

The Assembly met at 10 a.m.

Prayers

## ROUTINE PROCEEDINGS

### INTRODUCTION OF GUESTS

**Hon. Mr. Maxwell:** — Thank you very much, Mr. Speaker. It's my pleasure to introduce to you, and through you to all members of the Assembly, a group of 26 grade 6 students who are seated in your gallery, sir. They're accompanied by teachers Hugh Jenner and Gilbert Goodfellow, former colleagues of mine when I taught in the Spiritwood community. They're from the Hartley Clark Elementary School. The chaperons are Audrey Magnus and Donna Tiringier, and bus driver Jim Dunlop.

We bid you a warm welcome to the Assembly. I trust you're having a very enjoyable visit in Regina, and the weather is co-operating with you. You had fun swimming last night; I heard a few stories about that, and a few of you broke curfew.

I should point out the Minister of Education spent three of the best years of his life in grade 6, he enjoyed it so much. And the members of the opposition agree with that.

We trust you're going to enjoy the rest of your stay here. I'll be meeting with you at 10:30 for refreshments, photographs, and general discussion. And we wish you a very safe trip home, and look forward to seeing you back home in Spiritwood. I'd ask all members to welcome the group here.

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

**Hon. Mr. Berntson:** — Mr. Speaker, I want to introduce two different groups today. The first group I would like to introduce, Mr. Speaker, to you and all members of the legislature, is a group of 13 grade 8 and 9 students from White Bear School at White Bear, down by Carlyle in my corner of the world.

With these students today, Mr. Speaker, are teachers Mike Coderre and Will Elliott, and the bus driver Bev McArthur. I'll be meeting with these students a little later for pictures and refreshments, Mr. Speaker. And I would invite all members to join with me in offering a warm welcome to this group of 13 students from White Bear Lake.

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

**Hon. Mr. Berntson:** — And the second group, Mr. Speaker, is a group of students from Alida School in Alida, 23 grade 8 and 9 students. And they're in Regina visiting the legislature and other points of interest this weekend, Mr. Speaker. And travelling with this group of students from Alida is a teacher, Mervin Walker, and the bus driver Bill Anthony. They're in the west gallery, Mr. Speaker. And I would invite all members to join with me in offering a warm welcome to this group, Mr. Speaker.

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

**Mr. McLaren:** — Thank you very much, Mr. Speaker. It's my pleasure today to introduce to you, and through you to all members of the Assembly, some students who are visiting us from outside our borders, from Manitoba, Shoal Lake, Manitoba. They're students from the Shoal Lake School. They are grade 6, numbering 17 people, and they're in the west gallery. And they're accompanied today by their teacher Miss Kingdon, and chaperons Mr. Stewart and Miss Michasiw. I hope I pronounced your name correctly.

We welcome you here to the Assembly today. It's always a pleasure to have people from outside our borders visiting our legislature. We hope you enjoy your visit. We hope you enjoy question period. I'll be meeting with you at about 10:30 in room 255 for refreshments and to answer any questions that you may have about the proceedings here today. So we wish you a welcome, and we hope that you have a very, very enjoyable summer on your holidays this coming summer.

So I would ask all members to please welcome these students from Shoal Lake, Manitoba.

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

## ORAL QUESTIONS

### SaskEnergy Public Meetings and the Securities Commission

**Mr. Koskie:** — Thank you, Mr. Speaker. I'd like to address a question to the Minister of Justice. I see in the *Leader-Post* that the chairman of the Securities Commission is considering laying charges, initiating charges against those responsible for the SaskEnergy advertising campaign that was in direct contravention of The Securities Act.

I want to ask you, Mr. Minister: can you tell us whether or not the chairman has been in contact with any of your officials, and can you assure this House that the Department of Justice, if and when an information is laid, will co-operate fully to ensure that the offending parties are dealt with in accordance of the law, regardless of who they are?

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

**Hon. Mr. Andrew:** — I can advise the hon. member the following. The Securities Commission has an ongoing investigation, is conducting an ongoing investigation, and when they complete that ongoing investigation they then would consult with the Department of Justice as to charges. And if charges would be laid, the Department of Justice would prosecute those charges.

Now should that come to pass, then the Department of Justice will proceed with prosecutions. As I indicated yesterday, and as I indicated on many occasions, that I as Attorney General — and any attorney general — should not interfere in that process. There are two streams in any attorney general's department. One is a prosecutorial stream that the attorney general never becomes involved in, as to laying charges. And of course there's the

administrative and political stream which you are involved in. But if there are . . . if Securities Commission recommend charges and consult with the Department of Justice, then the Department of Justice will properly proceed with charges.

**Mr. Koskie:** — New question, Mr. Speaker, to the minister. Mr. Minister, I refer you to a particular section of The Securities Act, and I want to quote, Mr. Speaker. It says:

Where a company or a person, other than an individual, is guilty of an offence pursuant to subsection (3), every:

(b) other person who authorized, permitted or acquiesced in the offence;

is also guilty of an offence and liable to a summary conviction to a fine of not more than \$1,000,000 or to imprisonment for a term of not more than two years, or to both . . . fine and imprisonment.

Mr. Minister, I suggest to you that you no doubt participated in the cabinet decision in respect to launching this illegal campaign in respect to SaskEnergy. Therefore, I ask, Mr. Minister, in light of those facts, in light of those facts, would you then possibly consider setting up an independent prosecutor to be appointed by the chief justice of the Court of Appeal to give not only the appearance but to give also independence to the alleged charges.

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

**Hon. Mr. Andrew:** — Mr. Speaker, as I indicated earlier, the Securities Commission is conducting an ongoing investigation on this, and they are conducting that investigation. When that investigation is completed, they will take whatever appropriate action they see that they should take, Mr. Speaker. And if there is charges to be laid, charges will be laid. I've indicated to the House that I would not interfere with that, as I have not interfered in the past with regards to that, Mr. Speaker. And it would seem to me, let the course of justice take its course as it properly should — as it properly should, Mr. Speaker — and proceed accordingly.

**Mr. Koskie:** — Mr. Speaker, a new question to the minister. Mr. Minister, I have here a schedule to OC (order in council) 4/25/89, and it indicates that these regulations may be cited to the securities amendment regulations, 1989.

I want to refer you particularly, Mr. Minister, to section 10 and section 14(1). And I point out, what you have done there is to circumvent the existing security legislation to say that any person, just on your letter of authorization, can become a security dealer of any of the public participation enterprises. That's what you've said.

I want to ask you: how do changing those regulations where you, by a mere letter, can authorize anyone to be a salesman of securities, how does that square with the Premier's avowed purpose of changing the regulation was solely to get information out to the public?

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

**Hon. Mr. Andrew:** — Well, Mr. Speaker, the hon. member raises the second equation here, and that is in the regulations has the government exempted itself from the review of the Securities Commission? And I don't think anybody is denying that the government, through the OC you refer to, is excluding itself from the purview of the Securities Commission.

If you look at the legislation as introduced, it also exempted this particular process from the purview of the Securities Commission as has been done, as I indicated in this Chamber before, by previous governments, and it has in other jurisdictions by previous governments as well.

**Mr. Koskie:** — New question to the minister. Mr. Minister, I have here a standard form for the application of those who are going to deal in securities, the form that ordinary underwriters have to sign and sales persons selling securities. I want to ask you: how is it in the public interest that now you can go out and appoint, in respect to public participation, anyone that you want just by a mere writing of a letter and authorization?

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

**Hon. Mr. Andrew:** — Well, Mr. Speaker, I think that with regards to that anyone can be appointed, I think if you go back and look at previous bond issues by this government or previous other share issues by this government, you will see who has been authorized to sell those. Now one of the most significant changes is that when the bond issues were being done, rather than simply restricting those to the investment bankers to sell, there was a further extent, Mr. Speaker, to — let's take the SaskTel bond issue for example — that banks and credit unions, in fact, also sold those instruments which they hadn't in the past.

In fact, if you look at the recent SaskTel thing, that the credit unions and the banks in fact were the largest sellers of SaskTel bonds, and that is the intent of the government, is to have a wider distribution than simply some stockbrokers that live in the two major cities as being the only people selling that document. That is what it is designed primarily, Mr. Speaker, to do.

**Mr. Lyons:** — Thank you, Mr. Speaker. Mr. Speaker, I too have a question to the same minister. Mr. Minister, a few days ago the chief of the Securities Commission advised the public to be wary of your government's advertising because what you were saying in that advertising has not been proven. And earlier this week you said you hoped the advertising campaign would not continue; in fact you said, I never liked the advertising anyway.

Yesterday, Mr. Minister, in the press, an unnamed government official says the advertising campaign is over and will not be renewed in the near future. Will you confirm today here, sir, that your government has halted this expensive ad campaign which is being paid for out of the taxpayers' pockets?

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

**Hon. Mr. Andrew:** — I think if the hon. member properly reflected what I said, is that I believed it was proper that the various peoples from the new energy company would have the right to go out and discuss in broad terms what they were proposing to do.

With regard to the advertising, I indicated outside the House that I didn't think the advertising was terribly effective and, as I understand, that advertising has been pulled.

**Mr. Lyons:** — New question to the same minister, Mr. Speaker. Mr. Minister, I think everybody on this side of the House agrees with you that that advertising certainly has not been in any way, shape, or form effective. I wonder, Mr. Minister, would you tell us here today how much that ineffective, ineffectual advertising has cost the people of this province?

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

**Hon. Mr. Andrew:** — Mr. Speaker, I do not have the answer to that question. I would undertake to take notice of that question, Mr. Speaker, and bring the answer back to the House.

**Mr. Lyons:** — Mr. Speaker, a new question to the same minister. I presume he's taking notice of that and will provide the House the answers to the question I've just asked.

Mr. Minister, final question for you, sir. Now you're cancelling your ad campaign; your public meetings are going nowhere. The question I want to ask, sir, is in regards to the order in council authorizing certain individuals to sell bonds, stocks, on behalf of the companies that you intend to privatize. Is the full intent of what you intend to accomplish with that order in council the sole purpose of providing patronage appointments to further add to the cost of what has turned out to be just another political fiasco for your government? Isn't that the intent of what you intend to do, Mr. Minister?

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

**Hon. Mr. Andrew:** — Mr. Speaker, the intent is that through the regulation it would allow people from SaskEnergy to go out to the public and explain what their proposal is going to be. It's not to go out there and peddle shares to anyone, Mr. Speaker, and shares cannot be peddled until such time as legislation . . . Mr. Speaker, shares cannot be sold until the legislation is passed in this House.

Following that, a prospectus is filed, Mr. Speaker. The prospectus is filed and then, Mr. Speaker, there is various agents that will go around and sell these shares. Now that's exactly the same thing as we've done on previous public participation initiatives, Mr. Speaker.

For the most part those have been, Mr. Speaker, the investment bankers and the financial institutions and financial planners, Mr. Speaker. And I wouldn't think anyone would somehow suggest those are our political hacks out there doing that. If they are, they're suggesting that every credit union in Saskatchewan is a Tory hack,

and I don't think they're prepared to say that.

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

### Sale of Dental Equipment

**Mr. Anguish:** — Mr. Speaker, my question is to the Minister of Public Participation. The Department of Health, as pointed out in this auditor's report, which is a kind of scathing attack on the government, says that the Department of Health sent dental equipment costing \$2.2 million to the Sask Property Management Corporation to sell. And when the dental equipment was sold, the revenue should have been paid into the Consolidated Fund as these assets were not owned by SPMC. There's also no apparent record of the revenue in the Consolidated Fund.

I'm wondering if you could tell us today — since actually the Minister of Justice took notice of this question a week ago — if the Minister of Public Participation could tell us what has happened to the \$2.2 million. Has it just disappeared, or what happened to it?

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

**Hon. Mr. Taylor:** — Certainly, Mr. Speaker, that as the auditor says . . . And I don't know where he comes with the figure of 2.2 million. I believe it's a book value figure, but we have no substantive evidence of that figure. But being as it may be, certainly there has been some sale of some equipment. About \$707,000 worth of equipment has been sold. Some . . .

**The Speaker:** — Order, order. Order, order. Order. We're attempting to hear the response, and I'm sure all hon. members are interested.

**Hon. Mr. Taylor:** — About \$707,000 have been sold. Some of the other equipment has been transferred to other parts of government. There is still some of it . . .

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

**Hon. Mr. Taylor:** — Well, if you care to laugh, that's fine. If they want the answer, I'll proceed. And the other aspects of it, the equipment are still in the warehouses with SPMC (Saskatchewan Property Management Corporation). But certainly, as far as the funds, the funds have been . . . are with SPMC. The auditors that have been hired by SPMC to conduct their business have not, have not, shall I say, ever been questioned by the Provincial Auditor pertaining to the dental equipment — have not been.

There has been a question asked by the Provincial Auditor about the total sales and salvage. Well let me tell you, the total sales and salvage of SPMC is much larger than just the dental equipment. You see yourself, Mr. Speaker, that there are sales of equipment almost weekly in the paper of government assets. So the auditor has asked about the total sales and salvage but has not asked our auditors or the officials in SPMC about the dental equipment.

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

**Mr. Anguish:** — Well thank you, Mr. Speaker. The auditor is right. You don't know what's going on.

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

**Mr. Anguish:** — As an officer of this Assembly, I'd have to take the auditor's word that it was \$2.2 million. Now you don't know where the money is.

**An Hon. Member:** — You don't know where the equipment is.

**Mr. Anguish:** — You don't know where the equipment is. The auditor said that you're supposed to put that into the Consolidated Fund. You're holding the money at Sask Property Management Corporation. It's not your money. When are you going to put this money into the Consolidated Fund and tell us where the rest of the dental equipment is. It's \$2.2 million worth of equipment, and you're beyond your authority, sir, in what you're doing with that equipment and money.

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

**Hon. Mr. Taylor:** — Mr. Speaker, I'll repeat the answers again because obviously he didn't get them the first time.

**The Speaker:** — Order. Order. Order.

**Hon. Mr. Taylor:** — It seems to me that the member's more interested in laughing than getting the facts, but so be it. I just want to indicate to you again that the book value, as said by the auditor, is \$2.2 million. And of that, \$707,000 has been sold; the equipment has been sold, and that money is in SPMC, fully accounted for by our auditors.

