

EVENING SITTING

COMMITTEE OF FINANCE

Consolidated Fund Budgetary Expenditure  
Executive Council  
Ordinary Expenditure — Vote 10

**Hon. Mr. Devine:** — Thank you, Mr. Chairman. I want to introduce, beside me, the associate deputy minister and clerk of Executive Council, Mr. Ron Hewitt; the associate deputy minister in intergovernmental affairs, Mr. Andre Dimitrijevic; and behind me or to my left, secretary of social policy, Mary Tkach; secretary, economic policy, Oswald Henry; and director of administration, Don Wincherauk.

**Item 1**

**Mr. Romanow:** — Thank you very much, Mr. Chairman. Before we agree to item no. 1, I think we have a few questions to ask of the Premier and also a few comments to make in preparation, or setting the background, for the questions which we seek to ask of the Premier.

Mr. Chairman, and Mr. Minister, I think that at the end of the day — I would hope that you would agree — at the end of the day a government is judged by several criteria, or several yardsticks. Essentially it's translated at the end of the very bottom line to the question of how things have worked out for ordinary people in the province of Saskatchewan — what the indicators and what the measurements of progress, or lack of progress, amount to as a result of government policy and the overview of you as the leader of the government in the implementation of those policies.

Mr. Chairman, and members of the committee, in my judgement, by the several tests or criteria that one can set out, this government has been an absolute failure. I would categorize it one of the worst governments in the history of the province of Saskatchewan, if not the worst in the history in the province of Saskatchewan.

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

**Mr. Romanow:** — And the yardsticks that I would measure . . . by which I measure and by which I come to that conclusion, Mr. Chairman, are the following six. There are more but there are six.

One: is this government a fair minded government? Does it act with fairness? Does it act with equanimity? Does it exhibit in its fairness the compassion which is the hallmark of fairness?

Secondly: what's its record of stewardship? Can it run the ship of state, manage taxpayers' dollars, or is the government's record one of waste? Is it one of imprudent mismanagement, is it one of financial lack of planning? Is it a record of serious financial problems for the people of the province of Saskatchewan? Is it one where the future stability financially of the province has been ensured — stewardship?

Thirdly, Mr. Chairman, the question of managing the provincial economy. All provincial governments, especially in this part of the world, face factors which are beyond its control. These range all the way from weather, as we know in the case of the current drought, to external economic decisions taken by a federal government or perhaps even other international governments. But this is nothing new to this government alone. Previous governments in the past have also faced those kinds of challenges, and at the end of the day, the ability of the government to develop policies which mitigate against those problems, in effect, make sure that the ship of state is on the right course and the right direction, its capacity to manage change, look to the future, is another important yardstick. By this yardstick too this government has failed.

Trust, in my judgement, is a fourth yardstick. Can the government be trusted by the people of the legislature and the people of the province of Saskatchewan in its day-to-day dealings, in telling the truth and the whole truth when it comes to the key problems and the key issues which face the province of Saskatchewan? Can the people really believe what the government tells it? Or is it a government which in effect misrepresents, tells half-truths to get over the particular crisis and then moves on to the next crisis, and follows the same approach in the same situation? Is it a government which keeps its promises on this question of trust, or does it break those promises?

Mr. Chairman, I don't intend, in the interests of time, to document the record of major broken promises by this government. Several come to mind; the promises by the Premier and the Deputy Premier that they would never privatize a public utility Crown corporation, and a year after the latest statement of that promise, in fact, the attempt to privatize SaskEnergy. Broken trust, a broken major promise.

The other record here which I say is rather substantial and in itself would make an evening's discussion is a litany of major breaches of promises made by this administration. Every one of those people opposite who were elected made major promises, many of which are now broken. I have here the document of the Minister of Human Resources and Social Services, the member for Melville, as one, but I could go through all of them. Promises to do what? Roll back the 20 per cent gasoline sales tax. Promises to reduce provincial income tax by 10 per cent. Promises to remove the 5 per cent sales tax. Promises that a public utilities review commission will be there to "protect the consumers." Promises to protect taxpayers' money by ensuring the independence of the Provincial Auditor. These are the exact words. Promises to open the books on government business. Promises to establish freedom of information. Promises "rewarding permanent jobs will be the major emphasis of the Progressive Conservative development strategy." Promises funding for health and education will be increased. Promises that families can count on them by reduced taxes and holding the line on utilities and so forth. And down the line it goes.

These are the members of the Premier's cabinet, the Premier's government. Freezing public utility and

insurance rates — this is a promise made by the member from Kindersley, the minister in charge of Trade and Investment, the former minister of Finance for the province of Saskatchewan. My colleague reminds me of the promise to provide free telephones — you'll remember that one, sir — for senior citizens, and that promise also . . . Just go down the list and there is in essence here a mass of evidence, a mountain of evidence, that this government cannot be trusted.

And I think in this area, the area of trust — the yardstick by which I am judging this government — where they crossed the Rubicon in the voters' minds was with their attempt and their breach of promise to privatize SaskEnergy, an attempt which thankfully, for the moment in any event, has been stalled. I have no doubt it's going to be coming back, however, by another attempt by this government, either now or after an election if they should be returned. And so I say, by that yardstick of trust, this government too has failed.

(1915)

Then there's the question of the vision. Does a government have a positive vision of our future, a vision that has room for all? Or is it a vision which in effect tries to return the province of Saskatchewan to a yester-year, a vision which really has a narrow and partisan plan, the result of which is going to be for the benefit and the enrichment and the advancement of fewer of our Saskatchewan people? Is it a vision which builds bridges between urban and rural or is it one which divides?

Is it a vision which seeks to build into the system the accommodation of the interests of Indian and native and aboriginal people, those who have traditionally been victimized over the years by all governments, or is it a vision which divides? Is it a vision which in fact tries to provide the equality of opportunity of which we seek, or is it a vision which in effect amounts for enhancing the opportunity of a few and a growing few in the province of Saskatchewan?

Mr. Chairman, by those six, five yardsticks — fairness, stewardship, the capacity to run things in a proper way, management, trust, and vision — this government has been an abject failure, and in my judgement, the worst government, probably, in the history of the province of Saskatchewan.

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

**Mr. Romanow:** — Mr. Chairman, Mr. Chairman, I said it was the worst government. We've talked at length during the Minister of Finance's interim supply Bills about the size of the deficit. I don't intend to pursue that tonight at length; there'll be an appropriate time to do that with the Minister of Finance.

But I think there is another piece of stark evidence about the question of stewardship and management: a debt in excess of \$11 billion; a situation where the province in 1982 had net assets of over a billion, and by the government's own records now has a net deficit position of in excess of \$3 billion in that short — or long — seven years, depending upon your interpretation of the length of

time the government's been in power.

Housing starts, investment, employment, all of these are down; bankruptcies are up. The people are fleeing from the province of Saskatchewan in record numbers: 13,000 to the end of June of 1989, plus 1,500, approximately, for the last month of July. That number alone in 1989, Mr. Chairman, is representative of more than all of those who fled the province of Saskatchewan — and these are not my figures, sir; these are the figures of the government of the province of Saskatchewan — more people who have fled in the year 1989 than for the entire year of 1988, and the year, as we know, is far from over.

And it's a government which has shown itself to lack compassion, in my judgement. It attacks the victims of misfortune by cutting back on social services. It makes it more difficult for them. Instead of tackling the causes of misfortune, it turns a blind eye to them. The net result is that this province has the unenviable record of having the second highest rate of poverty, according to national figures, of any province in Canada with the exception of Newfoundland, anywhere in this country. Now that's a first that I never thought the province would ever have. But to have that kind of a record for the first time — I stand to be corrected; maybe during the Dirty Thirties we were in a worse position, but I don't think so — is testament to the failure of every one of these single tests and others which I have described.

Incompetent, uncaring, now arrogant this government is, now out of touch — all of these are the symptoms of a government that is ripe for defeat, and, Mr. Chairman, mark my words, will be defeated at the first opportunity that the public can get to it.

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

**Mr. Romanow:** — Now, Mr. Chairman, I don't suspect that the philosophy and the general policy of this government is going to be changed by any words that I say, that's for sure, because we have two competing visions which are different visions of the province of Saskatchewan. Theirs, which is a return back to the 1930s, and we're feeling it, there's no doubt about that; theirs, where they want to turn the resource sector and the development of this province to the hands of a few, and basically out-of-province, out-of-Canada few; theirs, where the few prosper and benefit essentially and the larger numbers see diminishing returns and less disposable income and less opportunity — those we know to be the case.

I don't suspect that that philosophy, their vision, will change as a result of my words. It will only change if and when there's an election and if and when there is a positive result by the voters on that question. I don't suspect that my words to the minister will have him direct his cabinet tomorrow to take account of the lessons of history in the province of Saskatchewan.

I don't suspect that he will learn or follow those lessons for the future. That I'm almost certain he will not do. He will ignore the fact that all governments, whether it's the government of the late premier Ross Thatcher or Woodrow Lloyd or Tommy Douglas or the former

premier Allan Blakeney, all governments in this province have struggled to build population and to build compassion, with varying philosophies, it's true — Mr. Thatcher versus Mr. Douglas or Mr. Blakeney — but in essence building on the traditions and the history of the province of Saskatchewan, building on what I call the three-cylinder economy of private sector involvement and co-operative sector involvement and public sector involvement.

What's happening here is in effect a denial of that history and an attempt to re-write it, to ignore it, and what will prove to be, I'm sure — is proving to be, not will prove to be, but is proving to be — a vain attempt to redirect the direction of this province with the results of poverty and misery and hurt on farming people, on business people, and on the youth of the province of Saskatchewan.

I don't expect, as I say, that the Premier opposite is going to, because of my few words, change his philosophy. He is committed to it. He is committed to free trade which hooks us to the free market system. He's committed to deregulation which is another way of saying, let's get government off our backs and part of the free market system tying us to the largest free market economy in the world. He is committed to privatization which is another way of putting again all your eggs in one basket — the free market system of the world. He is a blind devotee of this policy, or these policies. He is a passionate devotee of these policies. He is, in effect, the voice of the 1930s disguised in 1989, but none the less a voice of the 1930s with the same result of the 1930s.

Little wonder that old cliché about Tory times being tough times is as true today as it was in the 1930s. Little wonder, Mr. Chair, that that in fact is the case.

But as I say, I don't suspect that there is going to be any change in the direction of the philosophy, in the overall approach. This now will only have to be decided by the voters of the province of Saskatchewan, which is the next logical step of where we're at.

But maybe the Premier will at least heed some of my next remarks about the performance of his cabinet. He is after all the person responsible for the nomination of those people who serve in the Executive Council with him and around him, who, although sharing the same philosophy leading us to this desperate situation that farming people and working people and young people are in, who, while sharing that same philosophy, have proven their inability to competently manage the government of the day.

Mr. Chairman, I hold the view that the people of the province essentially can overlook policy directions which on occasion will fail. They're prepared to be very charitable and overlook a lot of policy or political initiatives which fail. But what they're not prepared to overlook is sheer, blind, repetitive, numbing incompetence, Mr. Chairman. And this government, I think, has let the people of the province of Saskatchewan down.

Whether one's a Conservative or a Liberal or a New Democrat or uncommitted, that voter has the right to expect, and this Premier has the duty to deliver,

competent administration, competent government. And he has an obligation to discipline his ministers and his bureaucracy when that competence is not being met, when the standards of which the public expect are being ignored or are being breached, as I say has been the case over the last seven years. I'm not here to review the entire seven years, but certainly over the years in advance and in the year under which we are now reviewing of these estimates.

So there's been a string of major political disasters for the Premier and for the government, bad policies, badly implemented, badly explained to the public, in fact, not badly explained to the public, almost forced upon the public whether they want it or not. They'll learn to love it, is the philosophy adopted by the Premier and the ministers opposite. They may not understand why we're giving away SaskEnergy or the potash corporation to large investors, but they will learn to love it, and there will be a gimmick or some form of share sale or share offer which will get them to learn to love it. There is that arrogance and no doubt, therefore, a part of the explanation for the sheer incompetence which flows from this kind of an approach and this kind of an attitude.

So while the minister may not redirect his philosophy because I say he should do so . . . Even I don't expect that to be the case. I do think none the less that if one looks at it fairly, the minister does . . . the Premier does have to acknowledge the fact that he has a disaster on his hands with respect to his cabinet.

And I would call on the Premier tonight . . . And I do this knowing full well that it might not even serve the political purposes of the opposition in this regard, but if it served to improve the position for the people of the province of Saskatchewan, there might be some hope if you did it. But I would call on the Premier tonight to acknowledge the fact that there has been a string of major political disasters — I'm speaking now in a non-ideological way — to the function of administration, of running an administration relatively competent, which demands a wholesale realignment and reshuffling of his cabinet, I would say, in effect, a dismissal of most of the cabinet ministers who have served the province so ill in the last several months with no game plan of getting out.

This, I think, at least, is the very least that a Premier has to do in order to demonstrate that if his philosophies aren't working, at last he has a vision. He's got to fire those ministers, as difficult as it is, who have gotten him and his administration in this very, very deep jackpot not only politically, but the jackpot in the province of Saskatchewan.

I don't want to get into the question of personalities at length, but I think the record is very clear. If you take a look at the question of the Deputy Premier, a person who I think is a very decent person on a personal basis . . . I view him to be one of the parliamentarians who contributes a lot to this legislature. But the Deputy Premier's portfolio is littered with major problems: the Rafferty fiasco, the GigaText fiasco, the SaskPower sell-off — those three alone have caused major problems for this Premier and for this government. I think it's time for the Premier to show the leadership and to move this minister on to

another function or another area of activity, perhaps even out of the government.

I take a look at the position of the Minister of Trade and Investment, who has served as Finance, but was moved from there to the current portfolio of Trade and Investment. In other areas I shall, and other occasions, discuss the quality of the trade and investment programs and the success of those programs. But I think surely the minister's reaction — I'm talking about the Minister of Trade and Investment — in response to the Provincial Auditor's searing indictment, his unprecedented searing indictment that the government of the province of Saskatchewan has broken the law, has placed itself above the law on the question of the Provincial Auditor, and his documentation and his whole response, this minister, I think, warrants censure, not on a partisan sense — we've tried to do that in a partisan and non-partisan sense — but it warrants censure by a Premier who I think has got, if he is thinking for the best interests of not only his government and his cabinet and his party, but the best interests of the province of Saskatchewan, I think he has to make a major move in that regard, too.

I think of the Minister of Health who has led the attack on medicare, the drug plan being dismantled, the dental plan being dismantled, the continued problems relating to hospital beds, the continued problems pertaining to the cancer clinic and other matters, the continued problems related to the rehabilitation centre in Regina — one could go on — hasn't met the standards.

Of course the Minister of Finance, I say this to the Premier, and I don't know, I don't know whether he'll . . . I suspect that he may not agree with my concurrence, my observation in this regard. But I want to say to the Premier that when you have a minister of finance, be that person in the corporate area or in the private . . . or in the public area, I'm sorry — private or public areas — when there is an error, and I'm using that word very charitably, in 1986-87 in the budget estimates of \$800 million, there is no corporation, private corporation in the world who would permit a minister or treasurer with that record to exist. The board of directors and the chairman, the chief executive office of the board of directors, would have taken remedial action.

(1930)

I won't, of course, refer to the current problems that the Premier faces, the tax increases such as the sales tax, proposed sales tax increase federally and the provincial sales tax increase, the lotteries tax which is now the source of an ongoing major irritation within the province of Saskatchewan, the reimposition of the gas tax, notwithstanding the promises made. I think this has been a devastation area, the Department of Finance.

I look at the question of privatization. And here the Premier may or may not take my words to heart at all. I will admit that there is an argument for privatization for those who believe in that vision. I don't happen to believe in that vision, for the arguments and the reasons I've articulated on other occasions. But surely by any objective standard one has to conclude that the minister has failed to carry out the job of explaining the positive

arguments for privatization — maybe there are none — to the advantage or to the test of even the Premier in this regard.

