

I wonder if the Premier would be able to tell us whether or not he has information to that effect, that even that July is a possibility of further postponement. And secondly, will the Premier undertake to assure the farmers of the province of Saskatchewan that, come hell or high water, whether it's your twisting the arm of Mr. Mulroney until it virtually almost comes off, or whether it's your arguments, or whether it's the provincial purse, you're not going to come back from Ottawa until the farmers of this province are guaranteed that that promise is fulfilled, namely \$45 per acre, because they need it.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, maybe I can . . . (inaudible) . . . I'll certainly give the hon. member the assurance that I will fight very hard for Saskatchewan farmers, and we will work, Mr. Speaker, to deliver as we have in the past. I could maybe invite him . . . He wanted to twist the Prime Minister's arm. Maybe we could both go down there and we could ring the bells, Mr. Speaker, or we could do some unparliamentary function that we could go down and he could get a little national attention along with some of his colleagues, Mr. Speaker.

Look, I fully support the farmers in this province, Mr. Speaker, and work extremely hard and long hours to deliver programs and support, financial support and protection against high interest rates and drought and flood and international fairness of unfair subsidies that we have dealt, Mr. Speaker, and dealt with. And we'll continue to do that to the very best of our ability. And I believe that farmers know that we're trying very hard on their behalf, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Mr. Speaker, I have a new question for the Premier. I don't have my travel bags packed, but if he wants to invite me, I'll come down and join him in this cause. He can sing the Hallelujah Chorus; I'll fight for the \$45 per acre, but I'm not going to leave Ottawa until they come back.

Some Hon. Members: Hear, hear!

Mr. Romanow: — How about it? How about it? And more importantly than that, if you don't accept the request, then I want to put this question to you very succinctly. I want to put this question to you succinctly. Please, if I could have your attention. The Minister of Finance is giving you an answer. If you won't take me down, I want to ask you this question and I want a clear answer to this legislature.

Not that you're not going to fight hard, because I don't think you're capable of it, totally; I want you to come back to this legislature and make the commitment today that you're not coming back until that election promise

that you and Mr. Mulroney made is in your pocket and to be delivered, and delivered before July 31. There's no reason for the delay. Give us that commitment and your promise today.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Well, Mr. Speaker, I just have just a little bit of a hesitation in inviting the hon. member along. I don't think Allan Blakeney ever took him to defend agriculture in the history of the time when he was deputy premier because it never . . .

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — . . . We looked at 21 per cent interest rates, Mr. Speaker, and nobody over there had any smack at all, and it took a new government to do that. Look, I would say, Mr. Speaker, that the hon. member knows that he didn't defend anybody in agriculture, and to take him along right now wouldn't do the farmers of this province any good.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — In fact, Mr. Speaker, a good part of the problem in agriculture today in the province of Saskatchewan is the result of the fact that the hon. member, when he had a chance to protect farmers, didn't do it, and they've suffered from that ever since. And they often remember that, and I'm sure they do in Assiniboia-Gravelbourg and other places.

I will say to the hon. member that, as I said at the outset, we've worked very hard to make sure farmers received deficiency payments and drought payments, and we will be holding the federal government to this payment, Mr. Speaker.

Removal of Oats from Canadian Wheat Board Jurisdiction

Mr. Upshall: — Thank you, Mr. Speaker. I too have a question for the Minister of Agriculture and it concerns another privatization supported by this privatization-mad government, and that, of course, is the decision to remove oats from the jurisdiction of the Canadian Wheat Board.

The Speaker: — Order, order. Order, order, order. Order. I'm having great difficulty hearing the member from Humboldt, so I'll give him an opportunity to repeat his question.

Mr. Upshall: — Thank you, Mr. Speaker. It is obvious when a government is slipping and suffering, they are very sensitive on these issues. And this is a case of the privatization of the Canadian Wheat Board, supported by the Premier, the Minister of Agriculture.

Mr. Minister, in light of the poll released by Decima Research this week, conducted by the Saskatchewan Wheat Pool, which shows that 72 per cent of Saskatchewan producers feel the federal government should reconsider the move to remove oats from the jurisdiction of the board, will you stand in your place now, Mr. Minister, stand in your place and reverse your

decision to go on blindly supporting the Mulroney federal government?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, I only said that I would observe and monitor the situation to see if it in fact it worked as a result of the fact that only 1 per cent of the oats . . . or the wheat board sales were associated with oats, and in fact the domestic livestock industry wanted to have access to a market here and the processors.

And particularly as a result of, I believe, the recent research, Mr. Speaker, on breakfast cereal that says that oats is very good for you and they want more of it to go in there, and there are many of these niche markets throughout North America and indeed the world, that people are looking at selling to, so I said, I'll examine it and see how it goes.

It didn't, as some forecast, seem to hurt the price, Mr. Speaker. The price for seed oats has gone up. The price of oats have generally gone up, and certainly, if I'm not mistaken, even more than some of the other commodities. So we just want to examine it and see how farmers look at this.

The majority of Saskatchewan farmers don't grow oats. They can use it, and obviously the livestock sector certainly needs some support as well as the grain sector. And that balance between the livestock and the grain sectors is a good one to have, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Upshall: — Question to the same minister, Mr. Speaker. Mr. Minister, people of Saskatchewan, the farmers in particular, are getting quite sick of your arrogance when it comes to the issues of agriculture.

Some Hon. Members: Hear, hear!

Mr. Upshall: — We know that the government consulted with the Alberta Sheep and Wool Commission, and it consulted with the Manitoba Farm Business Association, but what about the farmers of this province? Eighty-two per cent, 82 per cent of the Saskatchewan producers thought that there was inadequate consultation. To quote from the report by your polling firm, Decima, I quote:

Clearly, much of the disapproval surrounding the government's decision is driven by a sense of alienation felt by farmers."

Mr. Minister, what drives you to blindly support the Mulroney government and your big-business friends instead of the overwhelming number of farmers who disapprove of this action?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, I don't know that this is a question with respect to oats as it is with respect to loyalty. And the hon. member says, why do I support the Prime Minister. I know that the members opposite continued to support Tommy Douglas when he was on

the board of directors of Husky Oil. And they did, and they said, well that's fine for a CCF (Co-operative Commonwealth Federation) premier to be on that, and I know that they supported Allan Blakeney when he had his plan to sell shares in natural gas and uranium and potash. And they continue to support him today, Mr. Speaker.

I just point out, if it's all right for you to support Tommy Douglas on the board of directors of a major oil company with a pretty big expense account, if it's all right for them to support Allan Blakeney putting . . . (inaudible interjection) . . . It has a lot to do with the question, it has to do with loyalty. And you supported Blakeney with respect to selling shares in everything from aspen to ammonia to potash, uranium, and natural gas.

Now if it's all right for the NDP to support an NDP or CCF premier on an oil company board of directors and a premier here of the NDP wanting to sell shares in natural gas, then I think it's quite appropriate for Grant Devine, the Premier of Saskatchewan, to support a Conservative prime minister if in fact he's delivered \$100,000 apiece to the farmers in Saskatchewan and help protect them against high interest rates, Mr. Speaker.

Some Hon. Members: Hear, hear!

The Speaker: — I realize the hon. member was using his own name; however, it's still not acceptable.

Mr. Upshall: — Thank you, Mr. Speaker. I'm not sure whether the member is becoming unravelled, but when it comes to ducks and Douglas, I think he's going a little bit quackers.

Some Hon. Members: Hear, hear!

Mr. Upshall: — Mr. Minister, I would like to have another quote, another quote, and this is the essence of this whole issue. I quote:

It would appear that these farmers recognize that the removal of oats is a larger issue and that there are implications for the ongoing viability of the Canadian Wheat Board.

The farmers recognize this for what it is, the first step to privatize the grain marketing and the end of the wheat board. They can see through that charade.

Since 94 per cent of the Saskatchewan producers want the wheat board as their marketing agency, Mr. Minister, I ask you this: why are you still attempting to deceive them with your double talk? I give you a chance now to stand up in your place, support the Canadian Wheat Board by showing some action of reversing your decision to remove oats from the jurisdiction.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, I think that it would be at least fair to put the hon. member's question in perspective, and for the public and for the media, that we're sitting in this Legislative Assembly after several years of drought and grasshoppers and \$2 wheat, and

today there's 85 kilometre winds and the dust is blowing. It's very difficult for farmers. And the hon. member's standing up and talking about oats, whether it should be in the Canadian Wheat Board or whether it shouldn't.

Now, Mr. Speaker, I think that it's fair to ask legitimate questions about drought and ask legitimate questions about what we can do for irrigation and help drought-proof the province of Saskatchewan, about new crop insurance mechanisms, about what we can do to have water for people in towns and villages and all kinds of things that are possible to help farmers now. And he skates right over that, Mr. Speaker, in the face of what's going on today in this province and says, well what about oats?

Well, Mr. Speaker, I'll tell you, in 1981 and '82 when interest rates were 20 per cent, when the government of the day, the NDP, were buying land bank, you could do polls all across this province, Mr. Speaker, and they didn't have to have one. All you had to know was that they didn't stick up for the farmers, they never have, they haven't today, and they don't in the future.

Mr. Speaker, the relevant issue today is how farmers can get their crop in under these conditions and expect some support from a government as they've seen in the past. That's the relevant question for question period — not oats, Mr. Speaker.

Some Hon. Members: Hear, hear!

Placing of Priorities

Mr. Romanow: — Mr. Speaker, I have a new question to the Minister of Agriculture, and it has to do with priorities, it has to do with priorities. The Premier of this province got up and he said "loyalty." And he said the loyalty was, as far as he was concerned, Brian Mulroney, the leader of the party.

I ask the Premier of the province of Saskatchewan on priorities: to whom is your loyalty, first loyalty to — to Brian Mulroney and the Conservatives, or to the people of the province of Saskatchewan? Where's your first loyalty?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Well, Mr. Speaker, I will go back and remind the hon. member that I'm sure that he supported Allan Blakeney, the former premier of this province, when he planned to sell shares in everything. Right?