Secondly, the rest of the equipment has either been transferred to other departments where it can be used within government or else it is still in warehouses for further sale. So I don't see anything that the member would . . .

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

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

**The Speaker:** — Well I really couldn't hear the minister finish, and if he wishes to take a few seconds to complete his remarks, I'll give him that permission.

**Hon. Mr. Taylor:** — Mr. Speaker, for the third time I will indicate that \$707,000 of the equipment has been sold. And that money is fully accounted by our auditors in SPMC, and the remainder of the equipment is either in warehouses or has been transferred to other government departments.

**Mr. Anguish:** — New question. I was wondering, Mr. Minister, if maybe you're filling holes in the highways with the drill equipment.

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

## Mail Delivery for Consumer and Commercial Affairs

**Mr. Anguish:** — I'd like to go to another item pointed out about your Crown corporation by the auditor, and it refers to the Department of Consumer and Commercial Affairs. And that department paid property management \$254,000 for mail delivery. Now the department does not have a written agreement or arrangement for fees to be charged by property management corporation. There's also the absence of records at the department to verify the accuracy of invoices rendered by Sask Property Management.

And I'm wondering, is this the same kind of sloppy service we can expect in other department from the property management corporation, the big slush fund that you have for the government?

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

**Hon. Mr. Taylor:** — No, Mr. Speaker, I believe that the department of the property management is well run, as the auditors have indicated. It would make it a lot easier if the questions that the Provincial Auditor wished to report in his report were asked of our auditors — and that was not the case in many situations.

## Participation Credit

**Mr. Anguish:** — I'm wondering about . . . a new question, Mr. Speaker, to the same minister. Also in the auditor's report at 29.19, the auditor says:

The financial statements do not disclose the nature and significance of the Participation Credit of \$42.7 million in the Statement of Income and Retained Earnings.

Now the auditor goes on to say:

In my opinion, this is essential information which is required to be disclosed by G.A.A.P. (general accepted accounting principles).

And the reason the auditor doesn't get a lot of information is because your property management corporation withholds it from him. And I was wondering if you could tell us today, Mr. Minister, what the \$42.7 million participation credit is. What's the participation credit and how can it be worth \$42.7 million, sir?

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

**Hon. Mr. Taylor:** — Mr. Speaker, I think that the question certainly indicates the problem that exists in the minds . . .

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

**The Speaker:** — Order, order. Order, order. I'm sure all members are having a problem with hearing the minister. It can be easily rectified if members simply co-operate.

**Hon. Mr. Taylor:** — What I was saying is that I think that the questions indicate the problem that exists is mainly between the Provincial Auditor's report and the auditors employed by the property management Crown. And I

believe that kind of a question certainly should be discussed between both of those groups. A technical question of accounting principles is the kind of thing that should be discussed between the Provincial Auditor and the auditors employed by the property management corporation.

As I said previously, as I said previously in my answer regarding the dental equipment, the question of the dental equipment *per se* was not asked to our accountants. If there are questions and problems there, then I believe that those two should sit down together, the accountants for the property management corporation and the Provincial Auditor, and come to a resolve.

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

**Mr. Anguish:** — Same question, Mr. Speaker. Can the minister tell us . . .

**The Speaker:** — Order. It's the same question. The rules do not allow the same question to be asked twice.

**Mr. Anguish:** — New question, Mr. Speaker. Now just listen to this, Mr. Minister. What is the \$42.7 million participation credits? What is it?

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

**Hon. Mr. Taylor:** — Well, Mr. Speaker, to be able to give the exact definition of that, I'll take notice of the question and report back to the Assembly.

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

#### **Sales Trip to Greece by WESTBRIDGE Employees**

**Mr. Trew:** — Thank you, Mr. Speaker. My question is to the acting minister responsible for SaskTel. Will you tell this House whether or not the firm WESTBRIDGE, of which your department owns a substantial amount, sent at least 15 people of its sales staff on an all expenses paid trip to Greece earlier this month?

**Hon. Mr. Berntson:** — Mr. Speaker, I'll take notice of the question.

**Mr. Trew:** — New question, I guess. While taking notice, Mr. Minister, could you tell the people of Saskatchewan why these 15 people were sent to Greece earlier this month, all expenses paid? How can you justify that enormous expense?

**Hon. Mr. Berntson:** — I just . . . I point out that it is a private company, Mr. Speaker, but I will take notice of the question and undertake to bring the answer back to the legislature.

#### **Drilling in Great Sand Hills**

**Mr. Tchorzewski:** — Thank you. I have a question, Mr. Speaker, to the Minister of the Environment. Mr. Minister, recently there were some 100 people who met at a public meeting at Fox Valley, who indicated that they believe that further drilling on the Great Sand Hills will destroy this unique and highly sensitive ecosystem. At that public

meeting, Mr. Minister, the manager, project manager for Lone Pine Resources, Jay Lyons, indicated and admitted that the track record of the industry was far less than impressive with regard to protecting the environment and environmental protection, Mr. Minister.

In light of this, I would like to ask you: what steps have you taken to meet the concerns of these citizens who represent not only the 100 but many other citizens of Saskatchewan, about what's happening on the sand hills in the south-west?

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

**Hon. Mr. Swan:** — Well, Mr. Speaker, I am very pleased to finally get a question on this subject. It's been in the news for a while, and I thought that the opposition wasn't interested in environment any more. Let me give you some of the details of what our department is doing, dealing with the drilling in the sand hills.

The meeting in Fox Valley was part of the environmental impact assessment process that the company is required to go through. That environmental impact assessment was asked for from that company in February of this year. They are still doing their environmental impact assessment, and they're holding meetings with people in that process.

About a month from now, I would expect that the environmental impact assessment will come to our department for review, and it will go through the normal review process and then the public hearing process following that. And before any permission is given for drilling, all of the questions of the public and of my department will have to be answered, and they will not go ahead and drill unless they can guarantee protecting the environment in that area.

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

### **ORDERS OF THE DAY**

#### **SPECIAL ORDER**

#### **MOTIONS**

#### **Point of Privilege — *Report of the Provincial Auditor***

**Mr. Brockelbank:** — Thank you, Mr. Speaker:

That this Assembly regrets that the Provincial Auditor has been impeded in effectively carrying out his role to watch over the public purse for the Legislative Assembly, and that this Assembly direct the Government of Saskatchewan to make available full information, and the necessary co-operation, in order to allow (that) the Provincial Auditor to fulfil his legislative responsibilities as specified in the statutes of Saskatchewan.

That is the motion that we're debating here today, Mr. Speaker.

Mr. Speaker, the people of Saskatchewan regret,

the people of Saskatchewan regret that this government has abandoned its stated policies of 1982 which would protect the Provincial Auditor.

This government, this political party, the Conservative Party of Saskatchewan, brought out a program in 1982 and printed it and sent it all about the province. It's a five-point program designed for good management, good government management.

It dealt with such things as efficient management of Crown corporations, service at cost — that has been abandoned. Consumers will be protected by a public utilities review commission — that has been abandoned. They will protect the taxpayers' money by ensuring the independence of the Provincial Auditor — that has been abandoned. They will open the books on government business — that has been abandoned. They will establish freedom of information legislation — that has never been attempted by this government, Mr. Speaker.

So I think it's fair to say that the people of Saskatchewan regret that this government has abandoned its high principles which were written on paper in 1982 and has reversed itself. And that's why we find ourselves in the position today of discussing this question about the Provincial Auditor of Saskatchewan — this question about how the Government of Saskatchewan treats the Provincial Auditor, the guardian of the public purse.

I believe it's important, Mr. Speaker, that I make some reference to The Provincial Auditor Act. I wouldn't normally expect to have to do this, but there's obviously some people, a considerable number of them across the way, that don't understand The Provincial Auditor Act. I don't intend to take a lot of time today, Mr. Speaker, to read The Provincial Auditor Act into the record. It's a document that's available to all people. As a matter of fact, the Provincial Auditor put a copy of The Provincial Auditor Act in his report to this legislature, ending March 31, 1988. It's right here in the auditor's report.

I just want to refer to selected parts of The Provincial Auditor Act, Mr. Speaker. I want to refer to the section that's entitled "Duties and Powers"; the duties of the Provincial Auditor of Saskatchewan. It says . . . this is on page 4 of the auditor's report in the Appendix I:

The provincial auditor is the auditor of the accounts of the Government of Saskatchewan and shall . . .

Get that word:

. . . shall examine all accounts related to public money and any accounts not related to public money that he is required by an Act to examine, and shall determine whether, in his opinion:

the accounts have been faithfully and properly kept;

That's the law. That's the law of Saskatchewan. That's why we're discussing this auditor's report, because this government has broken the law, Mr. Speaker. This government has broken the law.

The second thing the Provincial Auditor shall determine is:

public money has been fully accounted for and properly disposed of . . .

We can tell from the questions in the question period today that the Minister of the Saskatchewan Property Management Corporation is unable to account for sums of a couple of million dollars. He's unable to tell you what a \$42 million item is in his own Crown corporation. So that means that this minister is not accounting for public moneys. They're not fully accounted for and properly disposed of. They've broken the law quite, quite clearly, Mr. Speaker.

The Act goes on:

. . . and the rules and procedures applied are sufficient to ensure an effective check on the assessment, collection and proper allocation of public money;

Well the Minister of the Saskatchewan Property Management Corporation was unable to answer the questions this morning. The minister, according to the auditor, has broken the law. This is the law. They've broken the law.

The third point:

public money expended has been applied to the purposes for which it was appropriated by the Legislature and the expenditures have adequate statutory authority;

This government has contravened the statutory authority. They've contravened the law. They've broken the law. In plain English, they've broken the law.

(d) essential records are maintained and the rules and procedures applied are sufficient to safeguard and control public money.

It's clear from the answers in the question period that those safeguards are not in place. It's clear from the auditor's statement, those safeguards are not in place.

The Act goes on. And this is the law, Mr. Speaker. Later on it says:

In the fulfillment of his responsibilities as the auditor of the accounts of the Government of Saskatchewan, the provincial auditor may (get that word — may) rely on the report of the appointed auditor of a Crown agency or Crown-controlled corporation if he is satisfied that the appointed auditor has carried out his responsibilities pursuant to . . . (this Act) with respect to that Crown agency or Crown-controlled corporation.

Quite clearly, the government has broken the law here again. Clause by clause, this government breaks the law, stands above the law. And as been illustrated today, if

they're breaking the law, they'll change the law.

Another question in the question period today. If they're breaking the law, just wait around until the next cabinet meeting and we'll change the law. That's what this government says. Cavalier treatment, cavalier treatment of the law. Shabby treatment of the people of Saskatchewan. That's what this government's practising.

When the Provincial Auditor determines, pursuant to subsection (1), that he is unable to reply on the report of an appointed auditor with respect to a Crown agency or a Crown-controlled corporation, the Provincial Auditor shall — shall — conduct additional audit work. The Provincial Auditor, according to the report, has been prevented by this government from conducting additional audit work. This government again has broken the law in this clause. What a sorry record for the people of Saskatchewan this government is maintaining.

It goes on in subsection (3) on page 5 of the auditor's report, Appendix I:

Where the provincial auditor has performed additional (audit) work on the accounts of a Crown agency or a Crown-controlled corporation pursuant to subsection (2), he shall report . . .

Well the Provincial Auditor has reported where he's been able to, and has reported that he's not been able to in a number of cases, again law-breaking. What shall the Provincial Auditor report? He shall report:

- (a) the reason that he is unable to rely on the report of the appointed auditor of the Crown agency or the Crown-controlled corporation;
- (b) the nature of the additional audit work he conducted; and
- (c) the results of the additional audit work.

The Act goes on, the law goes on and states, Mr. Speaker:

At the end of each fiscal year, the provincial auditor and every appointed auditor shall . . .

There's no options here, Mr. Speaker. The law says "they shall" — not only the Provincial Auditor, but the appointed auditors.

. . . shall prepare a report on the results of all examinations that they have conducted of departments of the Government of Saskatchewan, Crown agencies and Crown-controlled corporations during that year giving details of any reservation of opinion made in an audit report, and shall identify any instances they consider to be of significance and of a nature that should be brought to the attention of the Legislative Assembly, including any cases in which they observe (the following):

(1045)

This is the law; this is The Provincial Auditor Act which

we in this Chamber passed on, The Provincial Auditor Act. We made it the law. Now the government tends to ignore the law and break the law.

The observations are as follows:

- (a) any officer or employee of a department of the Government of Saskatchewan or Crown agency has wilfully or negligently omitted to collect or receive any public money belonging to the Crown;

Well there's cases here in the book that illustrate that point.

- (b) any public money was not duly accounted for and paid into the appropriate fund;

Well a minister, property management corporation, this morning stood right up in his place in this House in the question period and said that he hadn't paid the money into the appropriate fund. He had appropriated it to himself, the property management corporation. Why is that minister appropriating funds that do not belong to him, to himself?

I have dark suspicions of why that minister is doing that. I'm sure in due course we'll be able to examine those suspicions — why that minister is doing that.

And also to observe:

- (c) any appropriation was exceeded or was applied to a purpose or in a manner not authorized by the Legislature;

Well clearly they've broken that law, too.

- (d) an expenditure was made for which there was no authority, or which was not properly vouchered or certified.

There's a list in the back of this audit report of about 46 of them, 46.

- (e) there has been a deficiency or loss to the Crown through the fraud, default or mistake of any person;

- (f) a special warrant authorized the payment of public money; or

- (g) essential records were not maintained, or the rules and procedures applied were not sufficient:

There are many examples in this auditor's report where the rules were not sufficient to cover it.

- (i) to safeguard and control public money;
- (ii) to effectively check the assessment, collection and proper allocation of public money; or
- (iii) to ensure that expenditures are made only as authorized.