And the failure of the policies of privatization, starting with SaskEnergy and SGI (Saskatchewan Government Insurance), the fact that privatization has become a total negative for the government of the day — and thank goodness it has, not in a political sense but for the people of the Saskatchewan — I think warrants a very, very careful consideration by the Premier as to whether or not there needs to be here a major shuffle with respect to this person, who is a decent person and an experienced parliamentarian, but take a look at the portfolio and the record as I've described it.

I would say, with the greatest of respect to the new Minister of Tourism, the record with respect to the Principal Trust collapse, the involvement of SEDCO in GigaText — this too warrants censure. In Alberta, Connie Osterman was dismissed from cabinet as a result of the involvement of the Principal Trust situation. I think a similar censure with the similar consequences, albeit the numbers are somewhat smaller, is something that the Premier also must look at.

I won't get into the details of what I think is the sad record pertaining to education, where we have scandals in the private vocational colleges areas, the uncertainty dealing with private schools generally, the drop-out rate, the enrolment quotas at the university. Education's in the same situation.

Environment: Rafferty, that's been badly handled. We've talked about that, although the minister's indicated that he's leaving the government after the next election.

And I think the Minister of Urban Affairs, the member from Regina South, must also receive honourable mention in what I am reviewing here of this cabinet. And that is that the Minister of Urban Affairs, I think it is correct to say, has alienated almost every urban municipality by his, one can only describe, arrogant insistence that such programs as the store hours issue, the ward system change in laws, will be implemented come heck or high water no matter what the individual municipalities might say. The question of capital grants, their elimination and reinstitution, the inadequate funding for the municipal governments—all of these are indeed serious condemnations of the situation facing that particular minister and that particular portfolio.

And I would say to the Premier, with the greatest of respect, that the job of being Premier and Minister of Agriculture, in my opinion, is too great for one person. And I think that the evidence of the minister's efforts in the agricultural area and the current crisis of the cabinet falling away and apart all around him is testimony to that. We discussed that yesterday. There's no use me repeating it.

But agriculture is in a crisis. The minister admits it himself. That requires a full-time person with dedicated staff to come up with the policies in order to ease the crisis. And this cabinet needs full-time attention. It's falling apart and it too needs the kind of attention and direction. It needs a

rethink of its policy and its directions. It needs a new clinic on how to administer and to run the administration of a government — always a very difficult challenge — cleanly, administratively, crisply, in a responsive way.

That's why the Premier knows of what I speak, why the popularity has plummeted of himself and the cabinet, because whatever they might think about the political direction — I think they happen to dismiss it — they also believe that this government and this administration simply cannot and does not have what it takes to run the government. It is incompetent.

Now this is going to be a tough decision for a Premier to take, if he should follow my advice and make this kind of a wholesale change. I call on him to do it. It's going to be not easy; it's going to be very difficult. It's going to be all the more difficult because we're talking about friendships and loyalties. I know how tough it must be for him to do this. It's going to be all the more difficult because, as I look in the back benches, there's nobody to replace the new cabinet. That, I think, is also a difficult problem. One can never know whether or not a member who's elevated to the cabinet can fulfil the job or not. Time will only tell. But I think it's a generally accepted view of the public at large that, as good as they might be individually, most of the back-benchers simply don't have what it takes to be in the cabinet. But I think the Premier has no choice; he's got to give it a try. He's got to give it a try, otherwise the next period of government, for however long it is going to be or how short it's going to be, is going to only compound the disastrous direction of policies.

So here, Mr. Chairman, I am speaking to policies. I have identified the four or five yardsticks. I am speaking to personalities. I have not been too personal in the personalities; I hope not. I have related these personalities to individual program initiatives; I think, objectively, these have been failures. I think these are the people on whom the Premier must make some decisions, and immediately. I don't think it's going to turn the situation around for this government, unfortunately, but at least it might bring into perspective some element of competence to the people of the province of Saskatchewan, and if that took place at least it would be a godsend.

So I make that as one suggestion, and perhaps as one specific question to the Premier, as to whether or not he has in mind a major cabinet shuffle or a minor cabinet shuffle. He doesn't have to tell me the details of it, but whether he has that in mind, and if so, what his timetable has to be in this context.

Before I take my place, however, I want to move to another area in the interests of time, with respect to these estimates, which is related to the theme that I have tried to enunciate and set out here. I refer to the question of competence, or the flip side of that coin, mismanagement and waste.

Again, Mr. Chairman, I will not take up the time of the committee to discuss the document which I have in front of me here detailing the facts: eight consecutive budget deficits; a cumulative operating deficit of \$3.9 billion; yearly interest payments on that debt of about \$380

million. I believe that this is the fastest-growing deficit in all of North America, a 600 per cent increase since 1982. We know what the situation is with respect to credit ratings, yet we have somehow, in the midst of this red ink and huge deficits, \$9 million for a birthday celebration in 1990; millions of dollars for political advertising — we're going to see much of that, I suspect, in the potash privatization; millions of dollars with respect to office spaces and this new gimmick of privatizing office spaces. The tax increases are well-known. All of the broken promises I alluded to. The health care program is in a shambles, people not being able to get into hospital beds and so forth. That also is well-known and well documented. And the crisis for tomorrow on education, I think, is one of the most tragic, that we have really no education policy of vision to train our young people — none.

Where we have a young desperate for the kind of future oriented training which will allow that person to take his or her place of the world of tomorrow, what we have is quotas in access to post-secondary education at university level, and also at the post-secondary non-university level. Those are well established. All of that has been debated — whether it's at SIAST (Saskatchewan Institute of Applied Science and Technology), or the U of R (University of Regina), or the U of S (University of Saskatchewan), young people being denied a basic and fundamental right of education, and, of course, employment and job loss and, of course, the population loss, all of which I have alluded.

It gives me no pleasure to cite that record. It gives me no pleasure whatsoever, because I believe that the next government is going to have a monumental task on its hands in coming up with a set of programs and policies and vision which will try to turn this around, and to prevent the sinking further into the abyss of this province financially and from a spiritual point of view.

I happen to believe that we in the opposition have that vision and have that spirit and optimism, because we build on the traditions of our pioneers for the future, and I won't belabour the committee about my visions in that regard. But clearly there is a major issue here of waste and mismanagement and incompetence, documented by the Provincial Auditor. You don't have to accept my words, Mr. Chairman. We won't debate the Provincial Auditors' report all over again unless I have to in order to support my point by fact, documented by the Provincial Auditor, documented by the statistics — the government's own statistics — documented by the public opinion polls with respect to the position of the government and the people's attitude toward it. This calls for a major revamping and overhaul of the administration of government.

My question to the Premier, therefore, is: will you at least give us some indication that there will be a major cabinet shuffle soon? I don't expect him to give me the names, obviously. Whether he is going to take the suggestion which I have made to him to heart and revamp in a wholesale way this tin Lizzie of a government which has come apart, and fallen apart, and stuck in the middle of the highway for him, whether he can put it together, will even try to put it together, and at least, while I think the tin Lizzie is going in the wrong direction, the voters will

decide that we might get on with the business of at least competent administration. Will the Premier at least do that?

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

**Hon. Mr. Devine:** — Mr. Chairman, I rise in response to the hon. member's observations with respect to his concerns about the cabinet. Let me say a couple or three things having to do with the legislature and this province and the vision that we hold for the great province of Saskatchewan.

We've had a session this year, which has been, and I read from the quote, "dominated by Mr. Romanow's radicals," where we've looked at a strike in the legislature, where we've had 17 days of people walking out, where we've had admissions from members opposite that they were going to throw sand in the eyes of government, where their ambition has been to make the province ungovernable, and in the face of that, Mr. Chairman, we have endured and we have gone through one of the longest sessions in Saskatchewan's history. And we followed our Speech from the Throne, and we followed the budget, and I want to briefly touch on those to outline to the hon. member the kinds of things the Saskatchewan people have asked us to do.

Firstly, let me say that prior to 1982 and then during the '82 election and 1986, people asked me and they asked a new Government of Saskatchewan to do two things, primarily two things. They said, we wanted you to protect people against things beyond their control. We wanted a safety net that was not available in Saskatchewan. And they were talking about the weather; they were talking about high interest rates; they were talking about health care, and they were talking about various forms of crop insurance; they were talking about several things in which they had seen the previous administrations fail, and they were looking to us for some measure of success.

The second thing they said to us, Mr. Chairman, was, please build and diversify the economy. The previous administration seemed to have the ambition that they would either buy everything or else we would put all our eggs in one basket — which is essentially government — and keep people doing the same thing over and over again. So in fact we were caught in some of these international cycles that hurt us so much.

I could say to the hon. member, it has not been easy putting together these programs, but on the safety net side and on the diversification side, I believe he'll see that they will rank with any in Canada and perhaps any in North America.

Let me just briefly touch on a few of these, and I know the hon. member will want to ask me specific questions about them. In health care we spend approximately \$1,400 per man, woman, and child. Now that is a 90-some per cent increase over 1981-82. That's a tremendous increase in health care expenditures, and we don't charge for that, Mr. Speaker, Mr. Chairman. That increase is the envy of all the jurisdictions in Canada; I would think there's maybe only one that spends more per capita than we do. And we've seen dramatic changes in

health care facilities, new centres, new rehabilitation centres, new hospitals, new cancer clinics, a combination of things that we are very proud of.

(1945)

And we're overdue, frankly, particularly when it comes to nursing homes for senior citizens. Seniors in this province cried out when we campaigned in '81-82, and again in '86, and said, would you please build us new accommodations. There had been a five-year moratorium, no building. They wanted new space, and it was the policy of the NDP opposite to say no, I don't think we should do that. We're going to do some other things. We're going to buy potash mines; we're going to buy pulp mills; or we're going to buy farm land; but we will not build new facilities.

In any event, the safety net that senior citizens wanted to see was brand-new nursing home facilities, because we have a fairly senior population here, and a lot of new expenditures in health care. And so now we're spending in the neighbourhood of \$1,400 per man, woman, and child, which has been a very phenomenal increase.

We introduced, with the support of senior citizens and people, rural and urban, and a great deal of research by Co-op Data Services . . . And the hon. member, the Leader of the Opposition, says that he's in favour of a mixed economy, where we have co-ops and the private sector and the public sector working together. I'll say we have ample evidence of a significant involvement by the co-operative sector and the public sector in the province of Saskatchewan, and I'll talk about that in a minute.

But the co-operative sector, Co-op Data Services along with WESTBRIDGE, which is a combination of SaskCOMP and SaskTel and the private sector and others, have put together one of the finest new plastic, computer based health cards that you will find any place in the world. And we are now marketing that, not only across Canada but indeed internationally. And people are saying, what a fine idea — marketing health care out of the province of Saskatchewan, out of Canada, all over the world. And our people, led by Co-op Data Services, our health care officials — and they have done a fine job — have made sure Saskatchewan is number one in that. So when it comes to health care, as in expenditures, new facilities, new technology, new nursing homes, new hospitals, the new rehabilitation centre, new cancer clinics — all of that — we will rank, Mr. Chairman, with the very best in Canada.

Now the hon. members say, well it's not good enough — and fair enough. It's a little bit like the discussion we had today on drought. I wish you fellows had given us more money, and I said, we've come up with several billion. But they said, well we'd even like more. Well I understand that. It's reasonable in opposition to ask for more. But when you ask about the safety net, the first thing that comes to mind is health care, and we take a back seat to nobody when it comes to health care expenditures, new facilities, or technology in this province.

If you look at protecting people against the things which

they have no control over, we said, you know, there are lower income people and there are families and there are seniors who need protection against tax. And that has been very important in our administration. And you will see some significant tax reductions in the province of Saskatchewan since our administration took office. We don't charge tax on clothes now, under \$300. And that's something very close to a lot of families here, and for senior citizens that don't have a great deal of income. The NDP used to charge tax on clothes. Fair enough. We don't charge tax on clothes, and we make sure that exemption is there so people with children and people that are seniors, people on low income, have a major break.

We don't charge tax on the major utilities now, and the opposition did. They not only had a 20 per cent sliding scale on gas tax that went to SGI, which was heavily subsidized from the taxpayer, but they taxed utilities so that they had a sales tax on top of the tax they charged in SaskPower and SaskTel and the major utilities. We don't do that any more, and we don't charge tax on gasoline if you live on the farm, and, very properly, you're not charged in the cities if you keep your receipts. We're the only province in the entire country that does that. We have the lowest priced gasoline in Canada for farmers and urban people, and all we ask them to do, so that we can tax truckers and we can tax people in the tourism industry, just save your receipts.

If you look at that, that's not a bad safety net to start with. We don't charge for health care. We've got a brand-new health care card which is very up to date and very computerized, no tax on clothes, no tax on utilities, no tax on gasoline.

And on top of that, we've said there's one major thing that people have learned to fear in this province, and that is something beyond their control, and that's high interest rates. They said, would you protect us against high interest rates because the NDP wouldn't do that. There's 21 per cent, 22 per cent. It didn't matter whether you were in northern Saskatchewan, southern Saskatchewan, rural or urban, you were stuck with 22 per cent interest rates.

They said, you set up an administration, whether it's in '82 or '86 or 1990, and you walk in there and you protect people against those international consequences. And you can't really blame the local NDP or anybody else for 22 per cent interest rates. All we can ask is that they do something about it, even though it's beyond their control. And we did.

So every mortgage in the province of Saskatchewan on every home up to \$50,000 is locked in at nine and three-quarters. No place else in Canada or the United States, maybe not the world, that I can think of that's locked in. Free health care, your mortgage is locked in at nine and three-quarters, no tax on food, no tax on clothes, no tax on gasoline, no tax on utilities, as a safety net to protect people.

Now the opposition says, but when you did that, you incurred some deficit, you incurred some debt. Well, Mr. Chairman, I say to the hon. member — we went through it

today — net farm income in a province that has half the farm land in Canada went to practically zero. That's when you want to reach out and protect people, and I haven't even got to the protection in agriculture yet. But that safety net in rural and urban was there because we believed it was important to protect people against those international events and those climatic events and those cyclical events beyond their control.

Now on top of that, at the request of, frankly, rural women when we were talking with them and others, we said, we believe that we could design a pension program for the province of Saskatchewan that would help low income people, that is, students; people who are in and out of the work-force would like to have some independence when it comes to their retirement but couldn't. They look forward to some insecurity when they retire, perhaps even going on welfare, and they said, couldn't you design a Saskatchewan pension program that would be just for us?

And I remember, Mr. Chairman, talking to a farmer's wife, and she said, I'm married to a fine fellow. He's in agriculture, but you know it's a cyclical business. If he goes broke, then I'm going to go broke, and what'll I have for a pension? We don't contribute that much to Canada pension; we're in of it, we're out of it. What about me? Isn't there something you could design to help me as a woman that's in agriculture that needs some protection? So we designed the Saskatchewan pension program. And you will find people are looking at that and copying that and talking about that pension plan all across Canada. Certainly ministers come into this province and ask about it and in Europe and in the United States. And very simply put, if you put \$25 a month up, we'll match it. And after you retire, 20-some years later you get \$1,000 a month, no matter where you live in Canada.

On top of that . . . And 80 per cent of that program has women involved in it, and it's been very popular with small business because when you have four or five employees and you can't afford a pension program, we will contribute to their pension program. So small business has enjoyed it, and women in business and women generally.

On top of that, we designed the senior citizens' heritage program. And that program said, for our seniors, because it's very important, we will contribute up to 500 for single seniors and up to 750 for couples. Well, Mr. Chairman, that safety net is something that was not here before. Clearly it wasn't here. People asked for it. They said, you live in a province that deals with resources and you're on the cyclical market in international trade. Make sure you design mechanisms that will protect people.