An Hon. Member: — Including natural gas.

Hon. Mr. Devine: — Including natural gas. Where was your loyalty? Was it there?

The premier, the premier of the province of Saskatchewan, the NDP premier said, we will sell shares in potash mines, uranium mines, and natural gas. That was the share program, and for people all across the province including on the Canadian stock exchanges, and you supported him.

Where are you today? Where are you today? Where's your loyalty? Where's your loyalty when it comes down to the question of supporting a former CCF premier, okay? On the board of directors of Husky Oil to expand . . . did you support him? Who were you concerned about? Who were you concerned about?

Mr. Speaker, when it comes to farmers, when it comes to interest rates, when it comes to diversification, when it comes to expansion and processing and manufacturing, there's no concern over there, Mr. Speaker. It's all rhetoric, all rhetoric, and they don't know what loyalty is, let alone economic development.

Some Hon. Members: Hear, hear!

(1445)

Mr. Shillington: — Given the quality of some of the Minister of Agriculture's answers, one must wonder if you haven't been standing in the sun too long, perhaps intrigued by the subject of ducks and their activities in south-east Saskatchewan.

Perhaps, Mr. Speaker, at another time when there are fewer school children in the gallery, we may want to indeed question the Minister of Agriculture about what he knows and, more importantly, how he came to know it, but not now.

Some Hon. Members: Hear, hear!

The Speaker: — Order, order. Will the member get on with his question.

Mr. Shillington: — My question directed to the Minister of Agriculture concerns not the subject of peeping Toms, but the subject of your comments, made apparently in Vancouver, that farmers are not doing their share to help bring the federal deficit under control. It's a sign of how blind and unquestioning your allegiance is to your friend, Brian Mulroney, that you'd make such a comment, and not as well give voice to their concerns that fuel prices are going up on January 1, that they'll be paying interest rates on cash advances, and that the federal budget provides massive cuts in programs from Agriculture Canada. You said none of those things, and instead you suggested that farmers should be doing more than their fair share.

The question, Mr. Minister, is: will farm families ever be able to depend upon you to voice their concerns?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, the hon. member and I grew up not too far apart from each other on farms.

An Hon. Member: — I didn't spend my time being . . . (inaudible) . . .

Hon. Mr. Devine: — Well at least I grew up; I don't know about the hon. member.

An Hon. Member: — At least one of you grew up.

Hon. Mr. Devine: — At least one of us grew up.

I can say to the hon. member that his family and the neighbours where we farm, Mr. Speaker, have received a great deal of money from the Prime Minister's government and from this administration — a great deal of money — and he knows that. And I'm sure his relatives can attest to the tens of thousands of dollars that they have received in drought payments, deficiency payments, and other programs to help people, as well as the cash advances for the livestock industry that weren't there before.

I will say that your relatives, the same as mine and others that farm in agriculture, are always worried about interest rates, and my comments in Vancouver with the ministers of Agriculture saying we have a part to play in reducing interest rates, and that can only be done if we can get the national debt down. Now that just seems reasonable.

If you look at some interest on cash advances at the elevator, Mr. Speaker, it might run into, on average, 2 or \$300 a year. The average farmer will receive about \$25,000 a year, Mr. Speaker, with respect to the payments that have been coming forward on drought and deficiency. And he doesn't have to. I mean, it's obviously an option that they can use.

I've said it's not unreasonable for everybody to participate in the process of reducing interest rates and balancing the budget at the national level. And I think your own constituents would say that. Those that have more income pay higher tax; those that have less income pay less, Mr. Speaker.

And certainly from the urban markets we have heard over and over again that, well, the farmers are getting too much, therefore we should be careful with them. Well I think, Mr. Speaker, the Leader of the Opposition just said we should go give more money to the farmers, and the leader . . . or the member from Regina Centre standing up and say, well I'm not sure that that should be the case because in fact they can't afford it, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Shillington: — A supplementary, Mr. Speaker. Your comments, Mr. Minister, were made in the context of the need to bring the federal deficit under control. In light of the fact that the federal deficit has doubled since that administration took office, and the provincial deficit, the highest per capita in Canada, is entirely your own creation, the question which farm families are asking: is it really fair that they have to bear the burden of your mismanagement?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, they've just finished asking for more money from the taxpayers to farmers, and they want more from governments. They want more from this government and from the federal government and they want it out there. And then they say, well, for Heaven's sakes, you're going to have a deficit as the result of drought and the result of grasshoppers and international subsidies, Mr. Speaker . . . (inaudible interjection) . . . Well, now, come on, you've got to be

fair; you've got to be fair.

I mean, the former premier, Mr. Speaker, the former premier, Allan Blakeney, stood in this legislature and he said on many occasions, look, under these circumstances I'd have a debt as well. He said, I wouldn't have as big a debt. Well that's fair enough; that's a little politics. But the fact is, somebody had to put their shoulder to the wheel and help farmers, and we have, at the national level and at the local level, Mr. Speaker, and that costs some money.

I said I would defend Saskatchewan farmers with the very treasury of this province. I have, Mr. Speaker, and I will continue to do that for the people of this province.

Some Hon. Members: Hear, hear!

INTRODUCTION OF BILLS

Bill No. 24 — An Act respecting the Rebate of Income Tax Payments to Public Utility Companies

Hon. Mr. Hodgins: — Mr. Speaker, I move first reading of a Bill respecting the Rebate of Income Tax Payments to Public Utility Companies.

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

Bill No. 25 — An Act to amend The Saskatchewan Pension Plan Act

Hon. Mr. Lane: — Thank you, Mr. Speaker. I move first reading of a Bill to amend The Saskatchewan Pension Plan Act.

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

Bill No. 26 — An Act to amend The Planning and Development Act, 1983

Hon. Mr. Klein: — Mr. Speaker, I move first reading of a Bill to amend The Planning and Development Act, 1983.

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

Bill No. 27 — An Act to amend The Mineral Resources Act, 1985

Hon. Mrs. Smith: — Mr. Speaker, I move first reading of a Bill to amend The Mineral Resources Act, 1985.

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

Bill No. 28 — An Act to amend The Psychiatric Nurses Act

Hon. Mr. McLeod: — Mr. Speaker, I move first reading of a Bill to amend The Psychiatric Nurses Act.

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

Bill No. 29 — An Act to amend The Tobacco Tax Act

Hon. Mr. Lane: — Mr. Speaker, I move first reading of a Bill to amend The Tobacco Tax Act.

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

Bill No. 30 — An Act to amend The Fuel Tax Act, 1987

Hon. Mr. Lane: — Mr. Speaker, I move first reading of a Bill to amend The Fuel Tax Act, 1987.

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

Bill No. 31 — An Act respecting Certain Adults Requiring Guardianship

Hon. Mr. Andrew: — Mr. Speaker, I move first reading of a Bill respecting Certain Adults Requiring Guardianship.

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

Bill No. 32 — An Act respecting certain Consequential Amendments to certain Acts resulting from the enactment of the Dependent Adults Act

Hon. Mr. Andrew: — Mr. Speaker, I move first reading of a Bill respecting certain Consequential Amendments to certain Acts resulting from the enactment of the Dependent Adults Act.

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

Bill No. 33 — An Act to amend The Regional Parks Act, 1979

Hon. Mr. Maxwell: — Mr. Speaker, I move first reading of a Bill to amend The Regional Parks Act, 1979.

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

Bill No. 34 — An Act to amend The Parks Act

Hon. Mr. Maxwell: — Mr. Speaker, I move first reading of a Bill to amend The Parks Act.

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

Bill No. 35 — An Act respecting the Implementation of the Grasslands National Park Agreement

Hon. Mr. Maxwell: — Mr. Speaker, I move first reading of a Bill respecting the Implementation of the Grasslands National Park Agreement.

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

Bill No. 36 — An Act to incorporate the Wanuskewin

Heritage Park

Hon. Mrs. Duncan: — Mr. Speaker, I move first reading of a Bill to incorporate the Wanuskewin Heritage Park.

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

(1500)

ORDERS OF THE DAY

GOVERNMENT ORDERS

COMMITTEE OF FINANCE

Motions for Interim Supply (continued)

Hon. Mr. Lane: — One of the questions that I undertook to answer was the per diems on the commission, and they were 450 for the chairman, 350 for the commissioners.

Mr. Lingenfelter: — I just want to ask the minister a couple of questions regarding the per diem. What expenses would be on top of that, or would the 450 include expenses?

Hon. Mr. Lane: — There's no stated. We're assuming that it's the normal PSC (Public Service Commission) expenses on that.

Mr. Lingenfelter: — And I just want to be clear on this, that it would be \$450 per day plus expenses.

Hon. Mr. Lane: — That's right.

Mr. Lingenfelter: — Well is there any number of days specified in the agreement or the contract that has been obviously signed or agreed to by the members of the panel and the chairperson?

Hon. Mr. Lane: — No, they're to report by, I believe, October 1.

Mr. Upshall: — Thank you, Mr. Chairman. Today I would like to get into a little bit of a discussion about the drought payment and how it's going to break down as far as federal-provincial relations are concerned. As you will know, this drought payment is a very, very important aspect in relationship to the economy of Saskatchewan. It's an investment in the continuation of an industry that we have to have maintained in this province in order that we see our small towns and our communities survive and maintain a good, healthy way of life.

Before the last federal election, Mr. Chairman, the drought payment was promised, promised to be a one-time payment at 40 to \$45 an acre. It was promised to come shortly after the New Year and be in the hands of the farmers so that they could put forward some of their projections for the year to come, because they had crops to seed and they had a lot of input costs that they had to deal with.

Now this announcement was then . . . all of a sudden it started to change. First of all there were delays in that it was going to be two payments instead of one. And then

there was a confrontation between the federal and the provincial governments. And I say it's a confrontation, but I'd like to outline to you what I think happened. Before the election, the provincial government, I believe, made a commitment to the federal government that it would put in a portion of that drought payment. I believe it also made a commitment — I'm just speculating here — but I think it also had a commitment to administer the program, and then after the election was over we saw a withdrawal of that commitment. And that is the reason why we have seen the delay continually going on, on this drought payment.