The law goes on. The law goes on, Mr. Speaker, The Provincial Auditor Act, which we passed in this legislature, which we as the lawmakers are sworn to uphold in our oath, sworn to uphold. This is the law the government breaks. Under the section entitled, general, on page 9 of Appendix I of the auditor's report it states:

The provincial auditor or the appointed auditor, as the case may be, is entitled:

(a) to free access, at all convenient times, to:

(i) all electronic data processing equipment and programs and documentation related to the electronic data processing equipment; and

(ii) all files, documents and other records relating to the accounts;

And it goes on:

... of the Government of Saskatchewan, Crown agency, Crown-controlled corporation (etc.) ... and

(b) to require and receive from employees of a department of the Government of Saskatchewan, Crown agency, or Crown-controlled (agencies) ... or other person ... any information, reports and explanations that he considers necessary for the proper performance of his duties.

That's the law.

The law has been broken by this Executive Council, supported by their back-benchers. It's been broken. We hope, we hope that their back-benchers over there see the folly, see the folly of breaking the law which we're all sworn to uphold in this Chamber. The law that we made, this Executive Council breaks with impunity.

I want to go on to a further part of my speech, Mr. Speaker. I've reported to you what the law is, as stated in The Provincial Auditor Act. I recommend it as reading to all members across the way, because obviously if some of them don't understand it, here's a chance to become conversant with the law, and those that do understand it obviously are skirting the law or breaking the law. I don't know which are which over there, but something has to be done, and that's the purpose of this resolution — to bring this subject to a head.

How has this government, as they said in their literature in 1982, their solemn promise to the electorate, which no longer ... the electorate no longer has to believe or will believe ... They said, protect taxpayers' money by ensuring independence for the Provincial Auditor. That's the exact wording of their promises right off their campaign literature. How have they done that, Mr. Speaker? Or have they done it at all?

I've done some review of the finances of the auditor's department, the revenue that the auditor has to work with, and the size of the provincial budget. The auditor's funds, which he has to operate on for the year, in 1982

was 3.1 million; in 1988-89 — that's last year — it was 2.8 million. That's a drop of \$275,000 ... pardon me, \$279,000 in the funds that the auditor has to examine the records of Saskatchewan government, Crowns, and Crown-controlled agencies.

During that time, just the provincial budget, not including the Crowns — just the provincial budget — has risen. In 1982 it was \$2.8 billion; in 1988-89 it was \$3.9 billion — an increase in the provincial budget of \$1.1 billion over that period of time, whereas the auditor's funds to control and as act as the watch-dog over those funds, and the expenditure and accounting of those funds, has been cut by \$279,000.

The staff of the auditor's office, consequently, has been cut in that exact period of time from 72 employees to 52 employees, a cut of 20 people, whereas the budget they're supposed to oversee, just in the government section, leaving aside the Crowns, has increased from 2.8 to \$3.9 billion — an increase of \$1.1 billion.

This question before the legislature has put the government in a position that someone over there has to answer the questions, or attempt to answer the questions on behalf of the government. The Premier has indicated by his actions quite clearly, as I stated before when I spoke into this debate, that the member for Kindersley, the Minister of Justice — what an irony, what an irony that is — the Minister of Justice will perform as the judge, the jury, the prosecutor, and the executioner of the Provincial Auditor and the Provincial Auditor's report.

That's what the Premier has indicated because the Premier's not risen off his seat on this issue. The Minister of Justice has answered the questions, or attempted to answer the questions about this whole area of the abuse of the record keeping of the people of Saskatchewan as reported by the Provincial Auditor.

Clearly, the Premier has taken out a contract on the Provincial Auditor. He's taken out a contract on the Provincial Auditor and his report. And the word is: get him, get him. That's what the Premier of this province has done by his very actions in this Chamber, carried out by the Minister of Justice. What an irony.

Why? the people ask. Why is the member for Kindersley doing this job? Well I suppose it's, Mr. Speaker, because of his past experience making vicious attacks on servants of this legislature. In the past he has attacked the provincial Ombudsman, he's attacked the Legislative Counsel, he's attacked auditors in a general way, and specifically he's attacked this auditor and his report here and now.

He is the instrument of the Premier; the Minister of Justice is the instrument of the Premier. There can be no escaping the fact that the final responsibility lies with the Premier of this province for breaking the law. He condones it. He has the Minister of Justice act as his executioner, with a contract on the auditor and the auditor's report.

In a parliamentary sense, Mr. Speaker, the Minister of Justice is a chronic offender. He's a chronic offender. He's got the taste for attacking officials of this Chamber,



and who knows where it will end? I think the Premier, in a perverse sort of way, appreciates having a specialist on hand, and because of this the Minister of Justice is now a chronic offender. He will attack any civil . . . any public servant from this Chamber at any time it's convenient for him to do so, and will aid his cause or the cause of his Premier.

That is a sad thing to have to report. It's a sad thing to report, and it sickens me to have to even suggest that. But the evidence is so clear that it cannot be ignored.

A few days ago this same minister, the Minister of Justice, suggested that the provincial auditor's report should be sent to the Public Accounts Committee, and he suggested that in the minutes of the House on page 1246 on May 19. The minister said:

Mr. Speaker, the proper forum by which to call witnesses is the Public Accounts Committee. The Public Accounts Committee, which is now, I might add, open to the media, which it wasn't prior to 1982 . . .

And I want to deal with that. I didn't have an opportunity the other day, Mr. Speaker, but I'm going to deal with it now.

. . . have the right to call witnesses to deal with this question. They can call the Provincial Auditor; they can call anyone else they wish, Mr. Speaker. And the members on this side of the House are perfectly . . . ready, willing to call anyone to that Public Accounts Committee to deal with this particular auditor's report.

Before I deal with the auditor's report, Mr. Speaker, one of the members indicated that he wishes to introduce students.

**The Speaker:** — The member for Battleford, is that your intention?

**Mr. Anguish:** — Yes, I'd like to ask leave of the House to introduce some students in the gallery, Mr. Speaker.

Leave granted.

### INTRODUCTION OF GUESTS

**Mr. Anguish:** — Mr. Speaker, I'd like to introduce to you, and through you to members of the House, a group of 21 grade 4 and 5 students from Lawrence School in North Battleford, seated in your gallery. I see that they're accompanied today by their teacher Mrs. McLaren, and a couple of chaperons, Pat Squire and June Thomson.

I'd like to welcome these people to the Assembly here this afternoon, and I'll be meeting with you out in front on the stairs. As soon as you leave, I'll leave. And I'd like the House to join with me in welcoming them here today, Mr. Speaker. Thank you.

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

### SPECIAL ORDER

### MOTIONS

#### Point of Privilege — *Report of the Provincial Auditor* (Continued)

**Mr. Brockelbank:** — Mr. Speaker, I too want to join with the member from The Battlefords in welcoming the students to this Chamber. And I know the member for Battleford couldn't say it because it would be political in an introduction, but I feel that I can say it.

If there's one thing I could recommend to students all over the province, regardless of their age, required reading should be the auditor's report — the auditor's report — because they'll see how this province is being run.

The auditor is the watch-dog. He looks over billions of dollars of expenditures for the people of Saskatchewan, for the members of this Assembly, and he makes a report each year. And this is the auditor's report for 1988, and it's an indictment of this government and how they spent and recorded the expenditure of the money of the province and the taxpayers of this province.

I said I wanted to deal with the Provincial Auditor's . . . or pardon me, the Public Accounts Committee and the growth of the Public Accounts Committee and the auditor's position in Saskatchewan.

As an introduction, I read the comments of the member for Kindersley when he talked about this, and that this subject should be sent to that Public Accounts Committee.

I have in my hand the minutes of the Select Standing Committee on Public Accounts and Printing, March 24, 1976. It has in it a summary of the growth and development of the Public Accounts Committee and the Provincial Auditor. And I must give due credit to the member for Qu'Appelle-Lumsden, the Liberal member for Qu'Appelle-Lumsden, because then he was a Liberal. And he's changed his spots and he's a Conservative now. We don't know whether that will last, but he's made a change.

It says here, the minister — or now the Minister of Finance, the member for Qu'Appelle-Lumsden who was a Liberal, is now a Conservative — said as the first chairman, first chairman of the new Public Accounts Committee. His statement was as follows:

This is the first Public Accounts Committee since the dissolution of the last Legislature . . .

(1100)

Now he's referring to the 1964 dissolution which caused an election to be held and a new government took over in the province of Saskatchewan in 1964. The Public Accounts was set up so that the opposition is the chair of the Public Accounts Committee. A member of the opposition is the chairperson of the Public Accounts Committee. The member for Qu'Appelle-Lumsden goes on:

The first Public Accounts Committee met in 1888 (that's quite a while ago) as part of the Territorial Legislative system. This Committee continued after the establishment of the Province in 1905.

It states how the committee operated, Mr. Speaker.

The Committee was open to the public with Cabinet Ministers present to defend their departments. The Provincial Auditor then was a governmental official responsible mainly for the pre-audit function. The Committee reviewed the *Public Accounts* document page by page without a systematic review of accounting procedures and without the assistance of an independent Provincial Auditor's report.

This is the member for Qu'Appelle-Lumsden speaking.

The committee was basically a political forum . . .

And how right that was, because I remember in my early years in the House the Public Accounts Committee was basically a political forum, was even more so in the earlier years. And the member goes on to say:

The Committee was basically a political forum where government policy, rather than government accounting procedures were reviewed. The Legislative Assembly was not particularly pleased with this system of review and as a result, established a Special Committee in 1963 . . .

Now that was just a while before I arrived in this Chamber, but it was established under the CCF/New Democratic government in 1963 to review the establishment of the Public Accounts Committee and the duties of the Provincial Auditor.

This special committee was assisted by Mr. C. B. Koester, Clerk of the Legislative Assembly (who later became Clerk of the House of Commons in Ottawa), senior civil servants, and Dr. Norman Ward of the University of Saskatchewan . . . The Special Committee examined British and Canadian Public Accounts Committees and noticed the presence of an independent Auditor who was responsible for post-audit (not pre-audit) . . .

But now they're talking about an independent auditor who is responsible for post-audit and the report to parliament, in this case to the legislature.

Based on their review of the British and Canadian Committees, the Special Committees reported to the Saskatchewan Legislature in 1964 that:

1. An independent Provincial Auditor be established who would be responsible directly to the Legislative Assembly and would ensure that a proper post-audit was conducted.

This is when we had a CCF/New Democratic government in Saskatchewan. They set up the committee. Before the

new system could be inaugurated, an election intervened, an election intervened and the government changed.

2. That Public Accounts Committee hold all of its meetings *in camera* with a verbatim transcript to be Tabled . . .

Now here's where the *in camera* sittings of the Public Accounts Committee occur. And it was held:

. . . *in camera* so that the Committee's investigations could be frank and thorough without having to pursue the sensational issues for the benefit of the press.

3. That the permanent heads and Deputy Ministers rather than Cabinet Ministers be witnesses before the Committee. The intent of the Committee was to examine not the policy of why the expenditures were made, but whether the expenditures were made properly with adequate legislative authority.

So that was the reason, that was the reason that an independent auditor was established. That was the reason the committee met *in camera*.

Prior to that time, we had an auditor was in the direct pay of the Executive Council and controlled by the Executive Council. The meetings were open to the public. And I might say with regard to that, the minister was in the committee rather than the deputy, rather than the bureaucratic head of the department or agency.

And what would happen in those days was that the leader of the opposition, at that time was Mr. Thatcher, would go into the committee just before the newspaper's deadline in the morning. He would make a grandstand on a particular issue in the committee. He would get himself a headline for the day, and he would leave the committee. So it was a convenient vehicle for the leader of the opposition of that time to go into the committee, grab himself a headline for the day.

That's why it was changed to *in camera*. That's why the Public Accounts Committee was changed to *in camera*. If the members of the Assembly wish to have it out of camera and open to the public, that's fine. It was decided in a committee separate and apart from this Chamber. And that's the way it was decided then, and I go along with the decision of the majority.

I have no objection to following the decision of the majority with regard to establishing rules with regard to auditor, the Public Accounts Committee, the rules of this Chamber. I have no problem with that whatsoever.

So that was the growth and development of the Public Accounts Committee and the growth of the Provincial Auditor in the province of Saskatchewan.

In conclusion, Mr. Deputy Speaker, I want to say, without accountability there is no democratic freedom. Without accountability in our system which we have freely chosen, there is no democratic freedom.

It has been fully shown that this government is prepared to do the following: trample on the rights of another servant of this Chamber — the public has a right to have an answer to that. This government is prepared to ignore the public's wishes about privatization of Sask Power Corporation — the public has a right to know about that. To eliminate agencies such as PURC, the public utilities review commission — the public has a right to know why the government does these things. And they have a right to not believe this government in the future when they give written pledges about supporting the democratic institutions of this province, because they've completely broken them, ignored them, or failed to implement them.

Mr. Deputy Speaker, all the rain in Saskatchewan will not wash away the stain of abuse on the parliamentary system brought about by this government's gross interference and contempt for the office of the Provincial Auditor and his report. All the rain in Saskatchewan will not wash that away. It's there to stay; it's a matter of historic record in this Assembly now.

Mr. Speaker, I could do some quotations in conclusion of my remarks. I was reading one the other day when the clock interrupted me, and I'll conclude reading that. "Lutz taking right road.", and this is the *Star-Phoenix*, February 10, editorial page, 1989:

Good for Provincial Auditor Willard Lutz. Demands for retractions and apologies from government MLAs are not going to make him change his mind about the public's right to know how the money it has invested in certain Crown-controlled companies is being managed.

While Lutz earned respect from Saskatchewan taxpayers, the whining government back-benchers on the legislature's Public Accounts Committee only harmed their credibility and demonstrated a lack of political astuteness by failing to latch onto this popular issue.

This is the *Star-Phoenix* editorial page in February of this year.