Now where it really matters is in agriculture. And I listed the programs all afternoon and I won't go through them again for the hon. member, but he's aware of them. But we've designed one of the finest crop insurance mechanisms that you will find any place in the world. And we have put together low interest protection programs at zero per cent interest on cash advances, 6 per cent and nine and three-quarters, and we've certainly put our back and our shoulder to the wall and to the wheel to protect people in agriculture. And that's been very, very

important. And they have said that they appreciate that.

So, Mr. Chairman, the first reason that our administration was elected in '82 and elected again in 1986 was that safety net to protect individuals against things that were beyond their control. Now to help shore them up in that safety net, we've continued with distance education, certainly increased expenditures in education generally. We've got individual line service. We've got the capacity to teach education and first-and second-year university in more and more facilities across the province. And certainly the New Careers Corporation, when it comes to welfare reform, has been extremely productive.

If you look at the Canada Games that are in Saskatchewan, Saskatoon tonight and today, and you'll see the work that they put together in the promenade and other facilities across this province — very, very proud of the New Careers Corporation.

That safety net to protect people was significant in our election and our re-election. And I would briefly remind the hon. member that's the reason, one of the reasons that they chose us over the NDP because it wasn't there before. And the things that I've mentioned tonight are brand-new in this administration and were not there before.

Now let me just briefly go on to the second reason that we were elected and re-elected, and that was to build and diversify. Mr. Chairman, we were asked to build this economy and to diversify this economy because it was not being diversified. We saw that the previous administration was buying potash mines, nationalizing companies, and had government involved in a great deal rather than see them diversify the economy.

And I think that there was a clear difference, it was either today or yesterday, yesterday I believe, when the Leader of the Opposition stood in his place and he says, here we are . . . And I'm quoting the Leader of the Opposition, the member from Riversdale. He said, here we are in the province of Saskatchewan, in the middle of Canada, and we are trapped — we are trapped. And if you look it up in *Hansard* it's a very interesting description of his view and his vision of Saskatchewan. He says, we are trapped here, as if there is no choice but to just do the things that we did and we tried to do in the 1920s and the 1930s and the 1940s. He said, we are a long ways from markets; we suffer from the distances we have to travel; it's impossible for us to process, manufacture, and diversify because we're trapped here, and we're land-locked, and we have no choices — as if we must bend on our knees to Ottawa for ever, we must rely on government for ever to build and program and diversify and process here in the province of Saskatchewan. I don't share that vision. I don't feel trapped. And the people of Saskatchewan do not want to think that they are trapped. They don't even like that word. We are not trapped.

This is in the middle of North America. We have access to the East and the West and the North and the South, with excellent transportation facilities, with the capacity to do all kinds of things if we have as much vision — and I used it today in my Agriculture estimates — as the Saskatchewan Wheat Pool when it comes to the future.

And I went through it and I quoted them saying they don't believe we're trapped. They see all kinds of opportunities in trade and free trade and they quoted . . . and I looked it up; the free trade agreement is even mentioned in here. So they're saying that there is much opportunity. And that's why they elected our administration and they said no to the NDP in '82 and they said no to them '84 federally and they said no to them in '86 for us and they said no to them nationally. Now, Mr. Chairman, I will say to the hon. member that we have been building in some modest way, and I'll just share a few of them with the Leader of the Opposition and the members opposite.

In 1982, we didn't make our own paper in this province. They said it couldn't be done, they campaigned against it all over Prince Albert and said it would never happen. You cannot build a paper mill in the province of Saskatchewan because we're locked in here and the transportation rates will just keep you from doing it. So we said, no, we believe that we can build a paper mill; we'll stop the losses of \$91,000 a day, we'll turn it into a profit, and we will make a paper mill — and we did. And now Saskatchewan makes its own paper for the first time in history, and it exports that paper into the United States and for all I know all over the world. And we do it profitably and it's made 150 to 200 brand-new jobs.

You look at the possibility for us to take our gasoline and our natural gas and to use it in the province of Saskatchewan. We had seven or eight natural gas wells in 1981-82; we have 700 drilled this year alone. And there was a refinery here in Saskatchewan, called the Co-op refinery in Regina. It was taking Alberta crude and it was making gasoline and diesel fuel and we were feeding the Alberta Heritage Fund. And we fed the Alberta Heritage Fund millions and millions and millions of dollars because we never used our own oil to make our own gasoline and our diesel fuel.

And the NDP had talked about it and flirted about it but they could never put it together. They couldn't do it with the Co-op, they couldn't do it with the private sector. And I'm happy to say, Mr. Chairman, in a modest way, that we have one upgrader built in the city of Regina, the largest project in the history of this province, and we have another one on its way with Husky in Lloydminster. And we are going to make our own gasoline, our own diesel fuel with the potential for our own petrochemicals in this province, using our own oil for the very first time for that purpose, Mr. Chairman.

Now the hon. member says, what about the vision? Our vision says that we can build those things, and the same applies to fertilizer. We've got natural gas in this province and we've never made one pound of nitrogen fertilizer in our province. And farmers have said to me, I'm tired of importing it from Alberta, I'm tired of importing it from the United States or from Manitoba. Why don't you build it here in Saskatchewan? And why not, Mr. Chairman?

You are going to see that happen in the province of Saskatchewan with us building one of the finest fertilizer projects you'll find any place in North America; 25 per cent of it will go offshore, 25 per cent to the United States, 25 per cent down East, and in the province of Saskatchewan we will have the lowest priced ammonia

you will find any place in North America, and farmers in this province want to see that.

(2000)

And, Mr. Chairman, the members opposite laugh because they don't believe. They didn't believe we could build a paper mill, they didn't believe that we can build an upgrader, they didn't believe that we can build Husky, they didn't believe that we will build a turbine plant, and I'll just touch on a few more.

We believe that, as the wheat pool does, and I went through its report on the processing and manufacturing and the things that we can do today, and I said we can do it; we can build and we can diversify and we can broaden the base in the province of Saskatchewan so we have, one, the better safety net; and two, more prosperity because we can build and diversify for the future of Saskatchewan people.

Now the hon. member knows about him purchasing pulp mills. We've done privatization with native bands, with employees; Meadow Lake pulp mill we put together, that is one of the finest projects you're going to find, and that involves people, local people, diversification, processing, manufacturing, export business, 10 Indian bands who are very much in favour, and the local employees have invested in a brand-new project — 3, \$400 million and hundreds of new jobs — and the hon. member opposite says, well I don't think we can do that because we are land-locked.

Mr. Chairman, we have provided individual line service to farmers all across this province, we've put in a natural gas rural distribution system to the people of this province to help protect their costs, and we stimulated water management and irrigation, and we're in the fight of our life for the Rafferty program which is going to be an historic program in water management and water drought-proofing in the province of Saskatchewan and southern Saskatchewan. The members opposite . . . No, we couldn't do it for 50 years; you'll never get it done.

Mr. Chairman, I believe that we'll do it. I believe for the first time in our history we can save water in southern Saskatchewan like we've never saved it before, and we can have irrigation, and we have recreation, we have water development, we can have drought-proofing. We can have water for the future and half paid for by the United States.

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

**Hon. Mr. Devine:** — Mr. Chairman, I just say to the hon. member, he wonders frankly why he was defeated in '82 and why they were defeated in 1986 and he says, well now why would the people of Saskatchewan opt for this safety net, and why would they opt for this diversification and this building? And I say, Mr. Chairman, to the hon. member, they are going to look at the safety net and compare it to anybody else. They're going to look at the diversification and process in the building, and then they're going to look at the opposition and say, well what is there about this radical stuff, what is there about this reputation that these people would buy all this new

diversification back for a dollar? What is there about these people who would say, we will make this province ungovernable because we are radical and we are proud to be radicals?

You know what the opposition is painting a picture for the people of Saskatchewan? They're saying, we are afraid to build; we think that we're trapped; we don't like the safety net; we never believed in interest rate protection; we never really believed in spending in health care, because all we did was talk about it. The medicare thing was supposed to work all the time.

Well, Mr. Speaker, I say to the hon. members they are going to have to prove that they have a vision about building, processing, manufacturing, and a protection safety net for the people of this province.

Let me just say to the hon. member, finally — and we've been through this in our Agriculture estimates — he believes, or he thinks, that it's appropriate that I be blamed and this government be blamed for drought and \$2 wheat and grasshopper problems and economic problems. We look at the prices of potash, we look at the prices of oil, we look at the prices of wheat, and I have figures that I am prepared to share with the member opposite that will show that just in terms of keeping up with the revenue coming into this province in 1981-82, we would have to have a 40 to 50 per cent increase in prices. Now that isn't there.

And to give you an example of that, in 1981-82 — I'll just take neighbouring provinces to give the hon. member an example so that the public knows what we're talking about here — the Alberta government had a surplus. They put 10, 11, \$12 billion in the Heritage Fund. By '83-84, they had \$59 million in deficit on their current account — a Tory government. And by 1989-90, they had 1.5 billion deficit on the current account. And this is a province that could draw out of its Heritage Fund because it had built up savings in the good times, but on their current account they were looking at the deficits at a billion, billion and a half, half a billion dollars. Now, Mr. Chairman, the hon. member says, oh no, it's only in Saskatchewan, it's only in Saskatchewan that you've had these difficult . . . And the difficulties weren't all that real, not really that real. It's only our fault.

I will just say to the hon. member, in the province of Alberta, where they in the good times socked away 10, 11, \$12 billion in a heritage fund and now can draw out of it so the people of Alberta have a benefit — that wasn't the case in the province of Saskatchewan. All that money was put into buying farm land or buying mines or buying pulp mills or buying some other things.

And in the province of Alberta they've run a deficit recently, like we have. Every jurisdiction in the country has a deficit — every one. Allan Blakeney sat right there and he said, yes, I'd have a deficit under these conditions. Not as big as yours though, Mr. Devine, but I'd have a deficit. He says, in difficult times it's okay to have a deficit. Alberta's okay to have a deficit; in Manitoba it's okay to have a deficit. All across the country it's all right in difficult times.

And the opposition says, no, not in Saskatchewan. Well everybody knows that that's reasonable. That safety net and that protection . . . And the things that the members opposite ask for today, like protecting farmers, putting more cash into farmers, spending more money on health care and so forth — we've done that and we're prepared to do more. And we're not ashamed of the fact that we backed up people in difficult times; certainly not ashamed of the fact that we walked in at 22 per cent interest rates and protected the public in this province when the NDP wouldn't.

I say, Mr. Chairman, nobody likes the deficit. We wish we had 6, \$7 wheat and 25, \$30 oil and high-priced potash and uranium sales were very, very good at high prices — our marketings have been good but the prices have not; therefore the opportunity for revenue is not there. And it's not there in Manitoba and it's not there in Alberta and it's not there in the United States and it's not there in a good part of Canada.

For us the objective is to provide that safety net in the difficult times. The good times are easier to manage, and the opposition has been through that. We haven't had that opportunity or that luxury. And it's also important that we have the vision to fight for freer international markets, that we do process, manufacture, and diversify, and we're quite prepared to do that, Mr. Chairman.

So I say to the hon. member: he asks me about vision, whether we will provide a safety net and whether we will build and diversify. Yes, sir. He asks me about whether we're going to be locked in to this poor little place like Saskatchewan. I say, I don't feel like we're locked in, and people don't even like to hear him say that. That's very, very important.

And then he asks me, he says, well what about cabinet? What about the Minister of Agriculture being the Premier? I can say to the hon. member, as I did earlier today, that every meeting that I go to with the first ministers or nationally and internationally, the Minister of Agriculture is right with me, and we haven't had many differences of opinion when it comes to providing economic opportunity and safety nets for the people of Saskatchewan and the farmers.

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

**Hon. Mr. Devine:** — So he might not like it, but I'll tell you, there's an awful lot of people who have appreciated the \$2 billion in cash that has come out here as a result of things that we've done — \$600 million cash that we have provided. And there are programs out there . . . And the last election that we had in this province was a by-election in Saskatchewan, the last one we had, the last litmus test. And what did it say? In a rural riding that we never held, that riding said, we appreciate what you've done in agriculture and the fact that you could represent us and have, and we needed some help, we were there.

So I'll say to the hon. member, our cabinet, our cabinet has delivered on a safety net, and it's delivered on building and diversification and processing and manufacturing. Our cabinet has made mistakes. I make mistakes every day. We have been dealt some cards that

have been easier to play and some that have been pretty difficult, but we play them, and we have gone to the wall for rural people and urban people in health care, social services, education, and we've gone to the wall in processing and manufacturing.

And we've certainly led this country in some of the more important debates, more important debates, whether we should be open or closed. I absolutely, fundamentally believe that we should be open. I believe the people of this province should be able to invest in government. I absolutely believe that. And you think it's historic, and I agree with you, that people will now be able to invest in the potash corporation. It's far overdue. We could have billions of dollars in the Heritage Fund if you hadn't taken the borrowed money and your savings and invested in potash. I fundamentally believe that. You don't. I do.

Now that will be the test in 1990 or '91, whether it will be an open, free society to invest in Saskatchewan, invest in government — we can diversify — whether we're going to expand around the world or whether we're going to close up because we believe that we are, in your words, trapped.

**An Hon. Member:** — Trapped by you boys.

**Hon. Mr. Devine:** — Oh no, no. You didn't talk about us when you said trapped. You said this province is trapped. You read *Hansard*, and I'll dig it out, and I'm sure we'll have it all over the place, but your word of "trapped" is the ideology that people have refuted. They said, no, no.

Now he asks . . . The member opposite, he says, well what about the last federal election where you campaigned and the NDP won more seats than the Tories in the province of Saskatchewan? And he says, how about that as a litmus test. Well how about that. What did you campaign on? You campaigned on fear. You said oh my gosh, if we have free trade across here, you're going to lose your health care. You're going to lose your health care. Well do you know, Mr. Chairman, do you how fearful of that I am? We went right back into Assiniboia-Gravelbourg after that big campaign and we said, do you know what? The Leader of the Opposition is whistling Dixie. He's saying if you trade you're going to lose five hospitals; if you vote for Grant Devine you're going to lose five hospitals and it's all going to be going. Do you know what people said? I don't believe that any more. Come on, free trade is here. The wheat board is fine. The hospitals are fine and we have a brand-new health care card. You can only frighten the people so many times.

You walked out of this House for three weeks this spring and you said, boy, this is a big deal. How many times can you do that on nothing . . . (inaudible interjection) . . . Okay. Well you'll get your chance, you'll get your chance. How many times are you going to be radical; how many times are you going to do this? Nothing to offer, just fear, fear, for partisan reasons, fear for partisan reasons. You know it could be popular. You know that potash sales are going to be popular and shares are going to be popular. You mark my words. And we will campaign on it, sir, we'll campaign on it and you will be able to do it, and all those shareholders in potash are

going to say, now what would we like, these guys taking them back for \$1, or the opportunity to see our investment grow into the future? I'll tell you what they'll buy. They'll buy the future; they won't buy the saying of being trapped. They'll buy investing in potash and Saskoil and WESTBRIDGE and the Meadow Lake saw mill and Weyerhaeuser and building new fertilizer plants and the opportunity for us to grow and expand, and say to the world once and for all, we are not trapped, we haven't been trapped. The only trap in the province of Saskatchewan is the NDP if they ever get back in.

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

**Hon. Mr. Devine:** — Mr. Chairman, I'll just summarize my rebuttal to the hon. member. The Saskatchewan government's policies on diversification, processing, and manufacturing, as reviewed by the Toronto Dominion Bank, as reviewed by the Economic Council of Canada, as reviewed by other major growth indicators, say that Saskatchewan, and I quote:

. . . will post the best economic performance provincially of any province in Canada in 1989-90.

Now if that's the case, Mr. Chairman, despite the difficult times, despite some of the doom and gloom and the fear preached by the members opposite, if we lead all other provinces in our growth this year as a result of agriculture, diversification, and the safety net, I think that will speak for itself.