So in this interim supply Bill, because the leader of this government has said that there may be some money coming now, it is important that we know what portion, how much, and from where it's going to come. It is very unfortunate that it has taken a long time; in fact, many of the farmers today still do not have their initial payment.

When they were promised 40 to \$45 an acre from a drought payment in the hardest hit areas — and that covers about 50 per cent or more of this province — first of all, the need was identified to be twice what was coming out of Ottawa and the government in Regina. But we had to settle for a somewhat inadequate figure, and even now that figure, which is supposedly \$427 million for Saskatchewan, is being put in jeopardy. They're trying to whittle away at it again by stalling, by not coming forward and saying, yes, we're going to support the farmers of this province.

And for a government who, with this interim supply Bill, is supposedly supporting the farmers of this province to be delaying in such a manner is hypocritical and it's evil, because I do not believe that any commitment made during federal elections should be withdrawn and reneged upon after that election's over. And this Minister of Finance and the Premier of this province have a commitment through things like this interim supply Bill. They have a commitment to put forward a position that is clear, concise and adequate to cover the needs of the rural communities out there.

I say that, Mr. Chairman, because of the desperation in rural Saskatchewan. When I look out that window today and see the clouds, dust clouds rolling in, I get a little bit sick, because there is such a tremendous need for stability of income in the rural areas of this province that we need this minister to tell us through this interim supply Bill how much of that is going to be allocated to the drought payment; how much of that is going to be put forward to alleviate some of the concerns that the rural people, the farmers of this province have, when they look out their window today and see their land drifting away.

They went through it last year. This is the irony, the hypocrisy of this whole thing. They went through it last year, day after day, watching the sun beat down and the wind blow and the government saying yes, maybe; yes, no, maybe so. And again we're starting this year.

And I hate to have a negative attitude, but as a farmer, when I sit back and see that wind blowing away my land, I can't help but wonder if this is going to be a repeat of last year. And if it is going to be a repeat of last year, why

would this government, when they see what's happening this year, why would they not establish clearly what they are going to put into a drought payment, if any, if they're going to administer. What decision has been made between them and the federal government? What portion of the interim supply Bill is going to be put forward to cover off part of that drought payment?

Because we see in the federal budget \$425 million budgeted for a drought payment — \$425 million, which is half of the \$850 million that was promised — half of what was promised.

And when I wrote a letter to Don Mazankowski, the Minister of Agriculture in Ottawa, he said they were in negotiations with the province, negotiating who was going to pay what share.

But what's happening in the meantime? What's happening to a farmer who got \$12 an acre when he was promised 40 or 45, and he has to put in, you know, \$50 an acre of input costs? How far does that \$12 go? It doesn't go very far. That's why it is incumbent upon this minister and his Premier to outline to us the exact rules.

And now we see the Premier going down to Ottawa where he's still going to be negotiating, still going to be negotiating what the portion of the provincial share will be . . . (inaudible interjection) . . . Mr. Chairman, is the hon. member in the debate, Mr. Chairman? If he isn't, I would ask you to ask him to be quiet please.

So therefore, Mr. Chairman, we see a promise made of 850 million, and the farmers thought 40 to \$45 an acre from a drought payment. But what's happened? We see all of a sudden a promise made and a promise broken, because now the Premier is saying, well we're going to add crop insurance onto that, and we're going to add any production you got on top of that. And with all that, that's going to add up to \$45 an acre.

Well that just is not acceptable when the impression left by this government and the government in Ottawa was that the farmers were going to get 40 to \$45 an acre through a drought disaster payment. And they have not told the truth on this.

And now we have to find out. After we've gone through this whole process of promises, dragging out the commitment, we see another drought coming upon us, possibly. We see farmers who, some of them have not received even their initial payment, and won't get the final payment until hopefully July if not later.

In this whole scenario, where is the government of Saskatchewan and why are they not standing up for the farmers of this province? It is absolutely insanity, after looking at what happened last year and knowing the need. When you talk to farmers, they do not know what to do; they're changing their minds every day. They're going through the motions of seeding and hoping that it rains. They're having difficulty getting advances, operating capital.

And where is this government? It's busy negotiating how much they're going to put in, trying to hold on to as little

as possible with the federal government while the farmers out there are going broke — at the same time they're foreclosing upon them. And we could get into that here too, Mr. Chairman. How much of this money is going to be used to pay the lawyers to foreclose upon the thousands of Saskatchewan farmers? I mean, those kinds of questions have to be answered.

And I just don't know why any government would act in such a manner when there is a crisis out in rural Saskatchewan. I mean, the Premier says he's putting the treasury behind and he's put in billions of dollars. Well I tell you, that is not true. He's taking claim for every ounce of money that comes out of Ottawa, saying that he did it. But when it comes down to taking blame for something, he says, it's not my fault, not my fault. I mean, you can't have it both ways.

So, Mr. Chairman, I would ask the Minister of Finance: what portion . . . or what commitment has been made by your government? What amount of money is going to be put forward from your treasury into the drought assistance program that was announced before the federal election last year? What portion will you be paying?

Hon. Mr. Lane: — As the Minister of Agriculture and the Premier has indicated, that the drought program announced by the federal government is a federal government program. We certainly indicated that there would be some assistance in terms of a new crop insurance program, designed to get away from the *ad hoc* approach in the past.

Those negotiations are going on. The federal government has indicated its response in the budget; we discussed it last night. I don't know if the hon. member heard the discussion or not, but there are negotiations going on.

Today the Premier and Minister of Agriculture indicated that he would be having further meetings this week and I would have thought that, given the severity of the problem if we do have another drought, that the hon. member would have been wishing the Premier good luck in further deliberations and assistance on behalf of the Saskatchewan farmers.

You're right — you have taken a very negative attitude. You've admitted that. We don't minimize the problem; we never have. And this government has tried to respond and we will respond. And you know as well as I do the political debate will be that it's . . . you will say it's never enough. I believe you said that in 1986, that that's not enough. That's obviously your prerogative, your right, your privilege.

But it strikes me that at one time all political parties in this province had talked about trying to find a system so that we get away from the *ad hoc*, case-by-case approach of trying to deal with the natural climatic difficulties, either drought or difficulties such as grasshoppers, and to have some type of system in place so that the farmers know that we have one uniform system that they can all participate in.

(1515)

We are moving that way. We're very much moving that way, and I indicated that last night. Are we there yet? No we're not, but negotiations are going on. They will continue, and that's what I'm telling the hon. member. There'll be meetings this week, and the Premier will be there on behalf of Saskatchewan farmers to express the concerns, the difficulties that Saskatchewan farmers make, and we will be in consultation with Saskatchewan farmers as well, to assess their needs.

Mr. Upshall: — Mr. Chairman, I'd like to ask the minister, if he says the negotiations are ongoing, first of all I would ask him: does he have a preliminary agreement with the federal government after the portion that will be put in by the provincial government?

Hon. Mr. Lane: — Well I've indicated that negotiations are going on, and there will be many draft options put forward by all parties. And we should remember that we are looking at a national scheme. I would be optimistic that we would have certainly something this year that will be at least acceptable to most Saskatchewan farmers, if not all of them.

It's a rather complex issue of trying to get a national scheme to give comfort to farmers all across Canada. We've been working on that. This government has been leading that direction. We believe it's the right way to go, and we are optimistic that we will have a plan and a proposal that will be accepted to the vast majority of Saskatchewan farmers and will be of assistance to them.

Mr. Upshall: — Mr. Minister, I'd ask you: could you give me a specific answer as to when your government made a commitment to the federal government to partake in this drought program? When did you make your commitment that you would partake in this program?

Hon. Mr. Lane: — I think what I already indicated to you, that we view the drought program as a federal program, but we have always indicated that we are prepared to co-operate and assist if we can get some type of system out there so that the farmers will have either an insurance or whatever form it's going to take, knowing that it will be one scheme that will deal with drought or flooding or grasshoppers, the different factors that can cause serious difficulties for agriculture. So we're looking at a comprehensive scheme, and I can't tell you when negotiations will be finalized. I hope that something can be done this year. We're trying to get it done as soon as possible, keeping in mind that we want it to be acceptable to at least a substantial percentage of Saskatchewan farmers.

Mr. Upshall: — We've heard that song and dance before. Unfortunately, seven years after your government took office, we still hear you saying that you want to have an all-encompassing program, but we've seen no evidence of that. We've seen 1985 when there was a commitment from your government and the federal government to have a long-term program in place, and I mean, we're still hearing that rhetoric.

Mr. Minister, specifically, when did you begin negotiating your share of the federal-provincial drought deal?

Mr. Chairman: — Order, order. This is interim supply Bill, it's one-twelfth of the budget. There's no money from this Appropriation Bill going towards the federal program. It may be a debate that's relevant at some other time. But I feel that at this time that it's irrelevant to the Bill that's before the committee, and I would ask the member to . . .

Mr. Shillington: — Mr. Speaker, I want to address some remarks to that. You do not know any more than . . . If you know what's going to be spent on drought in the next month or so, then I'd like the Minister of Finance to take that chair; you can take his chair because you know something he apparently doesn't. He has refused to answer those questions.

Mr. Chairman, I didn't mean to be aggressive with the Chair. But we have the right to address questions to the Minister of Finance.

Mr. Chairman: — Order. There's nothing going to be spent out of this Appropriation Bill on drought. It's one-twelfth of the budget. It is not relevant to the federal plan. The minister has said the federal plan . . . that we have no part in it, and I would ask the members to direct their questions according to the Bill that's before the committee.

Mr. Upshall: — Thank you, Mr. Chairman. Obviously the minister has admitted there are negotiations going on. That means that there is currently being expenditures made on the drought payment. There's expenditures from going to Ottawa, negotiating, the staff, negotiating what portion that this government is going to be putting into this program.