*The Financial Post*, or pardon me, *The Globe and Mail* from outside of Saskatchewan, has this to say in part — the initial paragraphs have been quoted a number of times — now I'll only quote in the end part of the editorial from *The Globe and Mail*, May 22 of this year:

It is commonplace that government auditors turn up irritating, embarrassing things in the course of their work. It is routine that they should remonstrate strongly, if necessary, with the government for slipshod handling of public money and failure to ensure that the taxpayer got value for it.

It is rather less common for an auditor to censure a government for actually preventing him from getting at the books, thereby evading its obligation in law to be financially accountable. Mr. Lutz has found it necessary to take the government and its major Crown corporations to task for its evasive

tactics. Protesting that he could not effectively carry out his duties, Mr. Lutz reported that there were a number of cases in which he could not get information he was entitled to receive.

The shameful outcome has been that Mr. Lutz is obliged to enter his own estimates of the amount of public spending in the province, for want of any summary financial statements. He calculated that government departments and Crown corporations employed about 35,000 people in 1988 and spent about \$6.9 billion.

This is the kind of figures we're dealing with — 35,000 people employed, \$6.9 billion of budget.

Among the major devices by which the government appears to have tried to throw the auditor off the scent has been its increasing use of private auditors to check Crown corporations. He reports that this has allowed him to see only 50 per cent of the expenditures from the public purse in 1988, compared with 90 per cent the previous year. He has run up against straight denials of access to information needed to check the private auditors' work. The image that emerges is of a shabby, almost furtive government.

That's from *The Globe and Mail*, May 22 of this year.

A further item from the Saskatoon *Star-Phoenix* editorial page, and I'll only read a couple of paragraphs on this one, Mr. Speaker, because it's available to the public. It's May 23, 1989. It reads as follows:

Devine must act. It's time for the Premier to step forward and tell government ministers and officials to co-operate with the Provincial Auditor, Willard Lutz.

Going on to a third paragraph:

In his 1988 report, Lutz said he can no longer effectively do his job because the government isn't obeying its own laws. It is denying him access to information he has a right to see.

And it concludes with the final paragraph:

The premier will have to make some attempt to temper the arrogance of government ministers and Crown officials. Otherwise, the public may well ask, "What has the government to hide?"

That's a good question. I'm sure the public is asking that question. I want to say in final conclusion, Mr. Deputy Speaker, that I have had a copy of the auditor's report in my constituency office in Saskatoon this week, and there will continue to be a copy of the auditor's report for 1988 in my constituency office for my constituents to look at. I hope they avail themselves of that opportunity of checking that auditor's report because for every taxpayer of Saskatchewan that should be required reading. Thank you, Mr. Deputy Speaker.

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

**Mr. Tchorzewski:** — Thank you, Mr. Deputy Speaker. I want to make a brief intervention in this debate. I want to begin by saying that it's not a debate that any serious member of this legislature wants to have take place in this House, but on the other hand, Mr. Speaker, any serious member of this legislature, seeing what has occurred with regard to the Provincial Auditor and with regard to what is in the Provincial Auditor's report, and with the actions and the inactions of this government, I think, ought to feel obligated to speak in this debate on behalf of the constituents that he or she represents, and on behalf of Saskatchewan citizens who continue to believe in a strong democratic process and in the adequate and effective functioning of this legislature to which they elect representatives.

(1115)

Now I want to speak on this debate, Mr. Deputy Speaker, because I believe that our parliamentary system of government is good. It's a good system of government but it's a very fragile system which must be defended when it is attacked. Now, Mr. Deputy Speaker, members before me, the evidence of the auditor's report and press reports clearly show that in this province this system of parliamentary government is indeed under attack in a very serious way. The motion that we're considering deals with this government's interference with the ability of the Provincial Auditor to carry out his role.

Now in the process of my remarks, Mr. Deputy Speaker, I want to talk about that, but one of the key things I want to talk about later on in what I have to say is to show to the House, and put on the record, some evidence which will show that the Premier of this province was directly involved in withholding information from the Provincial Auditor. That is, Mr. Deputy Speaker, very damning information which the public of Saskatchewan ought to know, and will know.

I think the Premier knows that. In fact, I know he knows that, because he was involved. And that's one of the reasons, as my colleague from Saskatoon just finished saying, why he set up the Minister of Justice to try to deflect the issue of the cover-up and the interference by doing a direct attack on the Provincial Auditor. And it's not working. I don't know what their next ploy is going to be, but surely by now they must be understanding that it is not working.

Now what we have here in this interference with a very important official of this Legislative Assembly is not an isolated situation when it comes to the way that this government operates. And I want to give you some examples and relate them to the auditor's report to indicate that it is not an isolated . . . it's a very deliberate strategy of the government of the day to withhold information and not allow the opportunity or provide the opportunity for an adequate scrutiny of the things that the government does.

We have had cases, Mr. Deputy Speaker, where the government has not provided answers in the legislature, never mind going through an officer of the legislature. This legislature, through that Chair that you occupy right

now, has in the past ordered orders for return. In some cases it has taken two years for the government to provide answers for those orders for return even though this legislature itself ordered them to be coming forward. That's another example which is just like the interference with the Provincial Auditor.

We have cases where questions are asked of ministers and they refuse to answer them in this Legislative Assembly. They don't address the question because they don't want the answers provided, because they know that there has been wrongdoing on the part of members of the executive branch, the cabinet. They know that there has been wrongdoing on the part of the government as a whole, and so therefore they don't want to provide the answers so that the people of Saskatchewan would know what the wrongdoing is.

Another example which is like the interference we see in this motion, Mr. Deputy Speaker, is the refusal by this government to table the 1986-87 annual *Public Accounts* for months and months and months beyond the period of time when it normally would have been tabled. In each of these cases there is not any doubt in my mind that we saw a very serious attempt by the government to withhold information, and the refusal to be accountable to this legislature, and therefore to the people of Saskatchewan who elected them.

There are other major examples, Mr. Deputy Speaker, such as the spending of vast amounts, tens of millions of dollars, in 1987 by special warrant without the introduction of a budget.

Now that's all part of the misappropriation of public money. All of that has led to the attempt by the government today, and in recent weeks and months, to interfere with the auditor, because they know that if the auditor had all of the information that he should have to fulfil his role, the auditor's report would be even worse than what we see in this report that's before us now.

And of course, Mr. Deputy Speaker, the most recent example of this government's breaking its own law and interfering with the due process of the law is the example of advertising the SaskEnergy share thing without having a prospectus issued in advance, to the point where the Securities Commission had to intervene and had to tell the government that it was in contravention of its law, in the same way as the government is in contravention of its law when it refuses to provide information to the Provincial Auditor.

Now faced with that, any self-respecting and honourable government and ministers would say, well, gee, we've got to deal with the problem; this is wrong. But what do they do, Mr. Deputy Speaker? They don't say that. They say, well we're going to change the law to suit ourselves, and we're going to pass an order in council to exempt the government from the requirements of the Securities Commission.

Now if you were a business person, Mr. Deputy Speaker, and maybe you are — I know you're a farmer — surely you would not expect the government to pass an order in council exempting you. Or if it was my case — it's unfair

to use you as an example, Mr. Deputy Speaker — or any member of this House, the small-business person in Saskatchewan follows the law, lives by the law, operates under the law. He or she does not get exempted because somehow it's inconvenient.

But this Minister of Justice and this Premier decide that they can do that. And is it any wonder that we have had editorials from one end of this country to the other, not just in the province of Saskatchewan now, condemning the government for its actions, condemning the government for its interference with the Provincial Auditor. Editorials that say things like the one in the *Star-Phoenix* of two days ago which said:

For the government to cavalierly override the securities commission (and) write its own rules to suit its own share offering is ludicrous.

That's not any different than what the government has done with orders for return, which it refused to table for the longest period of time. That's not any different than the government passing minutes — which I will talk about in a little while — at boards of a Crown corporation, saying that the officials of that Crown corporation ought not to provide information to the Provincial Auditor which he was requiring and which he had asked for.

Blatant, deliberate, premeditated interference, Mr. Deputy Speaker. And so that's why this motion is here. And that's why this debate is taking place, a debate that's taking some time and will take some more time, because it is an issue that no member of this House, either on the government side or on the opposition side, should take lightly. It is the very integrity of this institution that's at stake here. It's the very integrity of democratic parliamentary government that's at stake here.

And for the members of the government side, the back-benchers, to ignore that is absolutely irresponsible — absolutely irresponsible. I say to members who are not on the front benches in the Executive Council on the government side of the House, that they ought to do their job. And they ought to say to their cabinet ministers, enough is enough, that the cabinet has to be accountable, because it's hurting each and every one of them in their constituencies. And never mind that, it's hurting the way this government, through this legislature, can be accountable to the people of Saskatchewan.

And so we have this motion, Mr. Deputy Speaker, which states:

That this Assembly regrets that the Provincial Auditor has been impeded in effectively carrying out his role to watch over the public purse for the Legislative Assembly, and that this Assembly direct the Government of Saskatchewan to make available full information, and the necessary co-operation, in order to allow the Provincial Auditor to fulfil his legislative responsibilities as specified in the statutes of Saskatchewan.

That is a very serious motion, but it's not here for no reason at all.

So why are we here debating this serious motion of privilege? Why are we here debating this serious motion? We are here, Mr. Deputy Speaker, because without the ability to address the issues of the people of Saskatchewan, this legislature cannot function effectively. Without appropriate information provided as required, and when required, this legislature cannot hold the government accountable for the expenditure of the taxpayers' dollar.

Government becomes simply government by Executive Council or government by cabinet, and parliamentary accountability is destroyed and the interests and the concerns of the citizens are ignored. The political interests then, Mr. Deputy Speaker, of the cabinet become the only consideration of the government, and I am sorry to say that's the kind of situation we face in Saskatchewan today, where the political interests of the cabinet have become more important than the interests of the people of Saskatchewan.

To carry out its responsibility, this legislature has certain officers and committees who have been provided the powers to get information on government expenditures, on whether government is acting within the laws passed by this legislature, and whether ministers have used their positions for personal benefit or gain or for that of friends and relatives or others as individuals or corporations or organizations.

When the functioning of these officers of committees is interfered with by officials of government acting on behalf of the Premier or the cabinet, or by cabinet ministers themselves, as has been the case in the most recent sense with the statements of the Minister of Justice, then I think we have a very serious problem, Mr. Speaker. The legislature itself then has been obstructed.

And you know, Mr. Deputy Speaker, even more important, the people of Saskatchewan are the victims. Their interests are not served, their tax dollars are not accounted for, and their future is put at risk.

The *Report of the Provincial Auditor* shows that this government has violated the taxpayer in a very serious way. It has obstructed the work of a key officer of this legislature. It has something that it is trying to hide. This government is faced with a damning indictment of its waste and mismanagement, and I even would go so far as to say, Mr. Deputy Speaker, its corruption.

Now faced with all of this, does the Premier call his cabinet ministers to a cabinet meeting for the purposes of addressing the situation that faces him as the chairman of the Executive Council, and does he demand an explanation? Does he direct that the problems be corrected? Does he show the leadership that is surely required in this situation? Does he do all those things, Mr. Deputy Speaker? No. No, he doesn't. He calls his Minister of Justice and directs him to shoot the messenger. That is highly irresponsible.

I think that the statement made by . . . in the editorial of the *Star-Phoenix* on May 23, 1989 is a very relevant statement, when it says that it's time, and I quote, Mr.

Deputy Speaker:

It's time for Premier Grant Devine to step forward and tell government ministers and officials to co-operate with provincial auditor Willard Lutz.

That's what the editorial says. But I know why the Premier has not done that — because he is part of that interference. He has been involved directly in that interference.

And in conclusion, the editorial goes to say that:

The premier will have to make some attempt to temper the arrogance of government ministers and Crown officials. Otherwise, the public may well ask, "What has the government (got) to hide?"

And I ask and my colleagues ask and people in Saskatchewan ask: what has the government to hide? The question has to be asked.

(1130)

So you see, Mr. Deputy Speaker, this is not only an indictment of the government's waste and mismanagement — it's that, but it's not only that — it is also an indictment of the lack of leadership of the present Premier of Saskatchewan.

Here's a man who as Premier has time to do many other things. Oh, he can take a month and take a little junket to the Far East and say some things that have got the government into trouble. He's got time to defend the federal budget even though it's devastating for the province of Saskatchewan. He can't find anything wrong with it. He says to the Prime Minister, you're doing the right thing. Put it to the province of Saskatchewan, I don't care, he says.

He's got time to defend the Prime Minister at every turn, even when the Prime Minister is wrong, but he doesn't have time to call his cabinet ministers in and say that in light of the Provincial Auditor's report, you've got to clean up your act. He's only got time to tell his Minister of Justice: destroy the Provincial Auditor!

There's no time and there's no desire to clean up his own government which has been for some time totally and completely out of control.

Now, Mr. Deputy Speaker, these are not the kinds of things that any member should say in this legislature lightly. And I don't say them lightly. I don't think you've heard me say these kinds of things that often. So when we choose to say them, there is good reason.

I am concerned about what I see happening out there among these front benches of this government. I wasn't elected to allow this type of thing to happen without doing my part in trying to do something about it. That's not what I was elected for. None of us were elected for that, neither the members of the government side nor the members of the opposition side.

And so I say again to the members of the government that I

sincerely hope that, at least in their caucus, they're asking questions and they're applying pressure and they're demanding some answers.

Now maybe it's too much to expect of members of the back bench on the government side to stand up in this House and say out loud on the record, Mr. Premier, get your act together, or, do something about making sure that the auditor gets his report. Maybe that's too much to ask of government members. I understand that. But in caucus at least they could apply the pressure on the Premier and the cabinet, on behalf of their constituencies, to get those ministers to be responsible and accountable.

Well what are some of the facts here, Mr. Deputy Speaker, which show that this is not an issue that should be taken lightly. Well the facts are that the government itself, on May 17, tabled in this legislature a document which is a searing indictment of its contempt for the legislative process of this province and for the people of Saskatchewan. It was, of course, the annual *Report of the Provincial Auditor*.