Mr. Chairman, when it comes to the point for me deciding whether I will be the cabinet minister that is responsible for Agriculture, I'll certainly let the opposition leader know if I decide to change that, and certainly from time to time I do make modifications to cabinet. I certainly have depth here to choose from, and I'm quite proud of all the members, and particularly that we could elect a brand-new member in Assiniboia-Gravelbourg.

And I'll say to the hon. member, he'll be among the first to know when I publicly announce if there's any modifications to cabinet.

**Mr. Romanow:** — Mr. Chairman, I thank the minister for telling me that we'll be the first to know. But, Mr. Chairman, and members of the committee, that speech, that tired old speech, worn out speech, same old worn out speech from a worn out Premier and a worn out government, is why this government, Mr. Chairman, why this government is afraid of its shadow, why this government has gotten GigaText, why this government has attacked the Provincial Auditor, why this government's record in health care is the worst in the record of the history of the province of Saskatchewan. That same old tired out speech by a tired out old Premier and government is proof positive this government's got to be defeated — absolutely defeated.

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

(2015)

**Mr. Romanow:** — The member opposite talks about

building the safety net. The member opposite and the member from Qu'Appelle-Wolseley privatization, how many of you stood with the Keep Our Doctors committee when we tried to build medicare? And you tried to destroy it, sir — you did, you were there. You were there, you were there opposing medicare and hospitalization. The member from Qu'Appelle-Lumsden was leading the attack, and they have the audacity to say that they built a social net. They're not building a social net, they are destroying the finest medicare hospitalization scheme in Canada, the Minister of Health and the Premier of the province of Saskatchewan — they're destroying that.

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

**Mr. Romanow:** — That's building! The only thing the minister opposite can build is the largest deficit in the history of the province of Saskatchewan. That's the only thing he can build.

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

**Mr. Romanow:** — That's all he can build. He can build the largest deficit. He can build the largest unemployment numbers. He can build the largest welfare list. He can build the largest bankruptcy list. He can build the largest number of young people leaving. He puts into a cabinet a government which is determined, hell bent for leather, to destroy every social policy, and the Minister of Health has led that charge, that this government and this province has ever known and the minister has got the audacity to say that he builds. Shame on him if he says he's got the audacity to build; he doesn't build anything.

Build, how does he build? How does this big Premier and government build? How do they build? They say to Weyerhaeuser of Washington state, come on in I'll give you \$234 million of the taxpayers' money, you build. That's how he builds. He says to Peter Pocklington, come on I'm going to give you \$20 million, you build.

He says the NDP never built. How in the world is he getting about this program of selling off everything that he sells off? How do you get it? Do you sell it off by air? Yes, but where do you get that? Where do you get all of the assets that you're selling off?

He says there was no Heritage Fund. Where was the Heritage fund but invested in the future for jobs which this government now is tearing apart and there are no jobs, no young people, and no future. That's why the young children are leaving, thanks to this Premier and this government opposite.

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

**Mr. Romanow:** — This government's policy, Mr. Chairman, is simple and clear-cut. It's sell and tax, that's what the policy is, sell and tax. It's a scorched earth policy. It doesn't matter what the NDP has set up, this Premier and this government is determined to tear it apart and the results are evident everywhere. The results are evident with respect to the taxation rates, the unemployment rates, all of the indicators that I've indicated, that is the net result of this Premier's activities. And the Premier knows that that's what the people of the

province of Saskatchewan feel, because if he thinks that Assiniboia-Gravelbourg is a litmus test, that they have bought his arguments on free trade — it is? Call an election right now. Call it right now.

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

**Mr. Romanow:** — You get up and call the election.

The Premier thinks that they've bought your arguments on free trade. Don't run behind your officials and the ministers. Don't run behind all of that. You call the election right now. You get your courage screwed up and go right outside there and call an election, and we'll see whether the people of free trade buy your view on that argument on free trade. We'll see whether or not the people buy your arguments on privatization and on social services. Call an election, put it to the test. Don't give me the speech, don't give me the speech, call it right now.

But he will not call it right now, Mr. Chairman, because this person is the most frightened political leader in Canada, and he should be because of what he's done to the ordinary people in the province of Saskatchewan.

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

**Mr. Romanow:** — Longest session in the legislative history of the province of Saskatchewan. You're doggone right it's the longest session in the history of the province of Saskatchewan, Mr. Chairman, and so it should be. I have never in my years in this Legislative Assembly seen so much corruption and scandal in the history of this province as I've seen under this Premier and this administration — never!

He hasn't said a word about GigaText. How does he explain that mess? I'm going to ask him some questions about that and his involvement in it in detail. We'll do that right away today or tomorrow; in the next few days we're going to get at the bottom of GigaText. We're going to get to the bottom of your other shenanigans with respect to your other privatizations of private leasing with corporations; we're going to get you to explain that, those messes.

I have never seen a situation where the Royal Canadian Mounted Police are brought in to investigate the government on this kind of an operation, and this Premier says, you just wait, they'll learn to like it. The people of the province of Saskatchewan will learn to like it, he says. Don't worry about it, they will learn to like it.

I've got news for you, Mr. Premier, they have already made their decision about you and this government. They have determined that this government is incompetent, it is rotten, and it's time to be defeated because it doesn't build — it destroys, it sells, and it taxes. And we say, on behalf of the people of the province of Saskatchewan, enough is enough. They must go and go they will, Mr. Chairman, go they will.

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

**Mr. Romanow:** — The Premier says, you know, you let us

know about a cabinet change when it comes in due course. Well I guess you'll let us know. But that's the attitude, you see, it doesn't matter what the opposition says, you'll be the first to know. I don't care if he wants to decide to keep the Minister of Agriculture portfolio; that's up to him. That's just perfect where we want him because that's exactly where the farmers see the main source of their problems now.

I travelled this province for two and a half weeks just about a week ago, and the Premier laughs because he thinks that he's got the tap into the rural Saskatchewan area. I can tell you he hasn't. I can tell you he hasn't because the farmers of this province know exactly that it's impossible for one person, no matter how well motivated to do the job, it is simply impossible. He can carry it on if he wants; he can keep the entire cabinet the way they are, as far as I am concerned. That will just hasten the end result in the large numbers.

But I'm pleading on behalf of the province of Saskatchewan, sir. I'm pleading on behalf of all those people who have written to you and all the editorialists and what you know yourself the situation is. I'm pleading on behalf of the province of Saskatchewan, get a hold of this thing, get a hold of this government, show some leadership and stand up for the ordinary people; that's the position I'm taking with you, and you won't do it, you simply won't do it.

You think, you think that through manipulation or through the sell-off of the Potash Corporation of Saskatchewan you're going to have a slush fund to buy your way back into the next election. I tell you, you snuck through the gate in 1986 with fewer votes than we did, with fewer votes — 45 per cent to 44 per cent. And I guarantee you, Mr. Chairman, that the people of the province of Saskatchewan will never, ever again be bought with their own money, with the sell-off of the potash corporation or SaskEnergy.

Now the minister says, the Premier says, you'll have another chance to walk out. He said you walked out for 17 days. You're doggone right we walked out for 17 days, and we stopped you from selling off our basic heritage, at least for the time being. And if it had taken 21 days, I would've stayed out 21 days to stop you from breaking a major promise.

You, sir, if it wasn't unparliamentary, you, sir, told the biggest untruth to the people of this province when you promised you wouldn't privatize SaskEnergy, when you tried to do it, and we caught you red-handed . . .

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

**Mr. Romanow:** — We caught you red-handed and we stopped you, we caught you. And I tell you, I tell you, sir, I know you're going to try it again. I know you're going to . . . You nod your head in approval. He's going to try it again. He will try it this fall. He will try it some time this session. It doesn't matter what his promises are. He agrees, he tells me he confirms he's going to try it again, and he challenges the opposition to do what's necessary to protect the heritage of the province of Saskatchewan — says try us.

I tell you, Mr. Minister, when you bring back that SaskEnergy privatization, then I tell you, try us again, because we are going to stand up for the people of the province again. We're not going to let you sell off the basic heritage of this province ever again. We're not going to let you do it.

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

**Mr. Romanow:** — I know he's going to do it. I know he's going to do it, Mr. Chairman, he's going to sell off SaskEnergy; he's going to try to sell it off. He will try to do it either now, during this term of office . . . He'll try to do it, I know he'll do it, or if he should win the election, Mr. Chairman, he'll come back to try to do it again.

I know that if this government should get re-elected and SaskEnergy isn't privatized this time around, I guarantee and I warn the people of the province of Saskatchewan, they will be there to affect and achieve their goal if they should win, Heaven forbid, the next election. That's why the Premier says that they're out there to do it.

I tell you, if he's gets the approval of the electorate to privatize SaskEnergy, I'm a democrat, I'll accept that — I have no choice — I'll accept that decision. But I'll tell you one thing, he is not going to privatize it in the absence of a mandate. I tell you that your misrepresentations, your falsehoods in this area, your give-away to your big multinational corporation friends the heritage of our province, whether it's SaskEnergy, the Potash Corporation of Saskatchewan, there is only one group that will give you the approval to do that, Mr. Minister and Mr. Premier, and that's the voter of the province of Saskatchewan. That's all. Not those back-benchers who sing the Hallelujah Chorus, and not your multinational corporations that are funding your campaign, nor your old, 1930s, ideologically driven philosophy. That isn't going to do it. You'll have to get by the election in order to do it.

And I say to you, the people are saying to you and saying to us, enough is enough. We are fed up with this policy of tax and sell, sell and tax, destroy, destroy, destroy; destroy medicare, destroy the social services programs, attack the ordinary people. They are fed up with you. I say, Mr. Chairman, I just dare the Premier of the province of Saskatchewan, call that election now. Call it! And let's get this issue decided. That's the way to do it.

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

**Mr. Romanow:** — So the member opposite says it's the longest session in the history of the province of Saskatchewan. You're doggone right it's the longest session, and it's going to be a lot longer because we've got a lot of questions to ask, a lot of questions about the waste and the mismanagement and the sheer, utter incompetence of this government. It's sheer, utter incompetence. It's a laughing stock of the province of Saskatchewan because it can't administer anything.

They keep on talking about the plastic health card. We are trapped by this administration's 1930 views. We are trapped by a philosophy of this government which says

that we're going to go back to the 1930s. All of the things that Douglas and Lloyd and Thatcher and Blakeney built to overcome, you, sir, you, sir, in your ideologically driven motivation are seeking to undo. That's what you're trying to do.

You're ignoring the realities of this province: the distance, the climate, the population, the lack of political clout. In fact you are catering to those difficulties; you're catering to all of that. And your vision is a vision of the 1930s. What you want to do is put us back into the situation where we're captive to those corporations and those economic interests outside.

And is it no surprise — it should not be any surprise — that the net result is that what we're having before us now, record population loss, record taxation, record unemployment, record number of people on unemployment, record bankruptcies — all of the negative indicators — a record deficit, a deficit which is unparalleled in the history of the province of Saskatchewan. This is a government of doom and gloom and destruction. I said at the beginning, and I repeat again, it is the worst government in the history of the province of Saskatchewan, make no mistake about it.

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

**Mr. Romanow:** — Safety net. This minister's idea of building a safety net is by doing away with the drug plan. We'll get to the Minister of Health's estimates to discuss that particular plan. The health care plan, their safety net is a dismantling of hospitals by not funding the hospitals. You can't get the bodies in there. That's their way of building . . . (inaudible interjection) . . . Yes, what about Assiniboia-Gravelbourg? What have you done for Gravelbourg hospital? Absolutely nothing, that's what you've done. Your silent-Sam member there with less than 160 votes, promising on that basis, has delivered absolutely zero, absolutely zero in Gravelbourg.

Because it's a promise like everything that you make, a promise that you don't intend to keep, Mr. Chairman, none whatsoever. This is not a building of a safety net, it's a dismantling of the province's history and tradition. And the minister and the members opposite know that to be the case as well.

Now I want to ask the Premier this question. The Premier obviously is not going to change his course. He's going to come back again at privatization. He's going to come back at privatization of SaskEnergy and he's going to come back with this 1930s big-business corporation philosophy. He's going to do that.

And obviously he's not going to change the cabinet. I think he will by the way. I think he'll be forced to do that because the survival of the government is at stake. But right now he's got some questions to answer.

And I want to have the minister tell me, if he will, just to tell us how good he's been managing things like GigaText? Let's get on to that for a moment. I'm going to ask the minister, when it is that his government is going to decide on the question of whether or not to continue to fund GigaText? Just tell us about that success story, Mr.

Minister, GigaText, and how much longer you're going to be funding at \$50,000 a month that scandal and boondoggle. Tell us about that.

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

**Hon. Mr. Devine:** — Mr. Chairman, I will address that question and a couple of others for the hon. member and give him a moment to calm down a little bit.

**An Hon. Member:** — No, I'm very calm.

**Hon. Mr. Devine:** — It didn't sound like it to me. He mentioned the population base in Saskatchewan. In 1972, Mr. Chairman, Saskatchewan lost 17,000 people; in 1973, Saskatchewan lost 13,000 people; in 1974, it lost 4,574; 1978, it lost 3,569; 1979, it lost 2,000; 1980, it lost 1,857; 1981, it did gain 868. I point that out to the hon. member so that if in fact, if he gets carried away about the fact that if there's a change . . . if there's a change in population during the PCs and the NDP, that it was not just isolated to PC administration or the NDP administration.

(2030)

If you look . . . Well the hon. member doesn't believe it. I'll give him the stats. I'll share them with him, or he can look them up. Saskatchewan migration statistics, and it shows under the NDP, you lost as many as 17,000 people in one year. Now I just make that point so that the people know, 1972, '73, '74, 1978, 1979, 1980, this province had a net loss in population. And it seems to me, if I recall, that was all under the NDP.

Now I just make that point so the hon. member knows as a fact that it isn't just during difficult agricultural times; these were in good times when Alberta population was growing in leaps and bounds, lots of money coming into the Heritage Fund, and the young people left the province of Saskatchewan because of the philosophy of the government. That's why they left. That's why they left.

**An Hon. Member:** — Why are they leaving now?

**Hon. Mr. Devine:** — And, Mr. Speaker, he says, well why are they leaving now. Leaving now is pretty easy to figure out — there's no income in rural Saskatchewan. There's no income. And he laughs. All day today his members were telling me how bad it was in rural Saskatchewan and now he's laughing about it. I'll tell the farmers that you're laughing about the fact there's a drought out there. They won't be laughing. Oh no. You say why is there difficulty in Saskatchewan? Rural people are leaving because of the drought.

And they're not going to provinces that have nationalized companies. There's no socialism in Alberta, and there's not any in Manitoba; there is not any in Ontario and B.C. They're going to provinces where — what? — there's an opportunity to invest and build in private enterprises there. They're not going to socialist havens. The young people are going to provinces that offer opportunity, provinces that say, we don't feel trapped.

You know what they say, and the NDP? They look at them

and they say, well they're radicals, and they say that we're trapped. Well, Mr. Speaker, we don't feel trapped and we don't feel that this province wants radicals. And the opposition offers that alternative. They had their chance in the good times and they blew it, Mr. Chairman. They blew it.

They didn't put money in the Heritage Fund, sock it away for a rainy day. They didn't compare to Alberta. They lost population to Alberta and they lost money. They paid the Alberta Heritage Fund just to make gasoline here out of our refinery because they wouldn't help build an upgrader.

Well, Mr. Chairman, we've changed that, and we're going to continue to change that. We're going to go back and we're going to remind the members opposite that what you're looking at, a couple of things that we did that the hon. members failed to do and that people have asked for it.

And they mentioned health care. I believe that it's fair to say we're of the administration that removed extra billing in the province of Saskatchewan.