So I would ask the minister, during these negotiations, Mr. Minister, during these negotiations that you say are going on, I ask you again: because part of the money from this interim supply Bill obviously has to go to pay staff that you have negotiating this deal, when did you commit to the federal government that you would negotiate with them a portion of this money?

Hon. Mr. Lane: — I have indicated now three times to the hon. member that we view the federal drought program as a federal program. But I have said now on three occasions, and I would ask you to listen, please, that we have been prepared, have talked for some time with the federal government about trying to find a comprehensive plan that will be acceptable to Saskatchewan farmers.

The federal government wants to see it from a national perspective, obviously. And when trying to get the 10 provinces plus the federal government to come up with a scheme acceptable to the farmers of Canada, it's difficult, and I'm not going to minimize the difficulties.

Now if your question is, what are the details of the travel of the officials in the Department of Agriculture to go to Ottawa to work and try and negotiate a scheme? I will suggest to you that that is an inappropriate question for that, and a rather silly one, and that your appropriate question is to the Minister of Agriculture during his estimates.

Now having said that, having said that, what I have now said on three occasions this afternoon to you is that we are trying to negotiate a national scheme that will get away from the **ad hoc** programs for drought or grasshoppers or flooding.

Have we completed negotiations? No, we have not. I have indicated that I am optimistic that we will have some plan this year. My optimism may be misplaced, but we are trying to get one. I believe that most farmers in Saskatchewan would like to see one plan or one scheme, be it through crop insurance which I think we can all assume will be the likely place. But to ask me in interim supply what the travel costs are for an official to go to Ottawa, which is what you've just asked, quite frankly is an inappropriate place to ask it, and I'm being polite.

So what stage negotiations are, I think in fairness your question would be better placed to the Minister of Agriculture upon his return from Ottawa. He's going down on, what? meetings for Friday, I believe. It would be more than fair and proper to ask the results of that upon his return, and he'll be able to give you a much more updated position than I could give you today.

All I can tell you is that negotiations are ongoing. We would like to have a plan; that's our objective. I can't tell you whether negotiations will be completed this year; I'm optimistic that they are. And before any plan is finalized, the only assurance is that we will go out and talk with the farmers and their representatives in this province.

Mr. Upshall: — Well, Mr. Chairman, isn't this fantastic. A promise made in November, before November of 1988 for a drought that took place in 1988, and we're into nearly the middle of May 1989 when farmers are already putting their crop in the ground, and this minister is saying that they're still negotiating. I mean, isn't that a lovely scenario for a minister of this government to admit, that they are so far behind the problem that the money that's being spent here will not even go towards a commitment that was made by the governments to help farmers from a severe drought of last year. What a sorry statement.

And I was not asking what it was going to cost, but I think it's very important that the farmers and the people of this province know why . . . or what portion of the moneys going to the drought program will come from this provincial government. And it's important because they are negotiating with the provincial government. And we have to know, as farmers and people of this province, if what they're doing is going to do us any good.

I mean, they can use all the excuses, he can give me every excuse in the book and use the rules to get around this question, but it isn't going to work, because I tell you we have to know, the farmers are entitled to know what portion and how much they're going to get from this provincial government.

And I want to ask one more question. In light of your negotiations — and I'm sorry to say that you will not answer my question as to when the negotiations started, and I think I know why, because there's been feet dragging and there's been dealing going on between the

federal and the provincial government as just a delaying tactic so that they don't have to . . . They're each trying to hold on to their own purse strings. But who's suffering? The farmers of this province are suffering.

Mr. Minister, during your negotiations, are you taking the position that \$45 an acre is the bottom line for payment to those farmers in the most severely affected drought areas?

Hon. Mr. Lane: — Mr. Chairman, I don't understand how questions on a federal program are appropriate to this Assembly. Now surely the hon. member knows that in Canada we have different levels of government. We have a national government that sits in Ottawa, debates before parliament and passes legislation; we have a constitution which gives them certain powers and they can debate and they can act; we have a provincial legislature in each of the 10 provinces which can debate their issues.

But for you to get up and ask me what the details of the federal program, the Saskatchewan legislation, is what you're asking. Now I've now said it four times. I've now said it four times today that this government's position is that the federal, i.e., Canadian, i.e., Government of Canada, i.e., Government of Canada in Ottawa in Ontario, Canada — okay? — has a drought program, and it is their program. And it is our position that the drought program that they announced is their program. Okay? And I've now said that four or five times.

What I have said now, I believe, five times is that certainly we have been negotiating with the Government of Canada in Ottawa to try and get a comprehensive plan so that the farmers can have some income security against things like drought and grasshoppers and flooding. And I have said now, five times, do we have that plan yet? No. Negotiations have been going on for some time, and I think the Minister of Agriculture said that now for some time.

So I can't get up and tell you what the federal program details are, and I don't think this is the appropriate Assembly for it. If you want to ask, you know the proper procedure. If not, I'll be glad to help you, and we will get you the phone number. But I mean, it's fair questions to ask what agriculture may be trying to accomplish in a comprehensive plan. I don't have those details, but the Minister of Agriculture will certainly be able to tell you the objectives of the province's position. Fair question.

(1530)

You can judge then, once you ask him whether we've met the objectives ultimately. But I've said — and I think we all understand the ultimate objective is to have a plan acceptable to the vast majority of Saskatchewan farmers, and I've indicated when some agreement is reached that we will be taking that to the farmers and their representatives in this province. But I can't tell you more than that. And it's not the appropriate place to be asking for more than that, with respect.

So I suggest to the hon. member that if you want to know the status of negotiations, that the appropriate time would be to ask the Minister of Agriculture on his return from meetings this Friday. There may be a breakthrough; I

don't know. But certainly you should be able to ask upon his return what the status of the negotiation or development of an acceptable plan, so that Saskatchewan farmers don't have to worry about the political vagaries of drought or grasshoppers or whatever it may be.

Mr. Upshall: — Mr. Chairman, I don't need a lecture from the hon. member as to what questions I should be asking and I don't doubt that he wants to get off this issue. But we can't let him off because he said — he said, and I heard him say, this is a federal program, this is a federal program.

Well I just want to quote to you an article from the *Leader-Post*, May 10, where the Premier is saying that he is prepared to pay some of the cost. And the hon. minister over there says that he is negotiating. So when I start thinking about this, first of all he's saying it's strictly a federal program, and if that's the case, then all they're doing is putting money into a federal program.

But the fact that the Premier says he's prepared to pay part of the cost, the fact that he admits that they are negotiating, tells me that this is not strictly a federal program, this is a cost-shared provincial-federal venture.

And that is why it is, in my estimation, very legitimate for me to ask, because his people are working on this federal-provincial cost-shared program, to have some detail as to what amount of money will be spent. And I will repeat my question, and he totally ignored my question: is \$45 an acre the bottom line in your negotiations?

Hon. Mr. Lane: — I have indicated now for five times to the hon. member that the drought program announced by the federal government is a federal program, and we are negotiating with the federal government for a comprehensive program so that Saskatchewan farmers are protected as much as possible from things like drought or flooding or grasshoppers or whatever other pestilence is out.

So the negotiations are going on. I've now said that five times. Negotiations are complex. I've now said that a few times. Because it's not just between Saskatchewan and the Government of Canada; all the provinces are involved in this. And I can't tell you any more than negotiations are going on.

Our ultimate objective, I have said, is to have a plan acceptable to a significant number of Saskatchewan farmers. I don't think anyone believes that you can have a plan that satisfies everybody in Canada, but we're going to try and have a plan that's seen as fair and reasonable to the vast majority of farmers of this province. And I've also indicated that if and when negotiations are completed, that we'll go back and talk to the farmers to get their views. So I can't tell you more than that.

And I've now indicated on several occasions, if you want to get the status of negotiations, you obviously don't take my advice, but you would be best able to ask the Minister of Agriculture when he comes from further meetings, which are this Friday, and ask him on Monday.

Mr. Koskie: — Thank you, Mr. Chairman. I just want to get it specifically clear here, Mr. Minister. On the one hand you say you're carrying on negotiations, which will have an impact on the budget if there's an involvement by the provincial government. I want to know in respect to the financial affairs of the province — and the interim supply is a portion of that budget — I want to ask you, Mr. Minister, and I want to be specific: in respect to the drought program which you say is a federal government program, is there any obligation or commitment by the provincial government to make a contribution in respect to that drought program. Yes or no?

Hon. Mr. Lane: — I've already indicated on several occasions, it is our position that that is a federal program. But we have also made it clear that we are prepared to co-operate in a national program or a comprehensive program that's designed to give some comfort to Saskatchewan farmers from things like drought and grasshoppers, flooding, whatever it may be.

As I indicated to questions last night about the reduction in the federal contribution to crop insurance, that will have some impact on our budget, but it will depend as part of this comprehensive program, and those negotiations are going on at this time. So we have indicated we're prepared to contribute to a comprehensive program. The Minister of Agriculture has said that on numerous occasions in this Assembly. We are prepared to do that.

But I can't tell you what that cost will be. Once it is determined, will it have an impact on our expenditures? Of course it will. But I can't tell you the amount until negotiations are complete.

Mr. Koskie: — I want to ask you, Mr. Minister, have you set aside in this budget, have you set aside any funds to cover your anticipated contribution to the drought program of the federal government?

Hon. Mr. Lane: — Well this is the same questions they'd asked when the budget came down, and I said no then, that we view it as a federal program. Okay?

For now, how many weeks since the budget? Six weeks? Six weeks since the budget, and I said it, and I think the questions came from yourself at that time, that no, we don't have any money in there because we view it as a federal program.

Mr. Koskie: — All right. I want to ask you whether or not you are aware as the provincial Finance minister, the impact of the request of the federal government in respect to the provincial contribution to the drought program.

Hon. Mr. Lane: — I mean the federal government has made it clear, certainly they wanted provinces to participate. We made it clear that our position was that it's a federal program. We also made it clear that we are prepared to contribute to a comprehensive plan. Now I've now repeated that several times — I think we're up to eight times today.