Now I guess it's natural, maybe, I'm not totally convinced, but some people will suggest that it's natural for the Provincial Auditor and the government of the day to be at odds from time to time. Maybe that's part of the role of the public watch-dog. But I think of very few, if any, incidents — in fact I can't remember any — where it has reached the proportion that we see in this Provincial Auditor's report. Never before have I seen a situation where an officer of the Legislative Assembly has met with such solid wall of non-co-operation and evasion — never. I'm not sure that it has happened in most parts of Canada.

I just refer you, Mr. Deputy Speaker, to Mr. Lutz's — that's the auditor's statement in section 2.20 of the report in which he says the following:

The Provincial Auditor can no longer effectively serve the Assembly because he now sees the financial transactions for (only) about 50 per cent of the public spending;

The government has decided that it needs to account for only 50 per cent of the public spending, and the other 50 per cent it doesn't have to account for.

He also says he:

... can no longer effectively serve the Assembly because when reliance on an appointed auditor is not justified, it is no longer possible to carry out the work not done by the appointed auditor;

Then he went on further to say:

I am being denied access to information.

That's unprecedented in the province of Saskatchewan, irregardless of which government has governed here before this particular government with this particular Premier.

Now those items taken together can lead to only one

conclusion, and that is that this government has embarked on a concerted effort to hide from the auditor, and thus from the taxpayers of this province, its use of the taxpayers' money. Now some would say, and I would confirm that, that this should not come as a surprise. Everything that the official opposition has raised, and will raise in the House, points toward a government which is wasteful, disorganized, and some would even suggest, corrupt.

Mr. Lutz suggests that the government is in violation of the law by failing to provide adequate information to his office, and certainly all the evidence that we have shows that to be the case. And that's why this motion is here, that's why it is being debated, and that's why it's getting so much attention. The issue is that this government is in direct contravention of all of the conventions and traditions which have allowed our democratic system to survive through the years.

The Provincial Auditor is an officer of the Legislative Assembly, and as such he reports to the Assembly, and members of the Executive Council are accountable to him, and not the other way around. And this has been the case because of the need for an independent evaluation of how the government spends its money.

Taxpayers should have, must have, access to such an independent evaluation. And when members of Executive Council or high-placed civil servants take steps to impede that full and complete access, they are putting themselves above the law, and are more definitely putting themselves above the will of the people and the prerogatives of the elected representatives of the people.

The people who run Crown investments corporation or the property management corporation or SaskTel have no mandate to deny this access to information. If they have been instructed to do so by their appropriate minister, then that minister is doing so without the authority of this legislature, which has the ultimate authority over how the provisions of The Provincial Auditor Act are carried out.

These actions by the government to prevent the auditor from doing his job are not isolated. They're part of a pattern of this government to circumvent and, yes, even abuse the democratic process in this province.

We see that even with the legislative rules debate which is before this Assembly as well, this government's attempting to unilaterally force through undemocratic legislation to muzzle the actions of the official opposition.

And when government muzzles the opposition, it also muzzles the public. It denies the public the right to know how government is looking after the public's business.

I find it highly ironic that this government can have the gall to paint itself on the one hand as a defender of democracy, while at the same time telling the people of this province that how taxpayers' dollars are spent are none of their business.

This is an issue that must be taken seriously. It goes to the heart of what a government is and what a government

should be. It defines the utter contempt that the current government shows for the people of this province and the utter arrogance with which it continues to operate. And that is why the legislature is debating this privilege motion today, and has been for several days.

But one would have hoped that the Minister of Justice would be able to rise above partisan politics on this occasion and give this matter the full and impartial consideration that it deserves. What did he do instead? Instead he chose to cover up the government's waste and mismanagement and incompetence by attempting to destroy the Provincial Auditor. The words of the Provincial Auditor's report, Mr. Deputy Speaker, ring very true, and I quote again from the auditor's report when he says, "Freedom from public scrutiny provides the ability to work in secrecy."

This government has been working in secrecy. The Premier and this government betrays and misleads the public. They can't be trusted with anything they say. And if government had nothing to hide, why would information be kept from the Provincial Auditor, I ask? Why? Why would they let themselves get into this great political difficulty if they had nothing to hide? The only conclusion one can draw is that there is a great deal that this government is hiding.

If the Premier believes that government spending of taxpayers' dollars can stand up to public scrutiny, why has he refused to act, and why has he designated his Minister of Justice to be the hit man to attack an officer of the legislature? is the question I would like answered.

Now, Mr. Speaker, I said that this government refuses to allow this issue to come to a conclusion. Some time ago, earlier when this issue arose, the Premier stood in his place and he said he would like this issue referred to a committee of the legislature. Now we say it ought to be dealt with here. It's a matter of privilege and it's a question that should be dealt with the legislature here. The Premier said, well we'll suspend all the other work in the Public Accounts Committee, and we'll let this latest report of the Provincial Auditor be considered in the Public Accounts Committee now.

Well obviously he's either not talking to his members on the Public Accounts Committee or he has no control over them any more. Because yesterday in that Public Accounts Committee, do you think that the Conservative members allowed the consideration of this 1988 Provincial Auditor's report? No. The Conservative members in committee chose to filibuster the committee.

(The) Progressive Conservative members of the public accounts committee are preventing Provincial Auditor Willard Lutz's highly critical (1987-88) report from being examined.

It says in the *Leader-Post* of May 26, 1989, which is today — and the interesting thing is, Mr. Deputy Speaker, to show how blatant it all is, they don't even use their own questions. They have decided to use the questions that have been provided in writing to the Provincial Auditor and to the committee by members of the opposition on that committee, and they've stalled a whole day's work.

And when a motion was put into the committee to go immediately to the auditor's report, which is the one we're talking about here, the Conservative members of the committee refused to let that motion be dealt with. In fact one of the members, the member from Rosthern, stated to the press that they are probably not going allow that to happen. They continue to hide from this issue. They continue to refuse to allow it to be discussed.

Now I come then to why is the Premier so concerned about making sure that the auditor was discredited. Why? There had to be a reason. Very unusual thing for any premier to do. Well I say, Mr. Deputy Speaker, that the Premier is concerned and so determined because he is directly implicated in the cover-up in the interference that's taken place.

I refer you, Mr. Deputy Speaker, to the *Report of the Provincial Auditor*, page 11. The public who may interested should look at this. It says in that report, and I'm going to quote it so that it's clear what it says. On point 2.34, it says:

As reported in my 1987 annual report, on September 17, 1987, the Minutes of the Board of Directors of the Crown Investments Corporation of Saskatchewan (C.I.C.) contained the following:

Here's the minute:

The Board confirmed their direction to CMB (Crown Management Board) Management to not release any information to the Provincial Auditor pending further discussions among the Board Members.

This was a minute passed by the board of this Crown Management Board, more commonly known as Crown investments corporation. The auditor went on to say that:

In my opinion, this action by the Executive is an interference with an Officer of the Assembly.

And he went on further to say:

In addition, on April 12, 1988, my officials were refused access to the minutes of the Board of Directors of C.I.C. Therefore, I have not seen any minutes of C.I.C. issued since its November 12, 1987 Board meeting.

(1145)

Now that's what the Provincial Auditor reports.

And I want now, Mr. Deputy Speaker, to refer you to the annual report of the Crown Management Board of Saskatchewan, which is the annual report which this report by the Provincial Auditor speaks of.

Who is on this board of the Crown investment corporation, the Crown Management Board, when this minute is passed? Well here are the board members. The chairman, Mr. Speaker, is Mr. Wolfgang Wolff; a member of the board is Mr. Harold Lane, former MLA for the Conservative Party, Saskatoon. There are two other

people, a Frank Proto of Edmonton and Garnet Wells of Edmonton.

Now let's put those aside and let's see who else is on this Crown Management Board, Mr. Speaker.

The vice-chairman of this Crown Management Board (I read from the report now so that I cannot be called out of order) vice-chairman Hon. Grant Devine, the Premier of Saskatchewan; the Hon. Eric Berntson, the minister responsible; the Hon. Bob Andrew, the Minister of Justice; (I'm reading from the report; the Speaker knows that) the Hon. Gary Lane, the Minister of Finance, and the Hon. Graham Taylor, the Minister of Privatization.

Now that it a very interesting collection of people. These are the key players, Mr. Speaker, in the privatization initiatives of this government. This is the board that passed the minute at a board meeting on September 17, 1987, which confirmed their direction of the Crown Management Board not to provide the minutes to the Provincial Auditor. And the Premier is vice-chairman of that board, and the Premier is directly involved in interfering with the work of the Provincial Auditor. And that's why he set up his Minister of Justice to try to destroy the Provincial Auditor because he personally has something to hide.

Mr. Speaker, what role does the Minister of Finance play in this? I'll tell you what role he plays in this, because the Minister of Justice said in this House in question period that the three people involved in negotiating with the Provincial Auditor to try to squeeze him out were one Larry Kyle, lawyer for the Crown Management Board, of which the Deputy Premier is responsible. He's a member of the board. Wolfgang Wolff, who's the chairman of the board, and the chief of staff of the Minister of Finance. They were all involved in this exercise which was trying to get rid of the Provincial Auditor because he was being honest in doing his work. All of those people are members of the board of directors when the minute was passed refusing information to go to the Provincial Auditor, which he required to do his work.

There can be, in light of that evidence, Mr. Speaker, no doubt at all that the implications of all this go beyond any one minister. They go directly to the office of the Premier, as the vice-chairman of this Crown Management Board which passed this motion.

It's no wonder that the Premier has been ducking the questions in this House, and that he's instructed the Minister of Justice to do his dirty work for him because he's afraid he's going to get caught.

Now there's some hypocrisy in all this as well, Mr. Speaker, because the Minister of Justice was the man who for some time in previous years claimed about how important it was for the Provincial Auditor to be independent.

I refer you, Mr. Speaker, to the minutes of *Hansard*, April 28, 1980 in which the Minister of Justice said, and I quote. He was asking the question; in fact he was asking it of me back in 1980. He said:



It relates to the whole question of the auditor having a perception of being an independent person, and his office being independent, which I think is very important.

And then he was concerned about the authority of the Provincial Auditor, and he said that further:

Does the provincial auditor in this province conduct audits on all departments of government and all Crown corporations?

He was concerned then, whether the Provincial Auditor did an audit of Crown corporations. He's not concerned any more because the government doesn't let him do that any more. At that time he had a strong opinion about that, and he said the following:

... when the cabinet or the board of a Crown corporation can unilaterally say, well, now we don't want the provincial auditor on this one. We are going to get another accounting firm to do that for us. Now surely that should be a decision of the provincial auditor, not a decision of the cabinet.

If that was true in 1980, Mr. Speaker, why would the Minister of Justice not believe it to be true in 1989, and be part of removing from the Provincial Auditor the authority to do these kinds of things?

He went even further to say:

... should it not be the provincial auditor's decision as to whether he wants to farm something out. If he doesn't have enough staff that he, in fact, arranges for the accounting firm or the auditing firm as opposed to the government? It seems to me that what you are saying is, that if we have problems in the given Crown corporation, the provincial auditor should zero in on it in his provincial auditor's report. This is not necessarily the case with a firm of accountants being hired. You can circumvent the harsh words that might come down on you from the provincial auditor.

Well having said all that, and making it very clear, he was part and parcel to removing the role of the Provincial Auditor from having anything to do with reporting on Crown corporations, even to the point of being part of a board of directors that passed a minute to prevent information being provided to the Provincial Auditor when he required it. And that's the hypocrisy, Mr. Chairman, and that's why, if the Premier had at least looked carefully at what he was doing, he picked the wrong person to be his hit man in this situation.

Something seems to have changed. I'll tell you what has changed as I conclude my remarks. What has changed is that this government has set out on a privatization agenda in which there have been special deals that have been made which the government doesn't want disclosed, in which there have been under-the-table deals which the government does not want disclosed. If that was not the case, why would they be hiding this information? Things were being done which government did not want

debated in the legislature. Secrecy was the order of the day, and the public was to be kept in the dark.

I suspect, Mr. Speaker, that pay-offs have been taking place in some form or another, and the friends of PC Party were being rewarded. Irregularities were taking place everywhere, and that's why we have this attempted cover-up. The government decided that the auditor better not get all of the information or it would be in deep trouble. And so the cover-up began. And the irony of it all is that the government got into political trouble anyway — very serious political trouble.

And so as we debate this very serious motion, it's a very revealing but sad commentary on the mismanagement and the wrong-headed priorities of this government. And to even consider what's been happening in this session, it's important to note who sets the order of business of this legislature, Mr. Speaker. You don't. The opposition doesn't. The government does. Who calls the Bills for debate in here? The government does. Who calls the estimates for consideration in Committee of Finance? The government does. We are now — is it 42nd or 43rd day of the sitting of this House? and we've passed two Bills, two interim supply Bills. And other than Bill 1, The Public Participation Bill, the privatization Bill; Bill 20, the sell-off of the potash corporation; and the Bills dealing with the privatization of SaskPower, this government has not been calling any legislation for debate in this House. Second readings of other Bills, other than the privatization Bills, have not been called here since April 14. That tells you something about the priorities of this government in dealing with the interests of the people who elected us here to deal with them.

In budget the government announced legislation to protect the ozone layer, I say to the Minister of the Environment; it announced legislation to deal with the debt crisis on farms; it announced legislation to provide badly needed relief for small business. On day 43, none of that legislation is yet introduced in this House. No notice has been given. Well maybe it has been in the last day or two and I have not seen it, but up until then it had not been.

The government sets the agenda of this legislature, has called only two estimates, that of Urban Affairs and Rural Development. And the last time that estimates were considered in this House and called to this committee was April 13 of 1989, because the government has refused to call them forward. Today is May 26; that's a long time. The question, Mr. Speaker, is, why? And I think that the auditor's report provides the answer.

The government, this government, does not care about the people's business. It does not care about the interests of the public of Saskatchewan. It does not have any respect for the functioning of this legislature. It doesn't believe that it has the obligation to respect and follow the laws of this province, just like you and I or any citizens of Saskatchewan who we represent here. This Premier is prepared to say that his government is above the law, and that is the view that he and his colleagues over there have adopted. And that's why this motion of privilege is here, because any legislature in a democratic nation or province should not allow any government to put itself

above the law.