**An Hon. Member:** — Ha!

**Hon. Mr. Devine:** — And the hon. member laughs. Well we'll record that, that he laughs.

For years and years and years, low income people and low income people said, well why do you still allow extra billing? Why does the NDP say one thing — they're going to build new nursing homes and don't built them, and they have a five-year freeze, a moratorium, and they keep talking about that? Why do they say they're going to protect the young people and the seniors and others about extra building, but they don't do it? They just talk about it. They just talk, talk, talk.

Well I will say that we removed it. There was no talk, we just — that's it. And we've struck agreements, good agreements. The Minister of Health has designed very good agreements with doctors, and we've got very good performance. We're putting in up to \$1,400 per man, woman, and child in health care, and we removed extra billing.

He talks about the fact that we're looking at social and economic policy in the province of Saskatchewan, and it's just all gone to pieces, that we've got brand-new health care policies and brand-new social policies. I think it was in your administration, there was a demand for rehabilitation services, a big demand for rehabilitation service. Wascana wanted improvements, and there's requests on the books for that.

What did you do? What did you do? It seems to me that you built this little Taj Mahal for public servants, just south of this building. You neglected health care. You could have built the Wascana Rehab Centre. You could have put that in there for the people of Saskatchewan generally, but you didn't. What did you do? You put together this civil service building and the new building — what's the name of it? — in Saskatoon.

**An Hon. Member:** — Sturdy Stone.

**Hon. Mr. Devine:** — The Sturdy Stone Building in Saskatoon. That was your claim to fame. That was your claim to fame.

Well when it comes to health care, we have obviously made changes with respect to rehabilitation: the Whitespruce centre for youth, the only drug treatment centre in Canada designated for young people, the Wascana Rehab Centre. I think it's important that we remember that.

I want to remind the member opposite, and he mentions — and just before I get back into his big concern about GigaText, one of the reasons . . . (inaudible interjection) . . . well one of the main concerns, yes, to be fair . . . not the big one, but one of the many big ones that he has.

One of the things that was a problem in the previous administration was not only the level of tax but the level of rate increases in utilities. And that's something that really bothered people, really bothered people. I just want to remind the members opposite . . . Mr. Chairman, the hon. member says, well that just can't be the case because they had such nice rate increases. Well they had dandy rate increases, and I just want to go through them for the hon. member: 1975-82 — and you got to listen carefully to this, Mr. Chairman — the increases in natural gas rates in the province of Saskatchewan under the NDP administration from '75 to '82 was 188.5 per cent increase. Now no wonder people got upset.

And they looked at the Alberta Energy Company. They looked at natural gas over there, regulated it like everybody else. They looked at them having shares in it, and I'm going to go into the share offerings that you planned to do to reduce the rate increases, which was a good idea; 188.5 per cent increases in natural gas rates you hit consumers in this province with, and you said, how do you like it so far? Do you know what ours has been from '82 to '89? — 8.8 per cent, 8.8 per cent. And on top of that, \$350 million providing natural gas to people all across this province, towns and villages and other people.

Well you can have the statistics and they're there. Your administration, 188.5 and ours, 8.8. Now that's a significant difference, and the hon. member says, well what was it that bothered the people in '82 and '86 about the NDP. That's part of it.

Electrical rate increases, the hon. member says, well didn't matter much. One of the reasons that we want to offer shares and regulate a gas utility and electrical rates is to reduce them. Let me look at yours: 99.9 per cent increase in electrical rates from 1975 to '82 under the NDP; 100 per cent increase and you wonder why people turfed you out. They don't like that, they don't like that increase.

What's ours been? From 1982 to 1989, with all the new facilities and increase in demand and building the Nipawin power project and paying for that 46 per cent — half the rates in the PC government compared to the NDP administration.

Telephone rates. We have them here and the people on television want to look at them. In 1975 to 1982 the increase in telephone rates was 56.2 per cent, 56 per cent. What was it from 1982 to 1988? I don't think, Mr. Chairman, they really want to hear these rate increases because it haunts them. We said that we would not tax people through utilities, and that's been the case. Telephone rates under the NDP — 56 per cent increases; 1982 to '88, the increases under the PCs were less than half of that at 24.6 per cent, Mr. Chairman.

Now the number of rural gas customers in the province of Saskatchewan in 1982 was 84; 1988, 19,610. Mr. Chairman, we campaigned in the province of Saskatchewan in '82 and said that we'd have natural gas in the province of Saskatchewan and we will deliver to the people across this province. And the NDP said you can't do it — it's impossible. You can't put individual line service underground, you can't put power lines underground, and you can't put natural gas underground. They're doing it in other places, but they said no, we're trapped. We're trapped. We're in the middle of the North American continent a long ways from markets, and we have a thin population and we suffer from the weather — we're trapped.

Well their attitude was trapped in my view, Mr. Chairman, with the greatest respect — 84 people had it in 1982; 19,610 have got it in 1988, and we're still putting it in, Mr. Chairman.

Mr. Chairman, natural gas wells drilled, I'll just briefly touch on it. We looked at something less than 100 in 1975, and in 1988 we're well over 750. And, Mr. Chairman, the gas industry is growing. We're on the verge of seeing it as a major expansion. We're moving in petrochemicals, we're doing things with respect to natural gas and fertilizer, and we have half the farm land in Canada, and you make ammonia and nitrogen fertilizer from natural gas. We can draw it out of the ground because we're surplus producers. We can put it together to manufacture nitrogen fertilizer and spread it across the province of Saskatchewan and have the lowest price natural gas fertilizer any place in Canada and probably one of the lowest prices in North America.

Now the hon. member asked about rates, and he asked about health care, and he asked about population and he asks about diversification, he asked about attitude and vision. I believe we can do these things. I believe that we can take on those low interest rates, those low agriculture prices.

**An Hon. Member:** — You haven't done it.

**Hon. Mr. Devine:** — Well I haven't done it. We've got a paper mill here; we've got an upgrader here; we've got turbines manufactured here; we've got increase in packing plants. And the hon. member says well, you didn't do it. Well I don't know who built it if it wasn't us. It's there, and I asked him, did you build one potash mine? Not one did you. You didn't build one mine; the private sector built it. You didn't build one single potash mine. You borrowed money and used money to buy the mine that was already there; didn't create a thing, it was

already there. And that's been your claim to fame that you bought what was already there.

Did you build one paper mill? Did you build one . . .

**Mr. Chairman:** — Order. I would ask the members to allow the Premier to respond to the member's questions.

**Hon. Mr. Devine:** — I raised the point, Mr. Chairman, to the hon. member, he wasn't of the attitude to build. He didn't build nursing homes. He didn't build rehab centres. He didn't build potash mines. He didn't build pulp mills. He didn't build packing plants. He bought them, borrowed money and bought them, never paid it back, and he says he didn't offer people a chance to invest in them. He didn't sell them. But we look at Saskoil. What do you think of Saskoil?

**An Hon. Member:** — I think it's a lousy deal.

**Hon. Mr. Devine:** — He thinks Saskoil is a lousy deal. It's gone from a \$290 million company to a 1.1, \$1.2 billion company.

**An Hon. Member:** — For who?

**Hon. Mr. Devine:** — For the people of Saskatchewan. For the people of Saskatchewan, yes, and the return to Saskatchewan. And he says well, that's such a bad deal for the people of Saskatchewan. I mean, Mr. Chairman . . .

**Mr. Chairman:** — Order. The member from The Battlefords, we would be . . . The member from The Battlefords, we would be pleased if you would allow the Premier to respond.

**An Hon. Member:** — He's misleading the House.

**Mr. Chairman:** — One more warning. I would ask the member to get up and apologize to the House for using the expression.

**An Hon. Member:** — Mr. Chairman, on a point of order.

**Mr. Chairman:** — There is no point of order on it.

**Mr. Romanow:** — There is a point of order and I want to state it. I'm going to state the point of order. My point of order is: on what basis is the word "misleading" to be unparliamentary?

**Mr. Chairman:** — The member is aware that anybody who would respond or would make any insinuation that any member is misleading the House, it's been ruled on many occasions that that is not a point of order.

**Mr. Romanow:** — I want a point of order. I want you to cite for me where "misleading" is unparliamentary.

**Mr. Chairman:** — Order. Under rule 325 in *Beauchesne's*:

When the Speaker takes notice of any expression as personal and disorderly . . .

I took notice of the expression by the member as being

personally directed, and I ask the member to apologize on that basis.

**Mr. Romanow:** — On a point of order, Mr. Chairman, I say to you that that ruling is an aberration of the Speaker's ruling and of the Chair's ruling. I use "misleading" at least a half a dozen times in my address to the Premier opposite.

I say again, this government is misleading. That has been the history of this House for 18 years. You're not going to take that interpretation and thwart our freedom of speech on the Premier's estimates.

**Mr. Chairman:** — Order. The term "misleading" has been used by many members, and it will be allowed to continue. But the term "misleading" and to direct it as a personal attack against an individual member by this Chair is taken as unparliamentary, and that's what I've asked the member to rule on. Order. I have made my ruling and I will not allow any more challenges to the Chair . . . (inaudible interjection) . . . Okay, bring in the Speaker.

(2045)

Mr. Speaker resumed the Chair.

**The Speaker:** — Order.

**Mr. Toth:** — Mr. Speaker, during estimates before the committee, I called the members to order because there was a lot of injuncture when the Premier was trying to make his comments in response to a question. And I called to order the member from The Battlefords, and in the process of calling the member to order, the member made a reference which I felt was a personal expression against the Premier, saying the Premier was misleading this House. And on that basis, I have been challenged and the challenge has been brought to the Chair.

The ruling I made was under *Beauchesne's* 325, and I also find that since 1958, page 105 in *Beauchesne's*, it has been ruled unparliamentary to use the following expressions, and mislead happens to be one of those — misleading or mislead, made in a personal conjecture against another member.

**The Speaker:** — Shall the chairman's ruling be sustained?

Ruling is sustained on division.

## COMMITTEE OF FINANCE

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

#### Item 1 (continued)

**Mr. Chairman:** — Order. The committee under review is the Committee of Finance, Executive Council.

**Mr. Romanow:** — Mr. Chairman, I must say that I am going to find this difficult to continue a review of this estimates on the basis of the ruling that you make,

because the conduct of this committee is a conduct . . . (inaudible interjection) . . . I'm sorry. May I make the point that the conduct of this committee by majority vote, I submit to you, sir . . . On a point of order.

**Mr. Chairman:** — Order. Please allow the member from Saskatoon Riversdale to state his point.

**Mr. Romanow:** — Mr. Chairman, my point of order is that for the first time in the history of this House a word called “misleading” from a seated position, by a member not speaking, in the course of a debate, has been in the face of all of the rulings of the parliaments previous, now by majority vote — not by ruling of the Speaker, but majority of this House — has been expunged from the record.

And what I want to know from you, sir, is: do you say that I am out of order to say that the Premier's policies and statements have been misleading of this legislature and the province of Saskatchewan?

**Mr. Chairman:** — Order, order.

**An Hon. Member:** — Speaking to the point of order.

**Mr. Chairman:** — What is the member's . . .

**Hon. Mr. Andrew:** — . . . to the point of order of the hon. member, I think that if the Chair would reflect back perhaps a week to 10 days ago in this House, the Speaker made precisely the same ruling in this House, that a member stating that someone is trying to mislead this House is unparliamentary. The record will in fact show that, and that's clearly precedent upon which to base your judgement as you did today.

**Mr. Shillington:** — On the point of order, Mr. Chairman, it is true that *Beauchesne's* is authority for both propositions, that it is and it isn't. On page 108, *Beauchesne's* says it's unparliamentary; on page 112, it says it isn't. What has been the practice in this House, and I suggest that's what you follow, is that the word “misleading” has been allowed unless it's said to be deliberately misleading or unless the context is unequivocally suggests that.

We have noticed, noticed . . . The member from Meadow Lake can get into this if he likes, but this is, Mr. Chairman, this is no trifling matter. This goes to our ability to express our views about statements made in this House. The practice here has been that the word “misleading” is used unless it's said to be deliberately misleading, or unless the context is unequivocally suggests that.

That was not true of the comment made by the member from North Battleford. He simply used the word “misleading.” And I say, Mr. Chairman, that this is an important point and it goes to our own ability to express ourself in this Assembly to deal with these estimates. And if you're making the ruling, if, Mr. Chairman, you thought you heard him say that it was deliberately misleading, that's one thing . . .

**Mr. Chairman:** — Order, order. I've been listening to the point of order from the member from Riversdale and to the point made by the member from Kindersley. In

response to the point made from the member from Riversdale, I did not say that the term “misleading” could not be used in the House.

But what I did say is that, and I go back to powers of the Chair to enforce order, which parliamentary practice:

or any disorderly or unparliamentary words are used, whether by a Member who is addressing the House or by a Member who is present during the debate, the Speaker will intervene and call upon the offending member to withdraw the words.

I also refer again to Rule 325 in *Beauchesne's*:

When the Speaker takes notice of any expression as personal and disorderly, and tending to introduce heat and confusion, and calls upon the offending Member to explain, it is the duty of the latter immediately to explain or retract the offensive expressions, and apologize to the House . . .

And the ruling I made was not on the basis of the term simply “misleading,” but the personal expression, the way it was given. It wasn't expressly on that word, and the member has responded. We will continue on in committee.

**Mr. Romanow:** — Mr. Chairman, we have no choice, I guess, given the majority of this government bludgeoning the opposition again. We have no choice . . . (inaudible interjection) . . . Well I don't even drag the Chair into this particularly. The fact is, on the vote, it was a majority bludgeon in surely what is going to be an unprecedented ruling of the legislature because in effect what you are saying is that a person who speaks on a side comment, that you can bear your judgement as to whether or not it's within the rules on an aside, on the word “misleading” when it's been judged to be parliamentary.

I always thought that was a kind of a judgement call you can make on the Speaker at the time of the speech. But you, sir, are making that judgment call from one of my colleagues who was not even directly participating in the debate. And I find, sir, that the majority in position, now the censorship by majority vote, of the words “misleading” — apparently we can say it some ways — shows how ascares this government is. How do you like that, Mr. Premier? Talk about radicals.

**An Hon. Member:** — Ascares?

(2100)

**Mr. Romanow:** — Yes, ascares, afraid. How do you like that? How do you like them potatoes? This government is so afraid of words and debate, Mr. Chairman, that it imposes closure, it censors . . .

**Mr. Chairman:** — Order, order. I call all members to order. I do not believe that this ruling that has been made by the Speaker and by this Chairman is a ruling that is debatable. We're entering, I believe, into debate, and under section 119, I just remind members that the Chair's ruling is undebatable. If the member is willing to go back

into the committee, we will proceed with Committee of Finance.

**Mr. Romanow:** — Mr. Chairman, I believe that this government is muzzling the Leader of the Opposition, muzzling this Leader of the Opposition because of the use of the word “misleading” — not even by me, but by somebody in the back bench. That’s a muzzle. That’s a majority vote of censorship.

I say under the Premier’s estimates that that is an unprecedented act, it’s a shameful act. I say that it is not only a shameful act, it’s an act of a government which can only be described as a government which is a coward, it’s a coward, that’s what it is. That’s what I say. I say it’s a government which is arrogant, it’s coward, it’s dishonest, it misleads. And now I’m being censored . . . (inaudible interjection) . . . yes, by a majority vote, by majority vote. That’s all it is . . .

**An Hon. Member:** — The member from The Battlefords is being censored.

**Mr. Romanow:** — No, I am being censored. His right to speak affects my right to speak. I am being censored. And it affects your right to speak.

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

**Mr. Romanow:** — How do you like that, Mr. Premier.

**Mr. Chairman:** — Order, order. The debate before this Assembly . . . Order, order. Would all members come to order. The debate before the Assembly is not whether a member can speak in the House or has the ability to speak, and I don’t find that the ruling made hinders anyone’s opportunity to speak.