The hon. member asked how many times I've repeated it,

so I can repeat it all day, that the federal drought program is a federal program, but that we have made it clear that we are prepared to contribute to a more comprehensive program so that we get away from the *ad hoc* programs as problems that have developed over the last few years that have come up as major problems have arisen.

Mr. Koskie: — I want to ask the minister then, what we have before us, the budget, including the Department of Agriculture and your projected deficit, really does not in fact cover your provincial government's commitment to what you're terming now as a comprehensive agricultural policy. Have you got any idea of estimate as to the increase in the overall deficit of the province, if in fact this comes to be what you are saying it is? Surely to heavens you have some idea as to what you're looking at in a comprehensive program and the contribution to the drought program.

The Premier, in his release here, indicates that Saskatchewan won't pay one-half of the 417 million to Saskatchewan, but will be prepared to make some contribution. Are you saying to us then that there could be a very additional sizeable increase of expenditures in respect to this, and that you have made no budget allocation whatsoever, and that you are not in a position at this time in any way to indicate the additional expenditures that may be forthcoming?

Hon. Mr. Lane: — Of course I can't make that indication because negotiations are going on, but this is not . . . well I'm surprised that the hon. member from the Quill Lakes would find this surprising, because historically in this province when negotiations are going on, including employee contracts or collective bargaining agreements between the government and employees, when negotiations are going on and they are not completed by budget preparation, that they are dealt with after the budget by special warrants. That happened under the NDP. It's been a long-standing practice, so that you did not give out your negotiating position during the course of budget presentation. And that's been a long-standing practice here and it's not new. It well pre-dates this government.

So to find it surprising, as a former Finance critic, I find it somewhat shocking that he wouldn't know the historical practice in this province.

Mr. Koskie: — One final comment, Mr. Chairman. I want to indicate to the minister, to the people and the farmers of Saskatchewan, that it's clear here what the minister is saying, that the delay in the payments of the drought payments is hung up in the Department of Finance and the Minister of Agriculture. And the reason that the payments have not been received as committed is that the provincial government will not divvy up, as they indicated during the last federal election. And the people of Saskatchewan might just as well know that that's why they didn't get their full payment under the drought payments.

Hon. Mr. Lane: — Well I think we all welcome the hon. member's comment that that was his final comment.

Mr. Upshall: — Thank you, Mr. Chairman. Mr. Minister,

as was indicated earlier this month, the federal government is going to be reducing their share of the crop insurance from 50 to 25 per cent. Have you allocated anything in your budget to cover off that cost, or is that cost going to be transferred into the premiums the farmers pay?

Hon. Mr. Lane: — No, as I indicated last night on a similar question from one of your colleagues, that that is part of the negotiations on the comprehensive scheme. And depending what comes down, and I acknowledged it last night, that we may have an additional expenditure as a result, for a comprehensive scheme for the farmers, but we don't know what that will be. We don't know whether negotiations will be completed this year.

So I simply can't give that answer to the hon. member. But again, you may be able to get a better update as to the status of negotiations when the Minister of Agriculture returns.

(1545)

Mr. Trew: — Thank you, Mr. Chairman. Mr. Minister, you're asking for a considerable portion of the annual budget. I want to address some questions to you in relation to SaskTel and some of your financial jiggery-pokery that you have done in relation to SaskTel and in relation to this annual budget.

SaskTel is a monopoly utility owned by all of the people of Saskatchewan. SaskTel dates back to 1908, as you are well aware, when it was set up as the department of railways, telegraphs and telephones. And then later, in 1947, under Tommy Douglas's stewardship, SaskTel became a Crown corporation, in fact the Crown corporation much as we know it today.

On page 3 of the 1988 SaskTel report, you spoke of the earnings that SaskTel has had, and I just want to quote one paragraph, Minister:

SaskTel's net earnings have exceeded \$35 million for five consecutive years. This represents a return to the people of the province of more than \$229 million from 1984 to 1988.

Historically, Minister, you are I'm sure well aware SaskTel has paid to the Consolidated Fund one-half of its annual net earnings — one-half. Yet in the 1988 SaskTel report, you declared a dividend of \$237,721,000 to the Crown investments corporation, then had Crown investments corporation turn around and pay you, the Consolidated Fund, a sum of \$250 million.

Why on earth would you gut, financially gut SaskTel, and why is it that you're setting SaskTel up to be yet the next victim of your privatization schemes?

Hon. Mr. Lane: — Well, as we indicated, and we had the debate during the budget debate, certainly SaskTel has had some rather successful years over the last few years. We've made some major changes in the telecommunication system in this province, I believe to the betterment of the people of this province. And we will have some major new announcements in the not too

distant future.

But SaskTel had a significant amount of retained earnings on the 50-50 dividend because of some very successful years, and those went in in the form of a dividend to the Crown Management Board. To say that there's any direct relationship is not accurate if you do your calculations.

Again, it has been the practice from time to time of CMB (Crown Management Board) to make a dividend payment. It's done it in different years under previous administrations, for example. So the practice is not new. And when the retained earnings of SaskTel got to the level they were at, given the fact that the government guarantees the debt, it didn't make much difference, if any, to the operations of SaskTel. As a matter of fact, it didn't make any difference to the operation of SaskTel. So all I can tell you is that retained earnings had increased because of some very successful years, and we changed the dividend policy.

Mr. Trew: — Well, Minister, I can appreciate that SaskTel, and you the minister responsible — and I use that somewhat loosely — but I appreciate that SaskTel is going to have some major new announcements in the next coming days, one of which is going to be that nearly 100 jobs in Regina are going to be lost due to your ineptness, due to your decisions to transfer those 100 jobs — you're going to be eliminating a fair number of them — and a few will be transferred to Saskatoon and perhaps some other centres.

The other major announcement that you're going to be making is the deregulation of the long distance telephone calls is in fact happening — deregulation and privatization Tory style. It will be the worst example of Conservative administrations run amok. It will be costing SaskTel . . . The deregulation of long distance telephone calls will cost SaskTel more than any other telephone company in Canada. SaskTel is the biggest loser under deregulation.

SaskTel is going to be negatively impacted financially because of that very deregulation. At a time when SaskTel is going to be clearly heading into some financial constraints, you snafu \$238 million from SaskTel. Your argument that the debt is guaranteed by the Government of Saskatchewan is . . . that part is accurate, but that's where any semblance of meaningful remarks end.

SaskTel, if it has \$238 million in accumulated surplus, should be using that money to buy down its long-term debt rather than paying a dividend, a one-time dividend, to the Crown investments corporation simply so that CIC could turn around and hide your deficit, reduce your Consolidated Fund deficit by a quarter of a billion dollars.

You're siphoning off money, clearly, from SaskTel into your black hole of a deficit. And it just doesn't seem to get any better. How in the world can you stand in the legislature or anywhere else and justify to the people of Saskatchewan that you have made the first-ever grab of all the retained earnings of SaskTel in its history since 1908? All of the retained earnings that SaskTel had, you have snafued it in one quick cash grab to hide your deficit, a quarter of a billion dollars hidden deficit that

will be hidden until after the next election. How do you justify that?

Hon. Mr. Lane: — I suppose that talking to the hon. member about finance is like talking to a brick wall because . . . (inaudible interjection) . . . It wasn't . . . well it wasn't because the hon. member should know full well that it was an equity swap and that CMB put more equity back into SaskTel, so it has no effect on SaskTel. So your argument is a foolish one.

Secondly, I will say that the hon. member's statement that SaskTel will be the most affected if there is deregulation of the long distance is an accurate one. And I'll tell you why it's an accurate statement, because it came from me, as minister responsible of SaskTel. And it came from me in a press release in a statement that I've written to the federal Minister of Communications and the Canadian Radio-television and Telecommunications Commission to complain and criticize and oppose the deregulation of the long distance. And this government has been consistent in its position of opposing such deregulation.

Now if the hon. member wants to get into a long, lengthy argument, I suggest he do his homework, because what you have said about lay-offs is an absolute falsehood, an absolute falsehood. And you're going to have to correct the record, because there have been no lay-offs at SaskTel. The only lay-offs at SaskTel have been through exactly the same policy that has been there, where if it was for cause or competence, not because of any government policy. And there hasn't been any since 1982. And so for you to say that there were, as I said, is an absolute falsehood, and I can tell you that that's why so many employees in SaskTel are no longer buying the line.

Now when we established DirectWEST, employees were given the option. Employees did not have to go to DirectWEST, and employees have the option. Same thing with WESTBRIDGE; the employees were given the option. They may have to take retraining; that's not unfair. But they didn't have to go. So to suggest that there have been lay-offs again is absolutely untrue and is absolutely false.

Now you can speculate what you think the announcements are going to be, and that's fine. But I can give you a long, lengthy dissertation of the accomplishments of this government and SaskTel since 1982, and I think that the hon. member will recognize that the people of this province are more than satisfied with the telephone system, the telecommunications system that they have.

And have we made adjustments away from the absolute constrictive monopoly that was there prior to 1982? Yes, we have. And can people go out and buy their telephones and have a choice? Yes, they can. And do we recognize that some large corporations, like Co-operators or others, may, because of the volume of data that they decide, set up their own transmission system? We recognize that, given the changes in technology, it would be absolutely foolish, impossible, and probably unwise for Saskatchewan businesses to say that you have to use transmission lines, and ignoring the technological changes. And we've made those adjustments,

recognizing the changes in technology.

And have we made adjustments in improving service? We've already announced and more than half completed individual line service to Saskatchewan; we've now announced it for northern Saskatchewan. And the switching equipment that we're putting in for individual line service is the state of the art computer switching so that people that are hooked up to individual line service can get the most modern equipment available on the market.