No officer of this legislature can do the work that that officer is mandated to do if it is interfered with by the Executive Council. And that's why I am here speaking on this motion, outlining the things that I have said, pointed out how the Premier has been directly and personally involved through being a member of the Crown investments corporation board, involved in preventing information from being provided to the Provincial Auditor.

Any member, either on the government side or on the opposition side, who does not believe that this is a question of privilege, is not doing his or her job and is not carrying out their responsibility and the oath that we took when we signed the register with our hand on the Bible and indicated how we were going to carry out our responsibilities here.

And so, Mr. Speaker, I am going to say to you that I do not take what I have said lightly; neither have any of my colleagues. And I only hope that members opposite, deep down in their conscience, will once and for all sit back, take a look at what's happening with this government and in this session, and reconsider this wrong-headed strategy that they have employed, and try to put some pressure on their Premier to finally take charge and do something about it and do the kind of things that any Premier ought to be doing, and that is, govern.

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

**Mr. Solomon:** — Thank you, Mr. Speaker. Mr. Speaker, I would prefer to be standing in my place today, talking about some of the issues which are affecting the people of this province on a broader scale. What I'd like to be talking about, Mr. Speaker, rather than this motion, is the issues that the government has indicated that they want to talk about during the course of the time when the bells were ringing.

They said to us, the Premier said to us, they said to the people of Saskatchewan, the Deputy Premier said and the cabinet members and the MLAs said, let's get back to work. Stop the bells ringing, come back to the Legislative Assembly, and let's deal with the business of the province of Saskatchewan. Let's talk about the farm issues; let's deal with Bills that will improve our health care system, rather than gut the health care system; let's deal with Bills which will enhance our education system; let's deal with Bills that will relieve the tax pressure and tax burden on the people, the working people and the small-business community of this province.

Well, Mr. Speaker, we've been back for three weeks now in this Assembly and we have not addressed one of those issues. This government, on the other hand, has gone from one crisis, which they've caused, to another crisis, and it's a crisis situation of their own making.

We're debating here this morning a special order, a motion that has emanated from what the Speaker himself has deemed as a breach of privilege in this Assembly, from a comment made by . . .

**The Speaker:** — Order. Order. Order, order. As I mentioned in my remarks, I left it up to the House to decide. I did not say it was.

**Mr. Solomon:** — You're correct, Mr. Speaker. You've established that there's a prima facie case of breach of privilege, and I stand corrected.

But what we're doing here, on day number 44 of this Assembly, is not debating the real issues of the province of Saskatchewan that pertain to working people in this province and small business. We are debating the real issue of the government's record, the fact they've been mismanaging the province's finances, the fact they've been wasting millions of dollars. And the auditor's report has been a searing indictment and a confirmation of all of the things that have been said around this province with regard to their dismal record with regard to finances.

(1200)

We are debating, Mr. Speaker, in this Assembly, a motion, and I'll read it out:

That this Assembly regrets that the Provincial Auditor has been impeded in effectively carrying out his role to watch over the public purse for the Legislative Assembly, and that this Assembly direct the Government of Saskatchewan to make available full information, and the necessary co-operation, in order to allow the Provincial Auditor to fulfil his Legislative responsibilities as specified in the Statutes of Saskatchewan.

Mr. Speaker, the role of a government is threefold as I see it. The role of a government is to pass laws and follow the laws that they pass. Secondly, their role is to raise money and to outline and through a budget process, how they will spend that money and implement policies and programs that are directly related thereto. But they also, Mr. Speaker, have to be accountable and responsible for those actions. That's the third role of government.

And we have seen, as a result of the auditor's report, that the government, the Conservative government opposite, have broken the laws. They have not followed the laws that they've passed themselves. They have not been accountable to the people of this province, to the Legislative Assembly, for the expenditures that they've made, the taxpayers' dollars that they've raised, and the taxpayers' dollars they've spent.

And finally, Mr. Speaker, they have not shown any leadership in any of those areas. Rather than look at the auditor's report, the damning indictment of their incompetence and their waste and their mismanagement and the breaking of their own rules, and responding to it in a positive way; rather than do that, rather than say to the auditor, yes, we've got some problems here, let's look at the problems, let's try and resolve them; rather than do that or even rather than saying, well, we're defending the policies that we're putting forward because our policies are right; rather than choosing one of those two options, they've chosen instead, Mr. Speaker, to attack the auditor in a personal way. The member from Kindersley has come in this Assembly and accused the auditor of

impropriety and has failed to follow through with any evidence.

And I'd like to just spend some time on that issue in a few moments, Mr. Speaker. Before I get there, I want to say that we in this Legislative Assembly have witnessed the provincial government, the Conservative government, break promise after promise.

They promised to eliminate the gas tax and never reintroduce the gas tax. And now we not only have a reintroduction of the gas tax but an increase of 40 per cent.

They promised to eliminate the sales tax of 5 per cent. And I suppose they've eliminated the 5 per cent sales tax, because now it's 7 per cent. But rather than eliminate it, they increased it by 40 per cent to 7 per cent.

They also promised to reduce personal income tax by 10 per cent, but instead they've increased the personal income tax burden of the taxpayers of this province by over 100 per cent.

They also, Mr. Speaker, promised to balance the budget that we have seen in eight consecutive budgets put forward, but they have not balanced any of the budgets. In fact, they've run up the largest, fastest-growing operating deficit in western Canada.

We have witnessed as well the government selling off profitable Crown corporations after they promised not to sell them off, but in fact to improve the corporate sector in this province. We've seen the sell-off of the profitable corporation of Saskoil. We've seen the sell-off of Sask Minerals, the computer utility, to name a few.

And now we're seeing, contrary to their commitment to the people of this province, the sell-off of public utilities such as SaskEnergy and SGI. And they're also selling off a very profitable corporation, the Potash Corporation of Saskatchewan.

And now in this last week we have witnessed, Mr. Speaker, the Progressive Conservative government of this province breaking their own laws regarding the marketing of SaskEnergy shares. They broke the law by disregarding that law. What has to happen in this province is you have to issue a prospectus before you can advertise. They've been advertising across the province. And rather than to follow their own laws, they've changed them retroactively.

And this comes immediately following a scathing report, as we're talking about today, of the auditor on the government's record in terms of expenditures and in terms of breaking their laws, which have applied. And our colleagues, the member from Saskatoon Westmount and Regina North East, outlined in detail how this government and how often this government has broken the law over the last fiscal year. The member from Saskatoon Westmount went on at length about the 45 to 50 different times the government has broken the law, the laws of this province that they were responsible for putting together.

And I want to now turn, Mr. Speaker, to the report and

make a few comments about it. And I want to deal with the responsibility of the auditor, which is similar to the responsibility of the government of the day. On page no. 7 the auditor says, and I quote:

Under the law, the Provincial Auditor is responsible for the audit of 100% of the public purse. The law permits the Provincial Auditor to carry out his responsibilities by relying on the audit done by an appointed auditor. The law requires the Provincial Auditor to use his professional judgement to justify this reliance.

And he goes on to say:

With the appointment of more private sector auditors the Provincial Auditor now sees about 50% of the expenditures from the public purse.

Only half of the expenditures of this government are now audited by the Provincial Auditor and reported thereto, or therefrom, to the people of this province.

And we now see a change from 50 per cent, Mr. Speaker, to a year previous, 1987, when the auditor had the opportunity to review over 90 per cent of the expenditures.

As well, the auditor goes on to say:

Appointed auditors as professionals serve their client, the Executive, (which is the cabinet) with the same integrity I serve my client, the Assembly. However, no person can serve two masters who have different requirements and where conflicts of interest can arise.

And what that means, Mr. Speaker, very simply, is that the auditors that are appointed privately by the cabinet answer to the cabinet and do not answer to the people of this province, because the cabinet has refused to share that information with the Provincial Auditor. And the auditor continues on, Mr. Speaker:

In my opinion, the accountability process must be repaired so I can effectively serve the Assembly. I recommend the process be changed so the appointed auditor and the Provincial Auditor work together on crown corporation audits as joint auditors or with some similar arrangement.

Rather than come in this House and respond to that by saying, we'll be looking at it or we'll try and change it, they attack the auditor in a personal way; they attack the integrity of the office of the auditor and thereby, I think, interfering in the process of how government runs. And they as well, Mr. Speaker, have really done severe damage to the integrity of the provincial governments, not only in Saskatchewan but throughout the province . . . or throughout the country of Canada.

Mr. Speaker, now we can go on and talk about a lot of these things that are happening, and we can continue and talk about, as my colleagues have, about the severity of the attack that the Minister of Justice has made on the auditor, rather than to respond to the auditor's concerns

and his report.

And I think that that's an incredible situation, Mr. Speaker, because we see here in this motion that the government has refused to provide information that has in the past been commonly available to all the auditors of this province, and they're hiding information and becoming very secretive.

But it's even more incredible when you look at the person who is involved with hiding this information, and I refer to the member from Kindersley. I have here, Mr. Speaker, a copy of a speech the member gave in 1980 when he was in opposition, and it was in response to an Act respecting the Right of the Public to Government Information. He put forward in this House, Mr. Speaker, a private member's Bill which would increase the access of information that the government had by the people of this province.

And he goes on . . . I want to read some excerpts from this because it's very relevant to this debate. Here we have a senior minister who is on the ropes in terms of his credibility. He has attacked in a personal nature the auditor of this province, the office of the auditor, and thereby the institution of this Legislative Assembly, without any evidence. And he's doing that, Mr. Speaker, at the same time keeping information secret, the cabinet keeping more and more information secret from the public, rather than provide more information to the public.

And I want to now read some excerpts from the speech the member from Kindersley gave when he was in opposition and about the great position he took at that time. And it's in regard to a second reading of the Bill entitled, The Right (of the Public) to Government Information Act, otherwise known as freedom of information.

And I want to go on and say this. He quotes, Mr. Speaker, page 3594, May 27, 1980, in *Hansard*. He talks about quoting a number of individuals that he supported in terms of their providing more information to people like the auditor. And I quote:

Many people have addressed themselves . . . to this whole subject of freedom of information and I wish at the outset to quote a few of the people who have spoken on this subject. The first one is James Madison, former president of the United States.

The quote from Madison is:

A popular government without popular information or the means of acquiring it is but a prologue to a farce or a tragedy or perhaps both. Knowledge will forever govern ignorance and the people who mean to be their own governors must arm themselves with the power that knowledge gives.

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

**Mr. Solomon:** — This is what James Madison said. This is what the member quoted and the member supported in

May 27, 1980, and what does he do? Rather than support this kind of a quote and support his own speech, he gets up in this House and does the opposite, and by his actions as a minister of this government has done the opposite. And he goes on to say:

I think that is very true. The other quote I wish to advance is one made by Pierre Elliott Trudeau in 1964 . . . What Mr. Trudeau had to say in 1964 was this:

And I quote:

Democratic process requires the ready availability of true and complete information. In this way people can objectively evaluate the government policies. To act otherwise is to give way to despotic secrecy.

This is what the member from Kindersley read out in this Assembly in 1980. This is what he concurred in terms of supporting these remarks. Yet the actions of this government show very clearly that they're not providing information to the auditor and to the public of Saskatchewan, but in fact what they're doing is giving way and supporting despotic secrecy — words of his own using.

And he goes on to quote . . .

**The Speaker:** — Order, order. Order. The member for Weyburn, why is he on his feet?

**Hon. Mr. Hepworth:** — Mr. Speaker, could I get leave of the Assembly, and with apologies to the member who's in the middle of his speech, could I get leave of the Assembly to introduce some guests, please.

Leave granted.

## INTRODUCTION OF GUESTS

**Hon. Mr. Hepworth:** — Thank you, Mr. Speaker, and as well thanks to the hon. member. On behalf of the Premier and the members of the legislature, I'd like to introduce to you, Mr. Speaker, and through you to all members of the legislature, some 15 grade 11 students seated in your gallery, sir. They are from the Lampman School in Lampman. They are accompanied by a teacher, Pat Spelay, and as well a chaperon, Margaret Agyeman, and bus driver Bert Hale.

I hope that they will enjoy their tour and their stay here in Regina, and the legislative tour is part of that visit here today. I'll be able to meet with them, Mr. Speaker, at 1 o'clock for pictures and as well, I think, a chance to visit with them in room 218. I particularly want to welcome them on behalf of the Premier, who cannot be in the legislature this morning at this very time. And I would ask all members of the Assembly to join with me in welcoming these students here from Lampman, Saskatchewan, Mr. Speaker.

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

## SPECIAL ORDER

## MOTIONS

**Point of Privilege — *Report of the Provincial Auditor*  
(Continued)**

**Mr. Solomon:** — Thank you, Mr. Speaker. On behalf of the opposition I would like to extend a warm welcome to the grade 11 students from Lampman as well. I hope you enjoy the visit to Regina and the legislature.

Mr. Speaker, the member from Kindersley in his speech in 1980 talked about what the Canadian Bar Association had said as well. He said the association:

... has made an extensive investigation and extensive studies and has published two books on the subject of freedom of information.

And he goes on to quote:

At the outset, however, it is important to stress the bar association's view that the right of information must be regarded as a fundamental rather than procedural. Access to information as a prerequisite to the exercise of other fundamental rights and freedoms and without such access other rights lose much of their meaning. Information is power (it goes on to say). Concealing information can lead to the abuse of power. As well, information is essential for a working participatory democracy. The citizen's ability to participate depends directly upon the amount of information at his disposal. As well, freedom of information legislation is essential for the protection of civil liberties and the public rights ...

(1215)

Mr. Speaker, what we've seen in terms of the member's actions in the last couple of weeks, and particularly the last week where he's made not one charge but two charges with respect to the auditor, is something that he is doing that's contrary to what he said in the past. It's a complete flip-flop. Either that or he believes that concealing of information, as he said which was an abuse of power, is good. He's now decided that that's a good thing for this government to be doing, and they've been hiding that information that should be available to everybody.