I would ask members to come back to order and to return to the debate that we were involved in regarding the estimates on Executive Council.

**Mr. Romanow:** — Mr. Chairman, I say that the Premier, under his direction, the members of the PC caucus opposite censored the opposition in their choice of words, by vote, majority vote. That’s what happened tonight.

I say that that is an act of radicalism. I say it’s an act of fear. I say it’s an indication of exactly how poor the government is based with respect to its arguments that all it can do is vote by majority to cut off the debate on the potash; vote by majority to censor words. It is so afraid of its own shadow, its own posture politically that it is, in fact, it’s viewed as closure in the usage of words. Usage of words, Mr. Chairman, that’s what it does by way of majority, that’s what it does.

And they’re all yelling over there, I mean, they’re all yelling. The Premier simply allows them to yell at this absolutely disorderly operation; they’re simply allowing to yell. And then when the Leader of the Opposition and the government gets up and doesn’t like a word that is chosen in what will be surely, in the Commonwealth Parliamentary Association records, an unprecedented ruling. I guarantee you, I guarantee you, by majority vote,

this is what happens.

That’s the state of affairs we’re in. Because what happens by that, Mr. Chairman, by that act tonight has made my point more dramatically than anything that I wish to make. This government is arrogant, and it is going to bully its way through on its policies, come hell or high water. It’s going to do what it wishes to do because if it’ll censor words, it’ll censor any kind of opposition or criticism. It’ll continue with its policy of tax and sell, tax and sell, and destroying the province of Saskatchewan and its families. That’s what it’s going to do.

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

**Mr. Romanow:** — That’s what this incident tonight indicates. That’s where the Premier has led this legislature to. That’s the situation now by way of an absolute majority he has brought us down to.

Now, Mr. Chairman, I want to get back to a consideration of the estimates, but I must frankly say that I’m not sure what next word will be ruled by yourself, sir, and the opposition majority, supported by the majority, to stifle the opposition leader from speaking. I don’t know where this democracy in Saskatchewan . . . how it’s going to be limited now by these PC government members opposite . . . This is difficult to deal with these estimates lest you say something which the Premier and his majority finds offensive, and by majority vote, will expunge and deny the opposition from speaking.

This is an incredible show today. The Premier; an absolutely incredible show. I’ve been in this legislature for 18 years and I’ve never, ever seen the word “mislead” ruled to be unparliamentary by majority vote of the legislature — never. But that’s water under the bridge, that’s water under the bridge.

And now we’ll continue on with the consideration of the estimates. But let it be a reminder for the people of the province of Saskatchewan how low democracy has sunk in this Legislative Assembly, and how the majority is stifling and arrogantly moving ahead with its objections and its policies as it decides to do so.

Now, Mr. Premier, perhaps . . . perhaps, Mr. Premier, you can . . . perhaps, Mr. Premier you can . . .

**Mr. Chairman:** — Order, order. I ask the members to allow the member from Saskatoon Riversdale to place his questions in the estimates.

**Mr. Romanow:** — Mr. Chairman, actually at the time of the censorship applied by the majority government vote on the word “misleading” at the time of this application, it was the Premier who, I think, was in full flight giving his 1982 speech or 1981 speech, trying to make it relevant for 1989.

I want to ask the Premier a specific question. Mr. Premier, will you confirm that it is the intention of your government to bring back the legislation to privatize SaskEnergy during the current term of your office?

**Hon. Mr. Devine:** — Well, Mr. Chairman, we arranged

an agreement with the Leader of the Opposition and the House leaders that we would go through the hearings in the process of listening to the public through the Barber Commission on SaskEnergy and the implications of allowing people to invest in SaskEnergy and regulate it by government, and what impact that would have on the public. And I said we would go through that and listen to those hearings, and then we would take it from there. And I'm going to do that. I will listen to them and I will not . . . unless they want me to, if they want to bring it in and debate it and vote on it, I've said all along that I'd certainly be prepared to do that. But I agreed that we will go through the hearings and listen to it and then take it from there. So that's exactly what we'll do.

**Mr. Romanow:** — Mr. Chairman, I want to be very specific on this from the Premier, because even when he gives a specific answer, the sorry record of this government is that it breaks its promise, as it did once before on SaskEnergy.

The Premier knows that he is not bound by the Barber Commission findings. He acknowledges his head in agreement in that regard. In the light of that fact, I want the Premier to tell the people of the province of Saskatchewan whether it is his intention to bring back the privatization Bills during the term of office currently that the government holds.

**Hon. Mr. Devine:** — Mr. Chairman, if the members asks me if I believe in offering shares in SaskEnergy as we put together in the Speech from the Throne or privatizing potash, I do. And I haven't changed my mind on that. As a result of the Barber hearings and commission that is out there, and we will decide if we should modify it, or if we should do anything else with it, with respect to offering opportunities for the people.

I've had many people say to me, for example, they've really appreciated SaskPower bonds, and they said why don't you offer an energy bond? Let the people participate in an energy bond; they said that seems perfectly normal. You're going to regulate rates anyway; you regulate them across Canada. Every jurisdiction has natural gas regulated, but it allows people to invest in it. If they can do it in Ontario and do it Alberta, why can't they do it in Saskatchewan? Why can't we invest in energy? Just regulate it.

I've said all along that a natural monopoly is either run by the government or it's regulated, and that's the way it should be. And there's no hesitation at all in saying that you could allow people to invest in natural gas and regulate the rates by government. You can make it by law. They've done it in other places. The rate can rise no more than certain percentage below the rate of inflation, and it's legislated by this legislature.

People get lower rates. You get, in rural Saskatchewan, your rink rates, which are very high, like I've said at Willow Bunch would run \$30,000 a year in electricity. You could cut that in half.

Now I'd like to see that happen, and if people are comfortable enough, say for example, with energy bonds or energy bonds converted to something else, if they saw

power bonds converted to Saskoil shares — perfectly comfortable with it; ask me the next . . . they said when's the next one out, because rates can be lower — I said I'll look at that.

**An Hon. Member:** — Throw out the white flag.

**Hon. Mr. Devine:** — Throw it out? The hon. member wants to know if people would like to invest. I think the hearings are going well. The people are saying, well what was all this scary stuff they were talking about? So if in fact, they're going well, Mr. Speaker, we will assess it at that time.

So I agree with the hon. member. I'm not bound by the commission. I said, go out and listen to the people. I agreed I would not bring the legislation in until we've heard from the commission. The commission will make its recommendations, and then we'll take it from there.

**An Hon. Member:** — But you aren't bound by it.

**Hon. Mr. Devine:** — That's right.

**Mr. Romanow:** — So we have the situation, Mr. Chairman, where the Premier views that he's not bound by the commission hearings, the Barber Commission hearings. He has told the legislature this evening that the proposal of — at least the hearings as he sees it, as I heard him say it — the objective was to look at the proposal of privatization of SaskEnergy and to consider what modifications may be necessary.

The policy as to whether or not privatization of SaskEnergy should or shouldn't take place, the Premier very pointedly made no reference to that. In fact, I think it's correct to say that the Barber Commission itself views this not to be within its jurisdiction on the fundamental policy; that the Barber Commission views its job to look at what is on the table to see how it can improve it, but it isn't its job to decide whether it goes ahead or not goes ahead. And the Premier obviously endorses that view.

He uses the word, modifying the proposal of the privatization of SaskEnergy. I can only conclude from those answers the Premier is going to bring back the SaskEnergy Bills, modified perhaps by the Barber Commission, but nevertheless, none the less because of all the attributes that he's ascribed, he's going to come back to privatize the SaskEnergy proposal.

Now if that's exactly what the Premier is saying or if he thinks I'm putting words in his mouth, let him say so. I want him to clarify that. Is that the case? You're going to come back with the privatization of SaskEnergy, maybe with modifications after Barber, but the policy remains unchanged. At this term of office you're bringing it back. Isn't that the case?

**Hon. Mr. Devine:** — Mr. Chairman, I said that I will review it after the Barber Commission, and I will. And it may be appropriate to introduce the legislation at that time, it may be appropriate to modify it. I certainly find that people are much less fearful of the bogeyman that the opposition put up and said somebody from Chicago is going to own the power corporation. They don't believe

that.

**An Hon. Member:** — Go ahead and try it.

**Hon. Mr. Devine:** — The hon. member says, well go ahead and try it. I said certainly, if you would have stood in your place and voted, we would have had it done by now. And you'd have shares all over and rink rates would be in half and we'd have lower priced electricity. And they know that. I mean, you're not going to fool me politically. Let me make the point. You're not fooling anybody politically on this side of the House. You knew it would be popular. That's why you walked out, and I've said that many times. Well I've said it.

So they said, the only way we can beat that, the only way they can beat it is we've got to make a big scare tactic out of this so people can be frightened. And we'll tell them half of the story; we'll say that they're going to sell SaskPower. And they know that's nonsense. And now people are starting to get the truth, and they're saying, well they made this big huff and puff about potash, and it's going to be fine. People will buy shares in it.

If we offer Energy bonds and Power bonds . . . The NDP never did. They thought of it, mind you. I mean, and I can go through it here tonight with all the plans that the NDP had for doing that. So he asked me whether I would modify it or if I'm going to listen to the commission. Yes, I'll listen to the commission and I may modify it, and at that time we'll take appropriate action. And that's what he asked me to do, so that's what I'm doing.

**Mr. Romanow:** — No, Mr. Chairman, I didn't ask him to refer it to the Barber Commission. He did this as a matter of salvation of his own skin and his own government. That's what he did. I didn't ask him to do it.

**An Hon. Member:** — You said you'd come back in if we did that.

**Mr. Romanow:** — No, I said I'd come back in . . . We said we'd come back in if you didn't proceed with the second reading of the Bill because you had no mandate. You had no mandate and you have no mandate.

**An Hon. Member:** — You watch.

**Mr. Romanow:** — Ah, the Premier says, you watch. Now that's exactly the question that I want to get at. The Premier says that we should watch and that's exactly the questions that I want to get answered. I'm watching. I'm in your estimates. We're going to be here. We've got lots of time, obviously, and the longest session; a few more days longer doesn't much matter.

We're going to get to the bottom of this. I want you to tell us the truth, Mr. Premier, the truth on this issue. Just tell us point blank whether you are bringing it back after the Barber Commission is concerned, because of your entire defence of it right now, your defence of it that we're scaring the people, that you think it's a great idea to sell off this natural monopoly public utility, that you can simply mislead —if I can use that word, Mr. Chairman — that you mislead the public in saying that you're not going to privatize it, I want you to tell us what your plans are

right now as to when those Bills are going to come back. When are you going to bring them back? Tell us.

**Hon. Mr. Devine:** — Mr. Chairman, I will listen to the Barber Commission and I will listen very, very closely to the public after the commission, how they feel about the opportunity to invest in SaskEnergy. The public has said to me, by all means, we want to buy shares in the potash corporation. And they've said that unequivocally to me, absolutely. And you just watch.

And they've said to me, we want to buy shares in Saskoil. They said to me, build the paper mill. They said to me to build the turbine manufacturing plant. They said to me to build a fertilizer plant. They have said that. And that's precisely what I've been listening to.

And when they come back with the Barber Commission and make its recommendations, I will look at them very carefully. I will listen to the public and then I will make up my mind exactly what I'm doing with energy with respect to Energy bonds or Energy shares or anything else with respect to energy, just like we've done with SaskPower bonds, SaskTel bonds, Saskoil shares. All of those things were not done before and are now extremely popular. The public thinks very highly of them.

If we can help lower energy rates by offering an Energy bond, I will certainly offer the bond, no question about that. If they say to me, we're not afraid of having SaskPower bonds converted to some sort of shares . . . And they haven't been. They've bought it and they've got 150 per cent return on their investment and they see lower electrical rates as I went through tonight, and lower power and gas rates.

If they say the same thing on natural gas, you offer bonds to us so we can reduce the debt so we're not paying it to international bankers, and we can have an opportunity to have lower electrical rates and lower gas rates and they're regulated by law like they are in every other province . . . Why don't you think Albertans are afraid to buy shares? Why are Ontario people not afraid to buy shares? Why are only the NDP afraid? What is it about you people? Why are you just so feeling of trapped — trapped — that's what you say over, and over again. If anybody invests in this province is trapped.

I want to quote for you, 1958, the Speech from the Throne, under Tommy Douglas in this legislature — 1958:

It has been the avowed policy of this government over the years to endeavour to build a more diversified and stable economy, not to lessen the importance of agriculture but rather to supplement our agriculture economy by developing our basic resources and by developing primary and ultimately secondary and tertiary industries in the province of Saskatchewan in 1958.

Well I give him credit. He tried to build, he tried to build, Tommy Douglas in the year 1958. I was 14 years old and he was talking about diversification, processing, and manufacturing. And you people today are so paranoid

about somebody investing in the province of Saskatchewan, somebody from outside coming in and sharing in this province. And you run around and frighten senior citizens to death. That's your claim to fame. You've done it all your political life and you've offered nothing else but fear.

You can laugh, yes you laugh, but you know that I'm right on the money — I'm right on the money. Tommy Douglas was not afraid to build. You are afraid to build. You will buy . . . Now, look it, this province needs equity investment, it needs to be opened, it needs the plan that you put together in 1982, Mr. Leader of the Opposition. You have this plan, and I can go through it with you. And what it says is you are going to . . .

**An Hon. Member:** — No, go through it.

**Hon. Mr. Devine:** — Well I will go through one particular point.

**An Hon. Member:** — No, go through it.

**Hon. Mr. Devine:** — I will go through it. I'll certainly rise to the challenge of going through it. I want to just . . . One particular point that is very important. The share offering under the NDP in the resource sector — gas, oil, and potash, and what not — would be listed on the Canadian stock exchanges to provide the required liquidity.

Now what in the world does that mean? That means other Canadians would be allowed to invest in Saskatchewan as they are now in Saskoil or in WESTBRIDGE. What's wrong with that? Nothing. And you stand up and you said you don't like Saskoil because you say Canadians can trade on it in the Canadian stock exchange, and that was your plan.

People around this province are going to know this was your plan. They're beginning to figure it out already. You can run around and say, don't let other Canadians come in here because, oh, they'll take over. And you had a plan to provide equity and resource development that would be traded on the Canadian stock exchanges which means Vancouver, Alberta, and Toronto. You did, sir.

And then you said, well by George, I don't think our radicals would put up with it because we've got to scare them out. The only way that we can win in this province, you said, is to frighten people. Everybody else will take away medicare, and everybody else will say . . . I'll tell you what we'll say. If you let others invest, and we went into it today, and we talked about equity financing, you'd do it again on energy and you tried it on potash and you tried it on everything else.

Well I'll say to the hon. member, there is nothing wrong with people investing in Saskatchewan Energy or Saskatchewan Power. You regulate utilities like you do in any other jurisdiction. You either run them like a monopoly, which is mostly on borrowed money, or you regulate them.

Let me make one final point with respect to SaskEnergy. I say to the hon. member — and maybe he's got an answer for this, but he didn't at least in his administration — if in

fact you have a debt in a utility, how can you best fix that debt? You can't borrow more money to fix that debt because it already has too much debt. Secondly, can you charge really high rates, can you charge really high rates to pay it off? You tried that and it didn't work; they kicked you out of office. They don't like 25 per cent rate increases.

Third, you can replace the debt with cash, and people are happy to invest in a utility. They do it all over the world. And you regulate the rates here and you reduce the debt so your rates go down for people because they're not paying interest on that borrowed money. They're getting a return like they do on SaskPower, SaskEnergy, Saskoil, and you get lower rates, and the people of this province are stronger and more independent because they're not paying international exchange rates and interest rates to bankers in New York.