And have we announced the switch modernization for the cities? We did that a year ago so that over the next five years all the switches in the cities will be fully computerized as well . . . five or six, I'm sorry if I'm out a year on that one. But that program has started already, and it's the state of the art, computerized switching equipment so that at the end of that implementation period everybody in this province will know that the people in this province will have in their homes the most modern telecommunication system of any jurisdiction anywhere in the world.

And there's been no lay-offs, and we've made some practical changes, and you and your ilk were the ones that said, oh, don't sell off the cable television. And you oppose that and you still think it's wrong, even though Saskatchewan has got more as a result of that move, more small communities with access to cable television than any other jurisdiction in North America.

We made the change, and was there lay-offs because of that? No, there was no lay-off. Did service improve? Yes, service improved and it accelerated the development of cable television into rural Saskatchewan with the changes that we've made.

So you oppose the DirectWEST. That's your choice, but don't stand up and say that there were lay-offs because of that, because there wasn't. And you may oppose the establishment of WESTBRIDGE. Most fair-minded observers recognize that there was a natural synergy between the data terminals division of SaskTel, the Crown corporation SaskCOMP and its computer business, a national computer leasing company with an expertise in marketing in the access and the disposition of computers, and Saskatchewan's largest laser printing company with international markets, that it was the right thing to do, to give those entities an opportunity to break into not only the western Canadian but national and soon-to-be international markets.

(1600)

Were there any lay-offs in SaskTel as a result of that? No there wasn't, and what you said is not right. So you can take your position — and I assume that you're standing up here today to reaffirm the pre-1982 position, which was an absolute monopoly — and if you think that an absolute monopoly in telecommunications so that people couldn't get their phones anywhere else and didn't have access to new equipment because you had to get it from SaskTel — if you think you could go back and impose that system in today with the technological changes, you're in effect a 1980 Luddite is what you are, because it's not realistic.

But through all of that and with the changes — and I'll tell you the benefits of letting people get their telephones from their choice — we recognize that SaskTel's credibility was going to keep a major part of that market, and it has, 70 per cent, but it certainly cut the inventory costs down of SaskTel that it couldn't carry every type of phone that everybody wanted.

And the same thing with the telephone equipment, telecommunication equipment that's available to the business community, and particularly the small-business community, SaskTel couldn't carry the inventory to satisfy every type of demand out there. But SaskTel can carry the basic lines of good equipment so that the business community that has unique needs, that it cost SaskTel more to carry the inventory than try and carry that type of equipment, it gave the flexibility to the small-business community to have some choices.

But has there been a job loss? No there hasn't. So to get up and say that there was, is not true.

So yes, we've taken a very strong position against deregulation of long distance, and I'll tell you why — a very practical, realistic reason. Couple of them: one, obviously we have a cross-subsidization of the revenues, but secondly, if you take a look at any study on deregulation of the telecommunications long distance, here's what happens, is that less than 2 per cent of the businesses actually end up benefitting. And in our view it is foolish to scrap a system that is highly workable for 2 per cent of some very large businesses that do such tremendous volume that they want to bypass.

And what is forgotten in the whole argument when we talk about deregulation is that you may have some lower long distance costs, but your local rates go up to compensate, and we say that's not fair. And for small business . . . And I've had to talk to small business and explain to them when they come to me saying, why are you opposed to deregulation of long distance? And when I get them to consider the fact that for the vast majority of small businesses the majority of their calls are local — they're not long distance — and if they really take a look at their costs, their telephone costs, their costs are local, not long distance, for the vast majority of them.

So in our view deregulation of the long distance is not the right thing to do, it's not the correct thing to do, and in fact it's an unwise thing to do, and the studies have shown that. But throughout all the changes that we've made — and we will continue to make more — we have protected jobs throughout that, and we've tried to do it. Now certainly it's meant adjustments, and as the technology changes there will be further adjustment.

And I'll take it a further step, that the other thing we have tried to do, tried to do throughout that, is we make adjustments in technology. It is nearly feasible, I would think, to put all of SaskTel's switching equipment and operators and all its activities, except for service, in one centre. And we don't think that that's in the best interest of the province.

So the policy is, we make adjustments because of

technological change. We try and maintain the employment in the areas around the province. And there may be an adjustment of one or two, and there will be from time to time, but as part of that strategy and that adjustment strategy, one of the factors that must be taken into account is to try and maintain.

And it may end up meaning that a community, because of technological change, loses one type of activity, but we'll try and substitute another in that, so that we can keep the employment in the community. And it may mean people moving, but this is a dynamic industry and we have consciously tried to push and guide SaskTel into having the most modern company in North America, and at the same time protecting jobs, and at the same time giving the people of this province the best telecommunication system anywhere. To say that we've done that with job loss is false.

Some Hon. Members: Hear, hear!

Mr. Trew: — Well, Minister, I'd appreciate if you'd let me put my own words in my mouth. You are accusing me of lying about . . . you are accusing me of lying about the jobs that are going to disappear, that are going to disappear from SaskTel when you let go. The jobs, nearly 100 operators . . . telephone operator jobs will disappear. Those operators will of course be given the usual opportunity to retrain and to transfer into other jobs within SaskTel, as far as those jobs are available. They may also be transferring out of Regina. The point I'm making is there is a net loss of more than 100 jobs for Regina. Do you deny that?

Hon. Mr. Lane: — What I have said is that all the changes that we've made, there hasn't been a job lost because of that. I have said that people will have to take retraining, and if you think that that is unfair, I suggest that you're wrong, because the industry is changing too rapidly and the technology is changing too rapidly. And when an activity can be done electronically, we will retrain the people to new activities in the corporation, okay? And that change will . . . I'm telling you, you can't go back to the absolute controlled monopoly. It's just not realistic and it's not practical.

But through that whole process there will be changes, there will be adjustments, but there haven't been lay-offs, okay? There will be changes and people will have to take retraining. And some jobs have become obsolete, and I suspect in the telecommunications business that over the next 10 years many more will become obsolete. And it's not government policy doing that, it's the change in technology.

The best we can do and the fairest things for the employees of SaskTel is to maintain the policy that we have established, which is we're going to make the changes, make sure that the corporation is the most modern, that it's not held back, that the people have the most modern system anywhere in North America and try and keep the jobs at the same time. And that's what we've done.

Mr. Trew: — Thank you, Minister. I take that as an admission that Regina is going to lose more than a

hundred operators. Some of those will be transferring into other jobs in Regina, others transferring into other jobs, perhaps in Saskatoon or other centres. I think you and I both know essentially what is going to be happening there. The point I am making is that for Regina there's a net loss of a hundred operating jobs. And the jobs that you are moving these people into, even if they are here, are jobs that have been filled, and the operators may be retrained and step in where somebody elects to take a retirement. Then you're moving the operator into that different job.

An Hon. Member: — Well what's wrong with that?

Mr. Trew: — The minister is asking . . . I just want, for the record, you saying, what's wrong with that. I am just simply saying there is a hundred jobs lost to Regina. If you think there's nothing wrong with that, fair enough. Why did you put in a new switching system for the operators in Regina very, very recently, only to do away with those jobs and move everything out of Regina? You talk about technology and changes. Surely to goodness when the switching equipment was put in a short while ago, surely you could see beyond the next month. I can't believe that the minister could be that incompetent not to look beyond the next month.

I am very pleased to hear you talking, Minister, about deregulation and privatization. And I want to point out to you that you can't have privatization and deregulation. You can't play both sides of the fence like you're attempting to do on this one. You're saying, privatization is wonderful; we're going to privatize SaskPower; we're going to privatize potash; we're going to privatize SaskTel, SGI (Saskatchewan Government Insurance), and others, and then in the next breath you're saying, but deregulation, now that's a different matter; that's a different story.

Well Conservatives, federally and provincially, are all about privatization and deregulation. Now how in the world you can pretend that you're for part of it and against the other part of it is beyond me, and you cannot have it both ways. You will get your turn to answer.

Minister, the people of Saskatchewan have lost faith in your administration, and you are exhibiting today every reason why they have lost that faith. You have refused to answer the questions in a direct manner; you have ignored the major question of a quarter of a billion dollars that went into your black hole Consolidated Fund to hide the deficit and hide it until after the next election.

We see you talking about SaskTel and some of the changes that have happened there. You referred to the cable system, which you sold. And you're quite right, New Democrats were opposed to that sale, and there's some very, very good arguments why.

We are saying you could have used the profits from the continued ownership of that cable to expand the service into far more communities than you can get it into with a profit-oriented cable system. Use those profits to provide service rather than dividends.

You sold off the very profitable directory assistance . . .

not directory assistance, the very profitable directories of SaskTel, the yellow pages, which have netted somewhere between 7 and \$12 million in recent years, each of the last three or four years. You have privatized that, and that is going to mean SaskTel users, the people of Saskatchewan, are going to have to make up the difference somehow, the most obvious way being making up for it in rate increases, either for the basic service, or you may choose to increase the rates you're charging for long distance. That's not for me to tell you which way to make the money up, but the fact is you're going to have to make that money up.

You talked about the sell-off of the computer operations of SaskTel. Yes, I think that was a terrible deal. What you have in effect done, Minister, is you have tied SaskTel into a five-year guaranteed contract with minimum payments. WESTBRIDGE is, as I am told, being paid in excess of \$20 million a year. You sold the computer terminals that SaskTel uses throughout its head office and, I suspect, other offices throughout the province. You sold those computer terminals also to WESTBRIDGE and now you're leasing them back.

(1615)

Well I'll suggest to you, Minister, I'd be only too happy to buy your house from you, the home you live in, if you guarantee that you will rent it back from me for five years. And you know as well as I do who's going to come out on top in that financial transaction.

And that's what Conservatives are all about. That's what Conservatives are all about — sell off the assets, lease it back. You won't have to deal with the problem because, frankly, the people of Saskatchewan already know. They have decided the next election, and it's just simply a matter of time — when.

Some Hon. Members: Hear, hear!