**An Hon. Member:** — What changed his mind?

**Mr. Solomon:** — My colleague, the member from Prince Albert-Duck Lake, has asked, what has changed his mind? And that's a good question. I'd like to ask the member from Kindersley, and I'd be happy to give some time to him to answer the question as to why he's changed his opinion about the secrecy of government and the abusing the privilege of his position in cabinet.

But he goes on, Mr. Speaker. He quotes not only all these individuals and associations I refer to, but he goes on to quote Mr. Joe Clark, the former prime minister, and ... in a speech that he was making in the House of Commons, and he quoted Mr. Clark by saying:

Let me emphasize that the burden for making that argument must rest not on those who want sunshine, which must be the norm, but on those who want secrecy, which must be the exception.

This is what the minister has quoted Mr. Clark as saying in supporting of his comments. So what he is doing by his actions is that he's creating an exception. He's saying that himself. The quote goes on:

That is the essence of freedom of information.

That is the essence of freedom of information. It must be the norm, not the exception.

Any law not based on the principles will make a mockery of the law of its own commitment, not just of freedom of information, but to basic democracy.

So we have here, Mr. Speaker, a government that is hiding information, that is interfering with the due process of the law, that is changing laws that it cannot follow, changing them retroactively. And yet we have one of the cabinet ministers who stood in this House as a former ... as an MLA from Kindersley, making speech after speech and quote after quote.

And I know that that kind of behaviour is unjustifiable, is unacceptable, and is only characteristic of a despotic government. So he's characterizing his own government now. He's characterizing the government that he's a senior minister in right now. A despotic government — that's what he's calling himself.

But I've got other quotes here as well. He continues on:

The present situation in government today is this (says the member from Kindersley): all government information is secret unless the government decides it should be released. That is the situation now, both in Saskatchewan and in Ottawa. Those who oppose that view, including most of the proponents of the freedom of information legislation, basically say the reverse should be true — all government information should be released (this is what he says, and I quote):

... all government information should be released unless the government can make a strong case as to why it should not be released.

He stood in this Assembly nine short years ago and said that all government information should be released unless the government puts forward a reasonable argument as to why it should not. We have seen the total rejection of his former philosophy. He's been doing the opposite; the Premier's been doing the opposite. Now they don't even answer questions in question period on simple matters of \$2.2 million that the auditor has raised, that the government will not account for. Rather than defend those actions, or explain them, or even tell us why they shouldn't be made available, why they should be kept secret — rather than do that, Mr. Speaker, he attacks

the auditor on a personal way, on a personal nature, without any evidence whatsoever.

Mr. Speaker, I'll continue on. He talks about . . . the member from Kindersley talks about an example that he was raising with regard to freedom of information, and he talked about a farmer, a land bank farmer from the south-central part of Saskatchewan, and he talks about this farmer's problem with respect to getting information from the government and unable to defend himself with respect to his land bank land.

And he goes, Mr. Speaker, and I quote from the member of Kindersley of May 27, 1980:

. . . in the type of situation where perhaps this scenario can develop. People come in and make an accusation against this man. The accusation cannot be substantiated, but who knows if it can or cannot be countered by other arguments? Why should the man not have that? (and in brackets I add information). Why should that man not have the information against him? I suggest that type of thing is what freedom of information can address itself to.

Yet he stands up nine years later in this House as a minister of this Conservative government and makes an accusation against a man, the one he was defending nine years ago — not the same man, but a similar circumstance — making an accusation without proof of evidence of his accusation, and yet he's not allowing the opposition request to bring this person before the bar to at least defend himself in face of the accusations which have been falsely put forward by the member from Kindersley. Unbelievable what this member has done. This minister has totally lost sight of reality. He has come in this House; he has made accusations. The auditor has in the meanwhile documented, with facts and statistics, all of the problems this government has.

**An Hon. Member:** — A good report.

**Mr. Solomon:** — And it's a good report, the member from The Battlefords says, and I want to just share what the Provincial Auditor has said with respect to this government and with respect to their financial position. And I quote from page 2. Chapter 2 is about the accountability process needing repair:

I cannot effectively carry out my role to watch over the public purse for my client, the Legislative Assembly (and the people of Saskatchewan — and this is the auditor saying this). I recommend the process be repaired to require that appointed auditors and the Provincial Auditor work together on crown corporation audits as joint auditors or with some similar arrangement.

Also, there were a number of cases where I could not get information that, by law, I was entitled to receive.

That by law I was entitled to receive, I couldn't get the information. This is from a government that stood in this House with members of this government saying that

access to information is the most important fundamental, underlying principle of democracy; in particular, a government that is responsible and a government that is accountable.

Mr. Speaker, the auditor continues . . .

**The Speaker:** — Order, order. I have been listening to the member's speech carefully, and I would just like to bring his attention to rule 328 which reads as follows:

A Member may read extracts from documents, books or other printed publications as part of his speech . . . A speech should not, however, consist . . . of a series of quotations joined together with a few original sentences.

You, sir, have probably without your conscious knowledge been doing that, and it's an infringement of rule 328. You may use quotations, but you cannot use them in a series interspersed with a series of original sentences.

**Mr. Solomon:** — Okay, thank you, Mr. Speaker. I wasn't aware of that, and I was trying to add a few comments as I felt were appropriate.

The bottom line is, Mr. Speaker, that the member from Kindersley, the Minister of Justice, has stood in this House and has made accusations without sufficient supporting evidence to substantiate his accusations.

On top of that, the government, the Conservative government of the Premier of this province, have not provided sufficient information to the auditor in order for the auditor to perform his job in a proper and responsible and accountable way.

We have seen the government opposite not only hide information but, on more than 46 occasions in the last year, break the laws that they are elected to create and follow. They've broken their own laws. And what is the redress for the opposition? What is the redress for the people of this province from a government who refused to follow their own laws, their own laws that they have passed in this Assembly?

What kind of an example is this government providing to the children, the students of Lampman and other places that have come to this Assembly? What kind of leadership from a government that breaks its own laws 46 times in one year, at least, that we've been able to count so far, and expect these students in this Assembly, who are here from Lampman, to follow the laws of this province?

Why would we as elected members force the people of our province to follow the laws that we make in this Assembly when the government of the day does not follow their own laws? There doesn't seem to be any kind of rationale or reasonableness about that action of that government to date.

And I'm sure the students from Lampman will be asking the member from Weyburn, when they meet with him, why have you not responded to this report in a sensible, responsible fashion? Why haven't you looked at the

problems that we've got, that have been outlined by the auditor, and why won't you at least try to comply with the laws that you've broken?

They're going to ask that question when they meet with the member from Weyburn. And I hope the member of Weyburn, rather than stand in front of the students and attack the auditor without any evidence, attacking his integrity and attacking the office of the auditor — rather than do that, why doesn't he go over the 46 or 50 ways that they broke the law and explain why they broke the law, justify why they broke the law, and justify to the students and the people of this province why they feel they should not try and repair the breaking of the law that they've been involved with?

So I'm asking the students, when you get to meet with the member from Weyburn, you ask that question. You also ask the question why the government has not provided, according to the law of this province, information which is absolutely necessary for the auditor to carry out his job.

This government is responsible for billions of dollars of taxpayers' money. They raise the money through taxes, and they're accountable as a government and responsible as a government to tell the people of this province what they spend their money on and how they spend it. And the Provincial Auditor's role is to make sure that they've spent the money in a legal way, according to generally accepted accounting principles in this country.

And the auditor here says, on more than 46 occasions they've broken that law. What kind of an example, what kind of a leadership for the children of Lampman and other parts of this province does the member from Weyburn and the Premier of this province display. They want these people to run our province? You've got to be kidding. They break the laws; it's incredible.

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

**Mr. Solomon:** — Mr. Speaker, the Minister of Justice has unjustly and unjustifiably attacked the integrity of the Provincial Auditor, thereby doing irreparable harm to the office of the Provincial Auditor and the reputation of Mr. Lutz. The attack is misleading in every sense of the word, as seen by this auditor's report that we've briefly talked about this morning. And this special report demonstrates — not this one, but the special report that the auditor provided to this Assembly, this one we had talked about through another motion — demonstrates very clearly that Mr. Lutz, the auditor, acted professionally, properly, and within the mandate of The Provincial Auditor Act.

And I want to say, Mr. Speaker, that our side of the House supports the special order motion that has been moved. And I want to read it one more time before I conclude my remarks, and that is:

That this Assembly regrets that the Provincial Auditor has been impeded in effectively carrying out his role to watch over the public purse for the Legislative Assembly, and that this Assembly direct the Government of Saskatchewan to make available full information, and the necessary co-operation, in order to allow the Provincial

Auditor to fulfil his legislative responsibilities as specified in the statutes of Saskatchewan.

Mr. Speaker, we've seen the member from Kindersley in previous speeches in this House tell us one thing, tell us how he respects democracy, tell us how he feels that information should be made available in every circumstance unless reasonably explained why it shouldn't be.

And yet in this example . . . leading by example, they've shown that the remarks that he's made nine years ago are out the window; they're not worth the paper they're written on; that he has no integrity himself. He has no reason, no basis in terms of integrity, to stand in this House and accuse anybody of anything other than positive things. And he stood in this House and accused the auditor of things that were totally unfounded, and yet in his remarks in the past he has said that this sort of action is totally unacceptable in democracy as we know it today.

So I conclude, Mr. Speaker, by saying that we support this motion, and that I ask the member from Kindersley, on the basis of the evidence that we've put forward this morning, and the evidence that people and my colleagues have put forward in the past, that he does the honourable thing — that he apologizes to the auditor, he apologizes to this Assembly, he apologizes to the people of this province, and he submits his resignation forthwith.

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

(1230)

**Ms. Smart:** — Thank you, Mr. Speaker. Last evening I was speaking on the other motion of privilege that is before this Assembly and the clock ran out before I was able to conclude my remarks. So I take the opportunity today to speak again, this time on the motion of privilege which the member from Regina North West has just read out to us, involving the Provincial Auditor being impeded in his work.

And when we look at this issue of the Provincial Auditor, Mr. Speaker, we're looking at a lot of principles and a lot of concepts of democracy which I want to address here today. Mr. Speaker, the British parliamentary system, in Canada particularly, is based on the concept that we as Canadians believe very fundamentally in peace, order, and good government. And this legislature is a symbol of good government for the province of Saskatchewan. And since I came here in 1986 as the MLA for Saskatoon Centre, I have become increasingly uneasy about the PC government's, opposite, commitment to the democratic system that we have here in Canada. I become increasingly uneasy about their commitment to democracy.

And I remember in 1986, when we were first here, that the very first thing that happened before we could even speak to the throne speech, was that the government opposite brought in a motion to change the way in which the rules of this Assembly were made.

Formerly the rules of the Assembly had been made by consensus through an all-party committee. And that was

an important concept, Mr. Speaker, because in the Canadian parliamentary system we have the government side of the legislature and the opposition side of the legislature, and the role of us in opposition is to be critics of government policy, to be watch-dogs on the government, and to continue to challenge the government in the decisions that it makes and the legislation that it tries to bring through. That's the role that we play.

Many people in my constituency have expressed to me some dissatisfaction about this in the sense that we're always fighting each other in the legislature, and question period gets very raucous and sometimes we don't seem to be listening to each other.

Well I took those comments to heart, Mr. Speaker, when my constituents raised that with me. And when I came here I was interested to see how the system works, being part of it from the opposition; how I would feel about it, and what my concerns would be representing my constituents who've questioned me on this.

And I found that the concept that the rules of the Assembly were made by consensus a very interesting one and one that I thought we should all support. But the very first thing that I had to speak to here in the Assembly as a rookie MLA was a movement by the government to change the way in which the rules were made, to destroy that concept of consensus, to destroy a participatory democracy consensus-building system. And I was offended by that, and I spoke about that at the time, as we all did in opposition here, because we would like to see areas in this Assembly where we do work together, where there is co-operation. But the government threw out that idea and would not support it.

And then they brought in the government reorganization Act, which allowed them to make decisions completely outside of debate in this legislature, changing departments and annihilating departments, building new departments, doing whatever they like. And we've certainly seen it with this privatization move that they've gone forward with, the department of so-called Public Participation being set up.

And again I was worried, Mr. Speaker, very concerned about that development, that this government opposite, the PC government opposite, want to go against the rules and the procedures of the Legislative Assembly. And since 1986 I have seen a constant action by the government that indicates to me and to my colleagues opposite the failure of this government to respect the legislature and to want to work inside this Legislative Assembly for the best interests of the people of Saskatchewan.

The government opposite obviously does not respect this legislative process. We've had government by media release, Mr. Speaker, where the government has made ministerial statements to the media outside of this legislature instead of making the statements here first so that the opposition can respond.

We have seen, and I have seen many, many times in this legislature over the years I've been here, the failure of the

government to answer questions in question period. We've asked very good questions, questions that the people of Saskatchewan deserve to have answers to, and this government has failed to answer those questions.

They have failed to respect the British parliamentary system of the opposition's right to ask questions and to get answers to those questions. And they have stonewalled many, many times.

And the third thing that the government has done, Mr. Speaker, that has made me increasingly uneasy, is their failure to debate.

When we were out with the bell-ringing action that is legitimately an action that we can take here as opposition members when we are deeply concerned about actions of the government side, we were ringing the bells to let the people of Saskatchewan know that this government was proceeding with plans which they had promised in the legislature and promised at election time that they would not proceed with. So we rang the bells within the British parliamentary system, within the system of democracy. That was our right to do that. And the government opposite said, get back in the legislature and debate.

And I said on the radio in Saskatoon on the Roy Norris show, they won't debate; they won't stand up and justify their legislation; they won't stand up and justify their actions in this legislature. They are bypassing the legislature and disregarding this whole tradition in Saskatchewan and the tradition in Canada for peace, order, and good government.

And what we have now, Mr. Speaker, and I have seen in the last week here a very sinister development based on what's been happening before. So I'm not completely surprised by it, although I was quite horrified and shocked to see the Minister of Justice's performance here a week ago today when he maligned the Provincial Auditor with a most foul action in using a letter and quoting it in only sections and then trying to justify his actions.