Now, you say, oh, you shouldn't do that because it would be traded on the stock exchanges of the Canadian market. It was part of your plan. So you ask me about SaskEnergy. I'm comfortable with people investing in SaskEnergy, and in Saskoil, SaskPower, certainly. And I will assess the Barber Commission and its recommendations with respect to energy and I will make my position very, very clear at that time, and you will see the opportunities that are available. So you can run around and you can frighten people, say, oh for Heaven's sake, it was all right for the NDP to say we could put them on the Canadian stock exchanges — and you did — but not for Grant Devine, and not for the PCs because they're more frightening and . . .

**Mr. Chairman:** — Order, order. Members are not to use their own names or any other names in the legislature.

Order, order. All members will have ample opportunity to stand on their feet and be recognized and enter into this debate. So I'd ask them to stop talking across the floor when there's other members on their feet trying to make their point.

**Mr. Romanow:** — Mr. Chairman, it's amusing . . . Actually it's pathetic to hear the minister, the Premier of this province, talk about Tommy Douglas in these terms. No, no, you don't understand Tommy Douglas, you don't understand the history, and it's really a shameful thing to compare yourself to Tommy Douglas. And I want to tell you, Mr. Premier, you are no Tommy Douglas. You are no Tommy Douglas.

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

**Mr. Romanow:** — You, sir, are no Tommy Douglas. Not only, sir, are you no Tommy Douglas, this idea of campaigning in '86 pretending you're Tommy Douglas, I fully suspect you'll be campaigning in 1990 as Allan Blakeney, next thing I know. Yes, well, I mean, that's exactly what you'll do.

Of course Tommy Douglas was a builder. That's exactly what you're selling off. If it hadn't been for Tommy Douglas and Al Blakeney building, you wouldn't have had anything to sell off to your American friends, and the Chinese, and the Koreans.

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

**Mr. Romanow:** — Of course he was a builder. Where do you think you got those assets to sell off? Where do you think you got that \$800 million you're going to get from an undervalued Potash Corporation of Saskatchewan in order to buy it into a slush fund — \$400 million below book value? Where do you think you got those assets from, out of the air? Of course there were builders. We were all builders. We were not sellers like you. We were not givers away to others. We believe that we can control our destiny here; that we're not captives to the Chicago and New York exchange like you believe you are. That's the way you are. That's exactly your view.

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

**Mr. Romanow:** — But I want to come back to the question that the Premier refuses to answer, he ducks all the time. That's the question of SaskEnergy. The Premier again today articulates an argument as to why SaskEnergy should be privatized. That's what he says. He says he believed in it in April. He believes, absolutely, he believes in it now. Tell me absolutely. Do you believe in it now? Tell me. He believes in it now. Then why don't you proceed with it?

**Hon. Mr. Devine:** — Mr. Chairman, the opposition went out on strike for three weeks and agreed that if we wouldn't proceed with it and have hearings, they'd come back in the House and behave themselves. And that's exactly what I'm going to do. I said that I would go through and listen to the hearings and I would assess it and deal with it after that. And that's what I'm going to do.

So the agreement was, and the agreement was that we would go through the House and be reasonable and then we would deal with the rules in the fall session and subsequent to that, and not before that, would we ever deal with energy or anything more with respect to that Bill. And that's what I agreed to do and that's what I'll do.

**Mr. Romanow:** — I don't know what agreement the Premier is talking about. I'd make no agreement with him — none. You, sir, referred SaskEnergy to the Barber Commission in response to the walk-out. Are you telling the House that that's the only value that you attach to the Barber Commission, in order to get the impasse completed, but that in reality, since you believed that privatization of SaskEnergy was good in April and you believe in it now, that that is the end result you're bringing back SaskEnergy this term? Isn't that what you're saying?

**Hon. Mr. Devine:** — Mr. Chairman, I believe that the opposition saw SaskEnergy as going to be something extremely attractive to the public and they knew if we passed it that it would be difficult for them to fight against it, so they walked out of the legislature. And they walked out, not in second reading . . .

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

**Hon. Mr. Devine:** — . . . not in debate — did you watch this, Mr. Chairman? — not in debate, not in second reading. They walked out when we introduced it in first

reading so that it would not be tabled here and the public wouldn't see what was in the Bill and to know that we can regulate the rates, and then they went around the province and said, well oh my gosh, they're selling SaskPower to somebody else in Chicago or Toronto or something else, and frankly did a real good job of frightening people. Okay?

Now, they did that. Under those circumstances I said I will not bring back the Bill. I'll put together a commission, and they agreed and the House leaders agreed that we will get on with the work, we will do everything else that's on the table, and the Bills that were there and were almost there, and we will go through, and in the fall we will deal with rules as the first order and then other business including energy. And I think we've got a copy of the letter around and the agreement that we talked about.

**An Hon. Member:** — No.

**Hon. Mr. Devine:** — Yes, that's there. Well we can go dig it up. We'll dig it up, and I'll read it in the record so that we know what's going on.

**An Hon. Member:** — Dig it up, dig it up.

**Hon. Mr. Devine:** — And so, Mr. Speaker . . . No, no. I know that you were frightened of that because you knew that it would be popular, so you decided to do something that was absolutely unique and radical and walk out of the legislature, and you did. And you've done it and people said, you know, I think they are radical.

The Barber Commission is coming back with the truth, the facts, the truth about what it can do to lower energy rates, and to provide investment and diversification, and help rural people as well as urban, and a tax base to individuals. And if the public comes to the conclusion that maybe this isn't all that bad, in fact, it's a pretty good idea, then I'm going to have to respect that public review and that view — and I will, Mr. Chairman.

**Mr. Romanow:** — Mr. Chairman, I'll tell the minister precisely why we walked out — not because we knew this was going to be a popular deal, as the minister would have hopefully his back-benchers believe. We walked out because you — I can't say deliberately misled — but you misled this House and this public by saying that you would never privatize SaskEnergy, SaskPower. That's what you said.

(2130)

Did you bring me those clippings? Somebody get me those clippings and the *Hansard* report because I'm going to get . . . That's what you said. This isn't a Stray Animals Act amendment. This isn't one of your little speeches that you can make off the topic; this is a commitment of trust that you made to the public and the province and this legislature.

You talk about radicals. You told this House, you gave your solemn word — and you broke your word. You misled this House. And you talk about radicals. You've got the audacity to talk about radicals. You have no respect for this institution, and the fact that your majority

used again censorship on us, confirms once again your absolute total lack of mandate in this key area. You didn't run on the election; you didn't run to say that you were going to privatize SaskEnergy, because if you had, you wouldn't have made it in '86 — if you had, you wouldn't have made it in 1986.

And I want to make it abundantly clear about the so-called agreement. That document that your junior deputy minister or Deputy House Leader brings in there relates not to any agreement that I've made with you, sir, on SaskEnergy. None.

You put Barber into place because the public insisted that you not go ahead with the sell-off of SaskEnergy to the wealthy investors in Canada and elsewhere, that's what took place.

**An Hon. Member:** — I'll read it to you.

**Mr. Romanow:** — You read it to me; you absolutely read it to me. We came back not because of that letter. That letter you have in front of you, sir, was afterwards on the basis, as a result of the impasse by your House trying again an undemocratic view, the undemocratic policy of cutting off debate and changing the rules. That's what happened in this regard. There's no doubt about that.

That's not the reason, as you said, that we walked out because we were afraid it was going to be popular, sir. No, not because we were afraid, because you misled, because you had so little regard for this institution, because you had so little regard for the people. You couldn't give a doggone for the farmers out there in Sturgis or Preeceville or otherwise. You told them that you wouldn't privatize SaskEnergy, and you've gone ahead and you tried privatization and you got caught red-handed; you got caught by an opposition and the public. That's the reason that we walked out.

And the member . . .

**An Hon. Member:** — You watch.

**Mr. Romanow:** — . . . You see, and he says you watch. You're doggone right. We're going to watch every step that you try in this area, every step that you try in privatization, because the people in the province of Saskatchewan have said: you've gone too far. They've said that they don't want everything sold off. They've said your sell, sell, sell and tax, tax, tax policy is killing us and you've gone too far. And you doggone right, Mr. Premier, we are going to watch — absolutely, we're going to watch.

Now I want to come back to the second question. I want to come back to the question that the Premier has all but answered but somehow refuses to answer specifically.

He says that the Barber Commission has been set up and that he will examine the Barber Commission's reports because Barber will "tell the truth," and then he elaborates the truth as he sees it — the truth of the privatization saga. And surely, Mr. Chairman, there must be a more articulate, more solid defence of privatization that the Premier can mount. No wonder the cabinet is in

such disarray.

Those words, sir, nevertheless, saying that Barber will come back with modifications and you will have the truth, as he tells us, based on Barber. This person who is a founding member of the Institute for Saskatchewan Enterprise, this commission which is made up of . . . the members that it is made up on the terms of reference that it is guided with, they are going to tell us the truth; they're going to tell us the truth.

What else can we say? What else can we say? What other things can we conclude, Mr. Chairman, except that the Premier has decided come hell or high water, Barber or no Barber, recommendations or no recommendations, he is going to come back to achieve the sell-off of a natural monopoly public utility like SaskEnergy. Isn't that the truth, Mr. Premier? Why don't you have the fortitude to tell us the truth in this regard? You are hell bent for leather to privatize SaskEnergy regardless of what the public wants. Come on, stand on your feet, for once — the courage of your convictions — and tell us that's what you want to do.

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

**Hon. Mr. Devine:** — Mr. Chairman, I will just confirm with the hon. member that I said I would listen to the Barber Commission. And I have the letter, the agreement between our House leaders here, and I'll just read it for the public record. And it was agreed, and paragraph . . .

**An Hon. Member:** — Date it.

**Hon. Mr. Devine:** — June 12. Okay. Let me read this, okay, so that you have the opportunity:

This is to confirm our agreement of June 12 respecting the orderly conclusion of the business of the Saskatchewan Legislative Assembly for the 1989 spring session. I confirm our agreement to the following:

1. The motion to amend rule 33 will be referred to the Special Committee on Rules and Procedures. (And it talks about that.)
2. The committee will report to the Assembly at the opening of the fall sitting. (And it talks about that.) The opposition agrees not to walk out or allow the bells to ring for any extended period of time or at the time of such vote.
3. The government will not proceed further with Bill Numbers 21, The Power Corporation Amendment Act; 22, The Saskatchewan Energy Corporation Act; 23, The Distribution of Gas Rate Regulation Act; and 24, The Public Utility Companies Income Tax Rebates Act until the conclusion of the Barber Commission hearings, and in any event, not before the fall session.

Now this was the agreement between the two leaders, the House leaders. And just as I have pointed out to the hon. member . . . and it goes on to talk about the amendments to rule 33 as resolved, and the opposition agrees to be

bound by the spirit of the resolution, and so on and so forth.

So all I've said to the hon. member is that you decided for your own reasons to walk out, and we said, look, obviously this place works better if you debate and vote, but you wouldn't do that. So I said, all right, we'll have hearings and we'll agree that we cannot deal with 33 and Bill 22, Saskatchewan Energy Corporation Act, until after those hearings, and then we'll deal with the rules and the bells. And you agreed not to walk out for any extended period of time. And then we'd listen to the hearings, and then in the fall session or obviously the next session, we'd come back in and we would deal with the rules.

And then subsequent . . . our agreement runs out, that if I wanted to, I could deal with Energy again. And I wouldn't bring it back until we fixed the rules. That was the agreement. And then you come back in and away we went.

So I mean, we can go through the fact that it was an accommodation between the opposition and the government to go through this process so that in fact we could get on with the regular proceedings of the House.

**Mr. Romanow:** — Mr. Chairman, this is hardly worth rebutting, but I have to because this . . . the misrepresentations which continue to cascade from the Premier of this province, I mean, somewhere there's got to be a line to this.

We came back on May 8, 1989. We sat in the legislature from May 8 to the date of the letter to which the Premier refers, June. That's over a month in duration. The Premier knows full well that the reason we came back was because he unilaterally announced the appointment of the Barber Commission, and he knows full well that that so-called agreement was to break the impasse of his government's attempt to muzzle us on speaking and the ringing of the bells in the future. They tried that and they didn't succeed; thus the agreement going to an impartial or at least a bipartisan committee. That's the agreement that he's referring to. Don't let him misrepresent that, Mr. Chairman, as somehow representing a position with respect to the question of the rules of this House or SaskPower.

But I have a question specifically to the Premier. I want to know whether or not the Premier still subscribes to this commitment which he made to the people of the province of Saskatchewan, as reported in the *Regina Leader-Post*, January 25, 1988, when he said, quote:

All Crown corporations, with the exception of such utility Crowns as SaskPower and Saskatchewan Telecommunications, could be for sale if the price is right and the interests of Saskatchewan people are protected.

Does the Premier deny making that statement? And by the way, if you give me the song and dance that SaskEnergy is not SaskPower, we'll go on that . . . we'll get the truth of that because the people see through that little masquerade.

Do you deny making that statement, sir? And if you deny making that statement, I'd be interested in knowing how you deny it. But since it is there on black and white — I'll come back to the questions dealing with SaskEnergy in a moment in the House — how does the Premier explain his absolute and utter breach of trust and promise in the light of what he attempted to do a year and a half later in privatizing SaskPower?

**Hon. Mr. Devine:** — I went on to say, and he's quoting from a newspaper article, and I've said it many times with a natural monopoly that you run it or you regulate it. And that's what they do all over the world, all over the world. You either run it as a natural monopoly or you regulate the prices. And you can regulate it like they do in Ontario or do in Alberta, and they've been offering shares.

We have taken part of SaskTel and we've offered it to the public. We've taken part of SaskPower and offered it to the public. We have privatized the coal mines because power utilities don't run coal mines. And you regulate it, you regulate it. And if you look at the share offering that you were going to look at here in 1981-82, you will say the \$35 million that's expected can be realized by leasing rather than purchasing the drag-line and SaskPower Corporation. This is your suggestion. It's a public utility, and you were going to privatize the mining of coal and the drag-line.

Well, Mr. Chairman, I said and I've always said that public utilities should be run like public utilities; you either run them yourself or you regulate them or both. And we can regulate the gases by law . . .

**An Hon. Member:** — That's not what you said.

**Hon. Mr. Devine:** — I have said it . . . Well all right, I'll read you what — and it quotes — Mr. Romanow says about this whole issue. He says:

This is an issue that simply cannot be resolved by numbers, facts, or figures.

So you didn't care about numbers, facts, or figures, or about rates . . .

**An Hon. Member:** — And in turn, about the people.

**Hon. Mr. Devine:** — Okay? Or about the people.

**An Hon. Member:** — It speaks to vision.

**Hon. Mr. Devine:** — Speaks to vision? You talk about vision. Tommy Douglas wanted to see building and diversification. We want to see building and diversification. We know Tommy Douglas too. We know Tommy Douglas. Tommy Douglas was on the board of directors of Husky Oil. Talk about that. Talk about that. Tommy Douglas is on the board of directors of Husky Oil because he believed in natural gas. He believed in natural gas. He believed in it.

You talk about utilities; you say you're against Saskoil. What did Allan Blakeney think of Saskoil? What did he think about it? He argued in here. He said we shouldn't offer shares. Come on, Allan Blakeney bought shares in

Saskoil. It's good enough for Allan Blakeney, it's good enough for the people. And if Husky Oil's good enough for Tommy Douglas, it's good for the people — should be. You know, I mean, we got to get right down to whether you really fear it or whether you want to make something out of it politically.

The point is, you see nothing wrong in theory or reality with the people having a chance to invest in SaskPower or SaskEnergy. There's nothing wrong with that; they do it all over Canada. But you said, oh we can't do it here because of some strange reason, you know, when you haven't quite put your finger on it.