Mr. Trew: — So the question will be, when are you going to screw up the courage? When do we get the election? The people have decided. Why not let them go to the polls now so we can get on with putting the people of Saskatchewan back to work, so we can get on to seriously fighting the deregulation of the long distance phone lines, the deregulation that I know the minister has made squeaks and noises about. But how can you expect to be believable when on one hand you're all in favour of privatization, and on the other hand, but deregulation of SaskTel long distance, well that's a different story?

I ask again about the quarter of a billion dollars. Why is it — well I guess I know why — but how can you justify taking a quarter of a billion dollars out of the Crowns and moving it into your Consolidated Fund? And it will not show up . . . you won't have to borrow that money, that \$250 million, from the money markets until after the next election's safely out of the way. Then again we'll see the deficit ballooning. How do you justify that quarter of a billion dollars grab?

Hon. Mr. Lane: — What I've indicated already, and the hon. member doesn't understand that there was an equity injection by Crown Management Board into SaskTel in

return for the payment. So I can't explain any more than that to you.

You may want to go and talk to some of your predecessors about what an equity swap is, and they will explain it to you. Perhaps the Finance critic can explain it to you. But let me . . .

An Hon. Member: — You've invented a brand-new, a brand-new notion.

Hon. Mr. Lane: — Oh, no. If you go back and take a look at some of your transactions in the past, my friend, you'll find exactly what you did — exactly what you did. Exactly what you did. You took equity swaps, Mr. Chairman.

But let me go to another fallacy that the hon. member doesn't . . . he can't understand, and says we cannot argue for realistic activity in the telecommunications business and be opposed to deregulation of the long distance at the same time. Well the fallacy of his argument is that for the longest time in this country we had a regulated long distance system, and seven out of the 10 telephone companies in this country were private companies. So don't tell me you can't do it. You don't understand the real world if you say you can't do it. We regulated the long distance with seven out of the 10 telephone companies being private companies. So don't tell me you can't do it.

I've told you and I've explained to you why we are opposed to deregulation of long distance. It's not the right thing to do; less than 2 per cent of the companies benefit. The system works, there is a cross-subsidization to the local calls, and we've opposed deregulation consistently. As a matter of fact, just so you know, the communication workers of Canada endorsed the actions of this government in its opposition to deregulation of long distance in the country. But don't tell me you can't have it both ways. You can have it both ways, if you understood the industry.

Having said that, we cannot in Saskatchewan go back to the old ways where people had no choice on their telephones, that you opposed — and this may be of great interest to you. But when you were the government, you opposed individual line service. You objected to that. Yes, you said it couldn't be done. You said it couldn't be done. And under your beliefs it couldn't be done — it couldn't be done.

So let me tell the hon. member that we are in the midst of a tremendous amount of change in the telecommunications industry, tremendous amount of technological change. And some of that technological change it is impossible to control, some it is unwise to control, and some it's not realistic to try and control. But what we can assure the people of this province and deliver to the people of this province is the most modern telecommunications system of any jurisdiction, I say anywhere in the world — I say anywhere in the world.

And at the same time, we've protected jobs, we've had change, people have had to take retraining. And that's not easy, and I'm not saying it is easy on the employees, but we have tried to protect the jobs as we've gone through

this tremendous change, and we'll continue to do that.

Mr. Calvert: — Mr. Minister, I have a number of questions, and I ask them primarily on behalf of a wide variety group of charities in our province, volunteer organizations. And my questions will have to do with your proposed tax on lotteries, bingos, and casinos. In your budget you announced that there would be a 10 per cent tax on the lotteries, the bingos, and the casinos run by our exhibition boards.

On March 31 of this year you indicated to me in the House that you would be talking to Sask Trust and the charitable organizations across the province about the means by which you intend to collect the tax. Mr. Minister, could report to the House today, have settled on the means by which you intend to collect the tax from the bingos, the lotteries, and the casinos?

Hon. Mr. Lane: — Consultations have been going on since budget. I can't give you a status report. The minister responsible for the Gaming Commission can perhaps better able to do that. They've been leading discussions. I think it fair to say, as I indicated at budget time, that we would be doing it with a minimum impact on the charities themselves. There seems to be some growing comfort, I gather, in the charities, that the discussion's going on. But I can't give you a status report. It's still our objective to, one, meet the revenue objectives; and secondly, have it in place I believe July 1.

I might suggest to the hon. member, if you do have a particular group of organization that didn't participate in the consultations and wish to, if you would give that to the minister responsible for the Gaming Commission, they will be contacted, if that's your wish.

Mr. Calvert: — Mr. Minister, then you are assuring the House that the consultation process has begun and has been ongoing? I see that the minister responsible is here. Perhaps you can check with him right now and inform the House of the status report. How many charities have you been talking to? Have you talked to Sask Trust? The minister's here. Could you get that information from him right now?

Hon. Mr. Lane: — Well, I mean, your proper procedure. I've indicated to you that the consultation is going on and has been going on with the various charities that have expressed an interest, and their representatives, and Sask Sport Trust.

I can't give you a detailed report as to the number. If you do have a charity that feels they either weren't consulted or wish to be consulted on it or wish to make further representations, we'll certainly accommodate them. And if you would give that information to the minister responsible for the Gaming Commission, they will be consulted. They've been fairly active and aggressive in consultations I'm told, but I can't give you more than a status report of that. And I'm just going to assume, because they're a major player and Sask Sport Trust has been very much part of it.

Mr. Calvert: — Then, Mr. Minister, as the Minister of Finance, could you describe to us the proposals that are

being taken out to the charities and to Sask Trust. What are your positions. What are the proposals that you are advancing as the Minister of Finance?

Hon. Mr. Lane: — Well just what I indicated in the budget speech. The proposals have been taken out. There have been suggestions back which are being considered. For example, on the casinos, that it be in the form of an admission and licensing proposal; that on bingos, for example, it be on paper. And I forget several that have come back, and they're all being actively considered.

Mr. Calvert: — Mr. Minister, I asked what are your proposals, not the suggestions that may or may not be coming back. What are the proposals that you have advanced for the collection of the 10 per cent tax?

Hon. Mr. Lane: — Well as I indicated at the budget, what our revenue objectives would be, that we want to see that there will be a 10 per cent tax. We envisage the tax on tickets, for example, on the lotteries. There are discussions as to where it would be applied on the bingos. There are discussions where it would be applied on break-opens, and we're getting different views back when I say that. So the views of the charities are not uniform, as we've gone through the process. At least I am advised that there are different suggestions coming back.

I think I indicated paper on bingos and I think I indicated the question of the casinos as to where it would be applied. I think suggestions being considered include admission or whatever it would be so that the revenue objectives are met.

Mr. Calvert: — Mr. Minister, may I ask if the bingo hall operators, have they been included in the consultation process?

Hon. Mr. Lane: — Yes. I'm told yes. I can't answer whether they have a collective group; I don't know that. But my understanding, if you have some that feel they weren't consulted, if you'd let the minister know, they will be consulted.

Mr. Calvert: — Yes, I will do that, Mr. Minister.

Mr. Minister, if the groups that you are consulting with — the charities, the volunteer organizations, the sporting organizations, and so on — if they were to say to your government that they didn't like the idea at all, if they didn't like the notion of having to collect this tax on your behalf at all, would you be prepared to withdraw this tax?

Hon. Mr. Lane: — No, this government believes that more of the gambling money should be dedicated to health care. We believe that that is the right thing to do, and we are strong in our position, and that will happen.

Mr. Calvert: — Mr. Minister, there's a number in the province that believe you could allocate some other of your funding to the hospitals as well.

Mr. Minister, I have a letter that I will need to respond to, and perhaps you can help me respond to this letter. It comes from the Churchbridge Ladies Curling Club. This is a copy of the letter that was addressed to the minister

responsible. I will want to respond to their letter as well, since a copy was provided to me, and I wonder if you could give me some assistance in drafting a response to the questions asked by the Churchbridge Ladies Curling Club.

(1630)

I'd like to read some of the letter into the record. They write:

In our small communities we are heavily dependant on this source of revenue (referring to bingo) to finance many of our local capital and operating expenses. As our annual reports will show we have contributed to a great many community projects through our bingos. These include large donations toward the equipment of an ambulance, donations to special equipment for both our local and regional hospitals, a new heater for the swimming pool, new equipment in the ice arena and curling rink, and many other smaller but worthwhile community services. Without this kind of help, many of the things we now have we would not be able to enjoy.

Then she says, "As we understand the system, the tax will be applied to the bingo paper . . ." So apparently the Churchbridge Ladies Curling Club feel that the decision has been made and that the tax will be applied to the paper in the case of bingo. Again:

As we understand the system, the tax will be applied to the bingo paper we have to purchase, in such a way that it will reduce the profit of our sponsoring bodies or will force them to curtail the amount of their prizes. Any reduction in prize payout or increase in the price of cards will have a serious impact on the number of people who will support a bingo. As your own statistics will bear out, most of the supporters of bingos and lotteries are people with modest incomes, who will not come if the price gets too high or the prizes get too shoddy. This will mean a major reduction in revenues to the sponsoring organizations, and will have a serious impact on their ability to assist worthwhile community projects.

Mr. Minister, do you agree with that assessment of the Churchbridge Ladies Curling Club?

Hon. Mr. Lane: — I understand that a reply has already gone to them and that a copy was sent to your office, or to you anyway. If you haven't received the reply yet . . . I'm told that it went earlier this week indicating that, I believe, the present system requires a licensing at the local level of bingos of less than a thousand dollars, I believe, or prizes less than a thousand dollars, and that that system wouldn't be changed.

So I can only indicate to you that the minister has advised me that he did respond to that letter with a copy to yourself earlier this week. You may wish to check that. If it's not a satisfactory answer, you can raise it again with the minister. But my understanding is that it satisfied their concerns in whatever way it was expressed, and I don't

have that, but you may want to check the reply.

Mr. Calvert: — Mr. Minister, I will want to respond directly to this woman. I'm not yet in receipt of a copy of a letter from the minister. I will want to write my own letter. I come here asking your advice on how I might respond.