But, Mr. Speaker, I have seen this legislature disregarded by the government opposite for too long now. And with the people of Saskatchewan, I say very strongly, the government has gone too far. And the government opposite is now in complete chaos with this last sinister move to disregard the office of the Legislative Assembly and to disregard the procedures of the Provincial Auditor.

And they have, the government opposite has the audacity to stand up and criticize us as socialists saying that somehow we have too much faith in government and they want to take government off the backs of the people as free enterprisers. What they mean by taking government off the backs of the people is to destroy the government process in Saskatchewan completely and to break up the system of the Legislative Assembly. I for one want the people of Saskatchewan to know that I and my colleagues will not tolerate this kind of disregard for the legislative process.

The government opposite has done just exactly what they want to do. They've given government such a bad name



that they have fed the political cynicism in this province to a degree that's really painful to witness. They have destroyed the concept of good government. They have made people very suspicious.

What this auditor's report does is just confirm in spades what we're worried about. It is a real indictment of this government, and as I said, it's a sinister development, Mr. Speaker, in terms of what the government should be.

Now last night when I was speaking to this motion of privilege I noticed the Minister of Parks and Recreation waving a white flag at me, trying to signal that he wanted truce and he wanted peace. Well I tell you, Mr. Speaker, the Minister of Parks and Recreation is involved in the executive cabinet that has made this decision to criticize the auditor and to condemn the auditor's report. And if he wants peace in this legislature and he wants good government, then he better take the Premier to account and the Minister of Justice to account for their behaviour in the last week.

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

**Ms. Smart:** — And he can wave white flags at me all he likes, but until he does that, until he gets the Premier to take responsibility for the actions of the government in condemning this auditor and the auditor's report, his actions have no meaning to me.

And I have seen the Premier of this province hunker down in his seat and refuse to answer questions from the Leader of the Opposition regarding the auditor's report, and leaving the Minister of Justice to stand up and try to defend his actions. And the Premier will take no leadership in support of the Provincial Auditor and in support of good government.

Instead, the Premier has allowed this festering issue to go on and on and on. He's directly involved in condoning what the minister of . . . now I call the minister of injustice, because of his attacks on the Provincial Auditor. I call him the minister of injustice.

And I fear, Mr. Speaker, that the repercussions of what's happened in the last week go out in a ripple effect to the people of Saskatchewan in so many ways. We have a Minister of Justice who has come into this Assembly and maligned a Provincial Auditor — unfairly accused him; used information in a misleading and biased way to impugn on the Provincial Auditor bad behaviour and something that's almost criminal.

And, Mr. Speaker, if you've got the Minister of Justice doing this, what are the implications for justice in this whole province and for people who are in many, many ways trying to live by the laws of this land and also sometimes having to have appellations in courts against the law of this land.

We have a Minister of Justice who doesn't seem to care a hoot that the government is contravening the laws, according to our Provincial Auditor. In fact he wants to cover that up. And when we have a Minister of Justice who's covering up actions and trying to frame someone, Mr. Speaker, we have a minister of injustice in this

province, a man who should resign from the Executive Council, and a Premier who should force that resignation, Mr. Speaker.

Now, Mr. Speaker, I find it very interesting to address the question of who is this Provincial Auditor. To many people it may not mean much — a Provincial Auditor. But section 11 of The Provincial Auditor Act states that:

The Provincial Auditor is the auditor of the accounts of the Government of Saskatchewan.

Which, according to a lawyer who's written up a report for us here, is an undefined term which in the context of the Act must be viewed as being as broad as possible in its meaning, and requires him or her to examine all accounts related to public money.

Public money. Public money is the taxpayers' money, Mr. Speaker. It's the money that the government takes from the people of Saskatchewan, which they've worked hard to earn.

And they have the right, the people of Saskatchewan have the right to know that their money is being well looked after. They have the right to know through the Provincial Auditor, who looks at the government accounts, that the accounts have been properly kept; that public money has been fully accounted for; that public money has been applied for the purpose for which it was appropriated; and that essential records are maintained. That is the role of the Provincial Auditor.

And the Provincial Auditor in his report has very clearly outlined the accountability process that he adheres to in filling out his role as the Provincial Auditor and letting us know what's happened to the taxpayers' money.

This position, the Provincial Auditor, is a mediator between the government side and the opposition side in many ways. He's an independent, impartial officer of this Legislative Assembly, of all of us. And I think the back-benchers opposite in the government side of caucus should be very concerned about what's happening to this person, the Provincial Auditor. You should be deeply concerned because this person is responsible for letting you know, as well as us, what's been happening to the taxpayers' money. And if you think you've got the right to take money from the taxpayers and not let them know how it's been spent, and not let them have the access to the Provincial Auditor to answer their questions, then you are not committed to good government in Saskatchewan or in Canada and you don't deserve to govern this province.

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

(1245)

**Ms. Smart:** — Mr. Speaker, we should take this accountability process very seriously, and that's why I say it's a sinister development from the government opposite to try to cover up what's been done by the Provincial Auditor in his report.

It is a damning report. It does indicate that the

government has contravened the laws of The Provincial Auditor Act and the other laws governing Crown corporations. And, Mr. Speaker, that is a very serious development.

The auditor has the position of bringing to this Assembly information that he can get from Executive Council and bring it to the floor of the Assembly. We have seen already that in debate and in question period, we are not able to get answers from the government.

They do have a lot of power in the parliamentary system; the opposition has only limited powers. We have only limited powers and we have certain rights. And one of the most important rights that we have is the right of access to an impartial person looking at the government accounts through the Provincial Auditor. We have that right, and we have a report that is a damning report in terms of the government's expenditure of the public money, public money amounting to \$6.9 billion in 1988.

That is a lot of money collected from people in this province. Of course we have to know how it's been spent and what's been happening to it. The accountability process is very important. And one of the issues that apparently has messed up this accountability process is the development of appointed auditors to the Crown corporations, private auditors appointed to look at the accounts of each one of the Crown corporations.

And that's been a procedure in place for some time, Mr. Speaker. It was a procedure in place under New Democratic government, but it was changed substantially in 1987 with changes to the auditor's Act. And we understand that the private auditors have not been willing to meet and talk with the Provincial Auditor and to share information. They are obviously, when they are appointed auditors, responsible to the boards of the Crown corporations that they work for. They are not responsible to the office of the Legislative Assembly, as is the Provincial Auditor. The Provincial Auditor is supposed to have the final say and know exactly what's happening to a hundred per cent of the taxpayers' money.

And what we find out in this auditor's report is that the auditor has only been able to look at the accounts representing 50 per cent of the taxpayers' money. And the other 50 per cent — 50 per cent of the money collected from the constituents of those members opposite, forming the revenue that the government has to set up its programs — 50 per cent of that money is not accounted for through the Provincial Auditor at this point in time.

And obviously things have been happening — for example, the sale of the dental equipment, which has been mentioned many times in this House — things have been happening to government money, to taxpayers' money that's not accountable for, and the auditor is raising those concerns.

Now what is supposed to be the relationship between the appointed auditors, the private auditors, and the Provincial Auditor? Section 11(1) of The Provincial Auditor Act deals with the appointed auditors and is the critical section. It provides that, and I quote:

(1) In the fulfillment of his responsibilities as the auditor of the accounts of the Government of Saskatchewan, the provincial auditor may rely on the report of the appointed auditor of a Crown agency or Crown-controlled corporation if he is satisfied that the appointed auditor has carried out his responsibilities pursuant to section 11 with (regard) to that Crown agency or Crown-controlled corporation.

Now the Provincial Auditor is not satisfied, Mr. Speaker. In his report he describes how he has not been able to get answers to questions regarding some of the Crown corporations.

And I find it very interesting — and I shared this last night and I will again today — what the Minister of Finance said when we criticized the changes in The Provincial Auditor Act. When we asked him what the relationship would be between the Provincial Auditor, who's an officer of this Legislative Assembly, an officer for all of us, and the private auditors who only work for the Crown corporation to whom they are appointed as auditors, we raised the question, and the Minister of Finance had this to say:

What the objective of the legislation is is to have the private sector audit that, and the Provincial Auditor, in the case where the private sector auditors are used, to have an override. If he's not satisfied, then he can go through and do an audit. There's nothing to stop him if he's not satisfied and if he gives reasons.

And he has been stopped. The Minister of Finance says there's nothing to stop him. The auditor says he's been stopped. He's been prevented from doing the work for the people of Saskatchewan, that he was appointed to do. He has been blocked by this government opposite and the people who are working for them, from finding out what needs to be found out in order to account for our taxpayers' money.

And when I think of the way in which the money could be spent, Mr. Speaker, the things that my constituents need, the services that they need, services that are needed across this province; when we've got farmers and farm families who are suffering so much from the changes in the economy, and when we have people in Saskatoon who are on minimum wage which has not been raised for years, and when we have people on social assistance, the people that I have in my constituency trying to live on \$345 a month — and there are no jobs for people — and the minimum wage gives you, if you work a 40-hour week — and many people are not lucky to get that much even — gives you \$9,000 a year to live on, and we could use money to help people, and instead . . .

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

**Ms. Smart:** — . . . and instead, we have the money going out we know not where.

There have been many people speaking out lately with their concern about the government and the way in which it's been operating. I've said it's a sinister

government. I've described that I'm really very concerned about the way in which the whole legislative process is grinding to a miserable halt, and I fear very much what we may replace it with.

We have to make this system work. We have to make it a good system. We have to recognize the value of the people of Saskatchewan. We have to, in particular . . . we have, in particular, to deal with the taxpayers' money and know that we have spent it well and that we are accountable.

Of course we are accountable in the next election, and I expect that the people will speak loud and strong and vote this government out of office.

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

**Ms. Smart:** — I certainly want to see that happen. And I've just been given an article from the *Star-Phoenix*, Mr. Speaker, that just says, Bob Andrew should pack it in, for his own sake as much as Saskatchewan . . .

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

**Ms. Smart:** — I couldn't agree more. I don't know whether that's unparliamentary language, Mr. Speaker, but pack it in he should do. He should resign. He is not a Minister of Justice and has not been able to conduct himself properly at all.

Now, Mr. Speaker, the auditor has said that the laws have been broken by officials by not providing him with information, and as a librarian I want to reiterate what my colleague has been saying about the freedom of information, the need for information. I value that very much, and so I find it really distressful to see that the auditor is saying that the laws have been broken by not providing him with information. There's two issues there — breaking the law, and not providing information.

But unfortunately there are no penalties under The Provincial Auditor Act to enforce that contravention of the law, so that is why we are calling for the Provincial Auditor to be able to come in here to the legislature and answer to this.

The government opposite has said that there was a turf war between the Provincial Auditor and the private auditors, but there should be no turf war because the Provincial Auditor by legislation is mandated to override the private auditors and to get the information that they need.

But a breach of the auditor's Act has to be dealt with in the legislature, and that's why I say that this issue is so sinister. We have a Minister of Justice who is acting unjustly, and we have a Provincial Auditor who's accusing the government of breaking the auditor's Act. And the only way that can be dealt with is to bring that issue to the floor of the Assembly.

Now, Mr. Speaker, I find it interesting that the minister opposite has been such a chameleon in changing his colours from what he said he supported in 1980 to what he says he supports now, and his behaviour now. In 1980

he was full of what turns out to be hot air, in terms of support of principles of freedom of information and democracy and all the good things that he wanted to talk about when he was an MLA in opposition. And now when he's a Minister of Justice, he behaves entirely differently — entirely differently.

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

**Ms. Smart:** — The Minister of Justice is a chameleon, Mr. Speaker, and that's why I say he's now a minister of injustice. He has sat on the rock of corruption and he's changed colour, and he's become the colour of that corruption, and he should resign.

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

**Ms. Smart:** — He should resign.

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

**Ms. Smart:** — He has not earned the right . . . He has no right to continue as Minister of Justice with his defence of his behaviour lately.

So I say, Mr. Speaker, it's a very serious issue. There are audits that have not been completed, a long list of audits that have not been completed, a long list of inadequate financial statements and annual reports, and that is the taxpayers' money. That is one of the bases of this government, is what we do with the money.

And I think that in closing, Mr. Speaker, I'd like to read into the record an editorial that I found in *The Globe and Mail* on May 22, which I think is a very good one, "Regina vs the auditor", and it says this:

The Saskatchewan government appears to regard the province's auditor as a kind of Peeping Tom, a prowler in the backyard of its fiscal business and a rude intruder on its private affairs.

Its private affairs, Mr. Speaker. The government is treating it as if it's a private affair. What the government does is a public affair; it's an affair for the people of Saskatchewan. But the editorial goes on:

Thus, when Willard Lutz came to call with briefcase, clipboard and calculator, the response of the government was to rush around the house closing curtains, bolting doors and exhibiting other signs of inhospitality. This has gravely displeased Mr. Lutz, as well it might. It should equally disturb his clients, the members of the Saskatchewan Legislature and the citizens of the province.

I can't say it more clearly, Mr. Speaker, than that: "It should equally disturb his clients, the members of the Saskatchewan Legislature (that's all of us; that's all of us) and the citizens of the province (and that's all the people of Saskatchewan)."

Mr. Speaker, that is why I would, speaking here on this motion, in support of this motion:

That this Assembly regrets that the Provincial Auditor has been impeded in effectively carrying out his role to watch over the public purse for the Legislative Assembly, and that this Assembly direct the Government of Saskatchewan to make available full information, and the necessary co-operation, in order to allow the Provincial Auditor to fulfil his legislative responsibilities as specified in the statutes of Saskatchewan.

And I defy the government members opposite to vote against this motion. If you vote against this motion, you vote against peace, order, and good government. You are voting in favour of your partisan politics, which are obviously corrupt and are obviously a great disservice to the people . . .

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

**The Speaker:** — It being 1 o'clock, the House stands adjourned until Monday at 2 p.m.

The Assembly adjourned at 1 p.m.