Now the point being made in the letter by the ladies curling club in Churchbridge, and I might say by many other charitable organizations across the province, is that this tax of yours has the potential of being detrimental to their revenues. Mr. Minister, do you agree with that potential?

Hon. Mr. Lane: — . . . (inaudible) . . . I mean every tax does, but again I don't want to minimize the government's position that we intend to see that more of the revenues from gambling go to health care. We are making that statement, and that will happen. At the same time we have indicated we're going to try and minimize the impact on the charities themselves.

I am advised that the reply indicates that those bingos that have the prizes of less than a thousand, that now get local licensing, will not be affected, okay? — which should, to my understanding, cover her concerns.

I'm prepared, if you want me to draft a letter for your signature after . . . or certainly get the appropriate minister to do that. But my suggestion is not meant in any disparaging way that a reply is going, that the minister has indicated that it satisfies the concerns. Without getting into the details, the advice I would give is, take a look at that and if it's not satisfactory then check it up with the minister. But given the overall objectives, they are firm.

I'm again advised that their concerns — in whatever detail, I can't answer — should be satisfied. So I can't tell you more than that except to, with respect, take a look at the reply that went out. A copy went to you, and it should in no way impair your ability to write and communicate with them further. If it does, I think I will offer on behalf of the appropriate minister to sit down and talk to you so that you are able to reply.

Mr. Calvert: — Mr. Minister, I want to be clear that I understand what you're saying. Are you saying here in the House today that when the prize board is less than a thousand dollars the tax will not apply in that bingo hall, if the prize board is less than a thousand dollars?

Hon. Mr. Lane: — It applies to the organization, not to the bingo hall.

Mr. Calvert: — I understand that it's not the bingo hall that's licensed to conduct the bingo, it's the charitable organization. Then are you saying that if the prize board offered by the charitable organization, if it's less than a thousand dollars, the tax will not apply?

Hon. Mr. Lane: — That's right.

Mr. Calvert: — Mr. Minister, in this same letter, the ladies curling club in Churchbridge say the following:

We are also concerned with your decision to give

a monopoly control of bingo paper to one distributor.

That's been an announcement of your government, that there will be one distributor for bingo paper. They go on to say:

Surely this will lead to price gouging and poorer service. We have been very pleased with the services we have had by our local distributors, and it seems a shame that even their small business will be taken away from our rural community.

Mr. Minister, this would indicate to me that the Churchbridge ladies feel that in fact the tax on the bingo hall is going to be charged on the paper, and that your government's move to a common, single distributor is confirmation of that. Mr. Minister, have you in fact decided how the tax is going to be, and that really the consultation process is not true consultation, but the decision is already made?

Hon. Mr. Lane: — No. I mean, I've indicated that the consultation process is going on. We will make some adjustments as a result of the consultation process. Don't equate the position of one or two or a single distributor of bingo cards as related to the tax, okay? The sole or single printer — and it may be one or two, but let's, for discussion purposes, say a single distributor — comes from other advice, the RCM Police particularly, that the government should be able to audit the printing of the paper. And it's their recommendation, for the better control of the industry, that there be a single printer. That there has been in other jurisdictions — I'll be very careful in the way I phrase this — where scams have resulted where, for example, you want to change the odds on a bingo, simply repeat when you do your run of 75 with the 75 numbers, repeat one number — eliminate one number, in other words. The odds change dramatically.

So there have been scams in other jurisdictions through the printing of paper that the RCM Police have recommended to us that there should be a system in place that they can go in and audit. So that the control of the printing of paper is not related to the tax, but it's very much related to the control of gambling and the gaming in the province.

Mr. Calvert: — Mr. Minister, I understand that that single distributor has not yet been named. I may be wrong. Will that be tendered? Will that be up for public tender?

Hon. Mr. Lane: — That's up to the gaming commission. I don't have your answer on that. The gaming commission will make that decision. I would suspect that there are not many in the province that would be capable of doing that type of work. But again, that's a decision of the gaming commission, and . . . But I do want you to understand that it's not related to the tax, but is very much related to advice that we get from the policing agencies that the government should be able to have a system that they can go in and spot-audit and make sure it's being done properly. That's where that question comes from.

Mr. Calvert: — Mr. Minister, you've said a number of times in this discussion today, and on March 31, that it

was your hope to minimize the impact on the charitable organizations. The charitable organizations of the province that I've been talking to are not confident that it's going to be a minimum impact. And of course, from this side of the House we'll be watching that very carefully.

I want to just leave you with the thought of the Churchbridge Ladies Curling Club. You may want to respond to this as well. She writes:

Why can't you leave the small community groups alone? We are trying hard to compensate for the substantial reductions in funding to our municipal governments who used to fund many of our local recreational health services. Now you even have your fingers in *our* till so that we have even less money to provide for ourselves. No wonder our kids leave home, and our small communities are deteriorating!

Mr. Minister, if in fact the charities of across the province come to you and say this is a bad idea and it will hurt us, I ask again: would you reconsider this tax?

Hon. Mr. Lane: — Well, no. And I'm surprised, I'm surprised to hear that you are opposed to this tax. And you have asked me to withdraw the tax, okay? That's the position of the opposition. I think most people will watch the vote when it comes down as to what position the opposition takes on the hospitalization tax. I mean, but that's . . . obviously you're right. I have given you what our objectives are. One, more of the money is going to health care; and secondly, that we are trying to minimize — I'm not saying there will be no impact — I've said we're going to try and minimize the impact on the charities.

I have indicated to you today that . . . and I believe a representative of that group had in fact met with the people that are going out doing the consulting, subsequent to the letter. And as I indicated to you earlier, that that exemption now with the \$1,000 prize, where they get a local licence, and I'm not sure how it specifically operates to be honest with you, but that they are exempt from the tax. So from what I'm told, that that should answer the concerns of the group that you're referring to.

I also believe that the other . . . re-establishment of the recreation and cultural facilities answers another concern, and that will be . . . has been announced in the budget as to the funding of that program. So I can't tell you more than that, but I gather that there has been some answer to them.

With the greatest respect, I suggest you take a look at the reply. If it's not satisfactory, I believe that you can pursue it further with the appropriate minister. But I believe that the reply did either ease or eliminate their concern.

Motion agreed to.

Hon. Mr. Lane: —

Resolved that a sum not exceeding \$336,400,300

be granted to Her Majesty on account for the 12 months ending March 31, 1990.

Motion agreed to.

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 \$53,675,000 be granted out of the Saskatchewan Heritage Fund.

Motion agreed to.

(1645)

Hon. Mr. Lane: —

Resolved that a sum not exceeding \$53,675,000 be granted to Her Majesty on account for the 12 months ending March 31, 1990.

Motion agreed to.

The committee reported progress.

FIRST AND SECOND READING OF RESOLUTIONS

Hon. Mr. Lane: — I move that the resolutions be now read the first and second time.

Motion agreed to and, by leave of the Assembly, the resolutions read a first and second time.

APPROPRIATION BILL

Hon. Mr. Lane: — By leave of the Assembly, Mr. Speaker, I move:

That Bill No. 37, An Act Granting to Her Majesty certain sums of Money for the Public Service for the Fiscal Year Ending March 31, 1990, be now introduced and read the first time.

Motion agreed to and the Bill read a first time.

Hon. Mr. Lane: — By leave of the Assembly and under rule 48(2), I move that the Bill be now read a second and third time, Mr. Speaker.

Motion agreed to and, by leave of the Assembly, the Bill read a second and third time and passed under its title.

MOTIONS

Substitution of Names on Committees of the Assembly

Hon. Mr. Hodgins: — I would like to ask for leave from the Assembly to move some motions respecting Crown corporations and public accounts committees respecting members on this side of the House only.

Leave granted.

Hon. Mr. Hodgins: — Mr. Speaker, I move, seconded by the member for Indian Head-Wolseley, that with leave: The Assembly adjourned at 4:55 p.m.

That the name of Mr. Muller be added to the list of members comprising the Standing Committee on Crown Corporations.

Mr. Shillington: — The usual wording of such a motion is that the name of Mr. Muller, and I will beg the leave of the House to use the names, be substituted for the name of Ms. Smith, or whoever else was on it. We have no objection to this if you're substituting one for the other. If you are indeed filling in the place of Mr. Goodale, then we take very strong exception to it. So I would like to know the name of the person who Mr. Muller is being substituted for. That's been the traditional form of such motions.

The Speaker: — Order, order. Order.

Hon. Mr. Berntson: — Mr. Speaker, as I understand it, it is to substitute for that of Mr. Goodale that was dropped the other day. The government gave a position, not the opposition, to accommodate the third party when they were in the House, and that position is rightfully in proportion, Mr. Speaker, the position of the government, and therefore Mr. Muller is nominated to be on the Crown Corporations Committee.

Mr. Shillington: — I say to the government House here, this is not going to pass before 5 o'clock. If you want to stand it and discuss it, as these things have traditionally been done, we're happy to do that. But if you insist in going ahead I do not see this matter coming to a conclusion before 5 o'clock.

Hon. Mr. Hodgins: — Fine, Mr. Speaker. I'll just move to a different motion, if you like, and this one I'm sure you'll have no problem with. I'm sorry, Mr. Speaker, I would like to adjourn debate first on the motion we were just dealing with.

Hon. Mr. McLeod: — Mr. Speaker, before I adjourn debate on that motion, I just would like to inform the House that I was in attendance at the selection committee, standing committee on selection, when we very specifically gave up one of our positions, the government positions, one of the government positions on the committee in place of the member for the third party; and the opposition, the official opposition, would not grant him a position at that time. We did, and that's the position we are now trying to fill. But having said that, and I know there will be further discussion before we bring the motion back, I move that we adjourn debate on that motion.

Debate adjourned.

Hon. Mr. Hodgins: — Mr. Speaker, I move with leave, seconded by the member for Indian Head-Wolseley:

That the name of Mr. Wolfe be substituted for that of Mr. Muller on the list of members composing the Standing Committee on Public Accounts.

Motion agreed to.