I said we will regulate utilities and we'll regulate them. We'll regulate SaskPower and we'll offer Power bonds, and Power bonds that are convertible to shares, and that's a public utility. What didn't you get all exercised over that? You just saw — okay? — here's something that will be very attractive. I'd better not let them introduce it, or they'll find out it'll be very popular and then we'll have a problem, so I'd better stop right at the front. Because you knew that I could regulate rates in a utility — and I have — and you knew that we could regulate natural gas and regulate telephone bills, regulate all of those. And people can still buy telephone bonds and Power bonds and energy bonds and shares. And you've seen it in power. They're very, very popular. And you haven't complained about me not regulating a utility.

So, Mr. Chairman, I just make the point, utilities are run, are like a natural monopoly; you run it yourself or you regulate it. And you let somebody else manage or you make sure that you regulate it by law, and you can introduce legislation here that will regulate utility rates and gas rates and electrical rates that will be confined and very, very powerful.

So I just say to the hon. member, we'd already done it between 1982 and '86. Why didn't you stand in your place and say, well it's just absolutely incredible that they would offer power bonds?

We've done the same thing. We regulate the rates and people can invest in it. Same principle. So you find a quote in a *Leader-Post* or the *Star-Phoenix* that says, Grant Devine says he won't do it in power or telephones. That's what you . . . I've always said that you could regulate those rates, and that's what we'll do.

**Mr. Chairman:** — Order, order. I have to bring it to the attention that members aren't to use their own names or other members' names in debate.

**Mr. Romanow:** — Mr. Chairman, the minister's word is at issue here. The minister, who is the Premier and prime minister of the ministers here, his credibility of the entire government is at stake here. I have asked that minister a simple question, to which I want an answer. Did you or did you not state in clear, unequivocal terms, January 25, 1988 at least —on other occasions as well — quote:

All Crown corporations, with the exception of such utility Crowns as SaskPower and Saskatchewan Telecommunications (with the exception, I repeat, of such utility Crowns as

SaskPower and Saskatchewan Telecommunications), could be for sale if the price is right and the interests of Saskatchewan people are protected, Devine said.

I want to know whether you said that, whether you meant that when you said it, after you had been re-elected in 1986, and if you said it and if you meant it, how is it that you broke your word and your trust with the people in attempting to privatize SaskPower? How do you explain that?

(2145)

**Hon. Mr. Devine:** — Mr. Chairman, the date that he is quoting is after the fact that we had already offered bonds, SaskPower bonds, to the people of Saskatchewan which is a utility, and bonds, I believe and we'll check the time when the bonds can be converted to shares. And I'd said in public forums time and time again that the power corporations and utilities will be managed by the government or regulated. That doesn't mean you can't offer bonds in them or you can't offer shares in them. But you run it and keep the control in the government. That's because they're natural monopolies. That's what they do in Alberta and they do in Ontario and they do in B.C., they do in Quebec. Every place else . . .

**An Hon. Member:** — In the free world.

**Hon. Mr. Devine:** — . . . in the free world, You were going to offer shares in natural gas. What company was it that you were going to offer shares in? Your 1982 proposal says that you will be initiating a prospectus outlining potential investments in natural gas. What company was that? What company would you have to do that in 1982? You proposed to do it and put it on the Canadian stock exchange.

Now I say to the hon. members, as an economist I studied utilities. I know the theory, the reasons for natural monopolies. And we have them in natural gas as they're distributed to people. You don't want 15 lines going into the same home so you regulate them. And if you want to reduce the debt in them, you allow people to invest in them. And that reduces the debt, it reduces the rates, and they're regulated by law. All over the world public utilities are regulated by law.

And you say, not in Saskatchewan, we can't do that. We have to own it and the people can't invest. We've already let them invest in SaskPower; we've already let them invest in SaskTel; and they had already done that since 1982, '83, '84, '85 and '86.

So I say to the hon. member, I said that they will stay natural monopolies and they will be run by government. They are regulated or run, and we can have them invest in here and we can regulate them by law, and that's quite appropriate for Albertans and Ontario and Manitoba and B.C. and Quebec and the Maritimes, and it can be quite appropriate for the province of Saskatchewan.

**Mr. Romanow:** — Mr. Chairman, the issue before this committee on SaskEnergy, first of all tonight I think it's a clear message is that SaskEnergy is going to be privatized

or attempted by this government. There's no doubt about that, and the Premier shakes his head in agreement, doesn't matter what Barber says. The issue here is the word of the Premier of the province of Saskatchewan.

I'm not talking about some back-bencher, I'm not talking about one of your colleagues in the cabinet there, I'm not talking about just some ordinary singer of the Hallelujah Chorus, I'm talking about the Premier of the province of Saskatchewan, who ranges all the way from Tommy Douglas to Allan Blakeney. I am talking about the Premier having given the province and the people of the province of Saskatchewan his word . . . (inaudible interjection) . . . No, his word. Those are the direct words.

Now he's weaseling his way out of those words. Now he wants to get out of those words. Now the question is . . . (inaudible interjection) . . . The Minister of Energy says that's true. Then I will come back to the Premier on another way. I will ask the Premier whether or not, on May 9, 1988, sir — this was just a few months after the statement that I allude to here — *Hansard* on page 1160, in response to a question by the deputy leader of my party, which in part was directed to the Deputy Premier and the minister in charge of SaskPower. The question in part said:

. . . will you confirm or deny that the natural gas portion of the power corporation is up for sale, or give-away, in the next short period of time? Confirm or deny.

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Mr. Speaker, to that rather lengthy straightforward question, the answer is no.

My question to the Premier is — since he refuses, since he breaches his word that he says to the people — now speaking in the legislature my question to the Premier is: do you deny those words were said by your deputy leader and Deputy Premier and minister in charge of the power corporation?

If you do not deny that they were said, and I don't know how you could because they're on black and white, was he articulating government policy or was he deliberately misleading this legislature as you are misleading this — I'm sorry, I withdraw the word "deliberately misleading" — misleading this legislature and misleading the public? How in the world do you explain those clear words, black on white, that no matter how far your privatization mania would take you, you wouldn't sell off this basic natural heritage monopoly? How do you explain that?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Chairman, I believe that I was in the House when that question was asked, and the hon. member was asked, did this split occur for privatization? And the hon. member said no. Now we'll go back and we'll check it so that we know that he said — because that was put together and said, did you split these companies to an energy company and a gas company and a power corporation solely for privatization, or was it the objective for privatization, and the hon. member said

no. So I mean, the question was with respect to the split, if I recall it right, and I'll look at it.

But in any event, I'll say again, Mr. Chairman, I'll say it again: the utility is monitored, run by the government or regulated by the government. And it is here, and we had offered Power bonds and we had offered telephone bonds and we had offered shares in oil and shares in Saskoil and in WESTBRIDGE, Mr. Chairman, to the people of Saskatchewan.

And all of a sudden the member stands up and said, but you said you wouldn't touch a utility. We'd already been involved in strengthening those utilities by offering bonds in them and by privatizing the coal companies and by allowing part of SaskTel to be privatized in the WESTBRIDGE Corporation and SaskCOMP, which is a utility. And we did that. And he's now is looking around and saying, well there must be something sinister about this allowing people to invest in Saskoil or SaskEnergy, so he comes back to this point.

Do you know why he does that? It's because he can find no real reason, as he says in his news quotes. It has nothing to do with . . .

This is an issue that simply cannot be resolved by numbers or the facts or figures.

See? You don't care about the facts or the figures. It might be good for the people, right? You don't care. You don't care. You don't care whether it can reduce their rates. You don't care about that.

You want to say well you can't touch a utility this way, because you say you have to keep it in government. And that's quite true. It's in government in Alberta, but it's regulated, and people can still invest in it. And that's precisely what was offered here before you walked out of the House.

So I'll say to the hon. member, I believe the Deputy Premier was asked: did you split these two for privatization? That was the question, I believe, and I'll read it with you, and we can go back through it.

Mr. Romanow: — Well, Mr. Chairman, this of course is why the government is in such, such deep political quicksand, and why the answers . . .

An Hon. Member: — You wish.

Mr. Romanow: — No, I . . . I mean, yes, I fervently wish it, because it is a bad, bad government. I fervently wish it for the people of the province of Saskatchewan.

But leaving that aside, why it is in such bad shape? It's administratively incompetent. It is incompetent, and it does not tell the truth right from the Premier, right from the Premier. I repeat again, it isn't the member from Cut Knife-Lloydminster I'm asking questions about, or one of the other members singing the Hallelujah Chorus, I'm directing these questions, the credibility of the minister, of the prime minister of this operation, of this situation.

And the issue is what you told the people of the province

of Saskatchewan on SaskEnergy. And I say that you broke your word . . .

**An Hon. Member:** — I know. You've said it enough times.

**Mr. Romanow:** — Yes, I've said it enough times, and I say the record shows that. I could read you the question and the answer; you can read it back to me. I could read the question and answer back. It can't be any clearer.

You promised that SaskEnergy would not be sold off, and it wasn't reorganized for sell-off, and you broke your word. It was reorganized for sell-off because exactly that's what you tried to do one year later almost to the date. What is that to mean? What does that mean about your word, sir? What does that mean about your credibility about what you're going to do about SaskEnergy in the future? What does that mean, sir?

That's a public promise that you've made. It's not an internal document for review. It's not an internal document which may consider all the options which are positive or negative. This is a document which records the words of this Legislative Assembly about your intention in this area because the people of Saskatchewan saw this mania of sell, sell, sell, destroy, destroy, destroy — not building — sell, sell, sell. You made this province into almost a charity case based on what your policies are, and here is your word which you have broken, sir, broken.

Now my question to you, Mr. Minister, is, one more last time as far as I'm concerned for this issue because I know what to conclude, I'm almost certain of this now once the transcript comes out, but I'm going to ask you, point blank, this again: if you believed SaskEnergy privatization was great in April — presumably that was either a new-found belief, or you believed it at the time you made these statements, but you weren't levelling with the people of the province of Saskatchewan — if you believed it then, if you believe it now, if you're committed to doing it, isn't the truth that Barber really is a whitewash, you are going to go ahead with it come hell or high water?

I'm not saying the individuals. Leave them aside for the moment. If you're determined to do it, if you've filed the prospectus, if you're putting out those franchise fees proposals now for municipalities, and you're doing that all the while that Barber is studying it, isn't it a fact that it doesn't matter what he recommends?

Oh, he might recommend some changes here, a little bit of an idea there, but the policy, the central policy is such that you're going to go ahead with it. Yes or no, Mr. Premier? Isn't it a fact that you've committed yourself and your cabinet is committed to go ahead with the sell-off of SaskEnergy notwithstanding what Barber might report, notwithstanding what the majority of the people of the province of Saskatchewan want? Tell us the truth.

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

**Hon. Mr. Devine:** — SaskEnergy made a report to the Barber hearings, and they clearly went through all the reorganization of SaskPower and SaskEnergy. And as a

result of deregulation in the gas business and so that they could take advantage of that and cope with that, that is the reasons for their administrative changes. And they made that very, very clear.

And you ask the minister and the Deputy Premier here at one time, and I believe that's the case, is that the reason that you've designed this as SaskEnergy and SaskPower, was it to privatize and he said, no. And deregulation was right in full bloom and you go back to look at the hearings . . .

**An Hon. Member:** — If he said no, why did he do it?

**Hon. Mr. Devine:** — Well he didn't say that you couldn't. It's organized so that to deal with deregulation . . . And the hon. member laughs. Now if he's basing his entire argument on the fact that because there's deregulation on the gas industry and we restructured SaskEnergy to accommodate that, he's on pretty thin ice, Mr. Chairman, pretty thin ice.

I'll just say to the hon. member, all the opportunities that we can have with respect to SaskEnergy will be laid before the people. And I will assess them very carefully. I am getting more and more encouragement as I listen to the Barber commission that people would like to invest in SaskEnergy. Now we'll see how that goes, if the public says, I think it would be a good idea to have SaskEnergy bonds, I'm going to listen very carefully to that.

And the opposition says, oh, I hope he doesn't do that. Well, Mr. Chairman, I guess we'll see. They didn't want us to sell and provide bonds in SaskPower. They didn't want to see them in Saskoil; they obviously didn't want them in Sask Potash. I walked up and down the street today in Regina or in Saskatoon, people are saying, right on with potash, it's about time. Editorials in the paper, I can read them to you, they're saying right on, now you're cooking. This is the things that we should be doing and the opposition knows that.

If you offered the people of Saskatchewan right now an opportunity to invest in energy bonds in the province of Saskatchewan with a return like we've seen, 10, 11, 12 per cent in SaskPower, I venture to say, Mr. Chairman, they'd pick them up by the millions and tens of millions of dollars.

Now we will see what the hearings do with respect to SaskEnergy, and I will assess them very carefully. And I will listen closely to the public and then we will make the appropriate decisions.

**Mr. Anguish:** — Thank you, Mr. Chairman. I believe that never before in the history of Saskatchewan have we ever seen a Premier that put any less value in the truth. During my comments I'd like you to take under consideration another item to do with the SaskEnergy issue in the province of Saskatchewan, and that has to do with a letter written by one of your members of the legislature from the Wilkie constituency. On August 4, this particular member wrote to all of his constituents who signed the petition opposing the sale of SaskEnergy. And I would draw your attention to the concluding paragraph, and I quote:

Therefore, in conclusion, if like many others you have come to realize that the petition you signed was misleading, please contact me and I will ensure your name is not included with those the NDP is using to scare Saskatchewan.

(2300)

What I ask you, Mr. Premier is: what authority do your back-bench members have? Have you given them authority that they can remove a name of a Saskatchewan citizen from a petition after it's been filed in this legislature and recognized by the Clerk's Table as a valid petition in the province of Saskatchewan? What authority does a back-bench member have in fact to take names off of a valid petition in the province of Saskatchewan — some 100,000 people who signed that very petition? Just the gall of your members in trying to intimidate the public who choose to sign a petition of their own accord, placed within this legislature, and then they're intimidated by your back-bench members to have their names removed from the petition. I think that's shameful.

While you're considering that, Mr. Premier, I'd like to turn to the issue of GigaText, and I have some questions I'd like to ask you about GigaText. We had a situation in the province where a Catholic priest took the province to court over a ticket he had received. We all know that that case, even after Father Mercure passed away, went to the Supreme Court of Canada. And when that Supreme Court ruled, they ruled in favour of Father Mercure, and what they basically said was that Saskatchewan had to translate some of their statutes from English into French.

We know that you and your government said initially about 45 statutes would be translated and eventually more of the statutes in the province of Saskatchewan will be translated.

So at the time your government looked for a quick fix in how they were going to translate these statutes to comply with the ruling of the Supreme Court. And at that time your government found a company . . . or I should say, founded a company called GigaText. GigaText was created; 75 per cent of the shares went to a company called Norlus. Norlus was owned by one Guy Montpetit and Dr. Douglas Young, and they got 75 per cent of GigaText for putting in supposed technology that was going to translate the provincial statutes, a technology that even yet today we know does not work.

The other 25 per cent of the company was held by the province of Saskatchewan under Crown investment corporation; wherein the Crown investment corporation put up \$4 million of taxpayers' dollars to acquire a 25 per cent share of the company GigaText.

Then, Mr. Premier, as time went along, we found that Guy Montpetit, a business man from Montreal, who ended up in court in a civil suit by Mr. Tsuru who took him to court for misappropriating some \$39 million. And we find that with Guy Montpetit having sole signing authority over GigaText in Saskatchewan, he was doing a very good job of padding his own pocket, but not delivering translated statutes for the province of Saskatchewan. And in fact not

making the technology progress which some experts says is at least 20 years away because what they're talking about in order to do an adequate job of translating mechanically would be artificial intelligence, which does not exist today.

Mr. Premier, we found that Guy Montpetit bought computers in the amount of \$2.9 million, bought Lambda computers which were outdated, no longer in production. And those Lambda computers were purchased for \$2.9 million. That Peat Marwick, accountant appointed by the court in Montreal, stated that the value of the computers was less than \$40,000. Shrewd business deal, Mr. Premier.

When you look even deeper into this shrewd business deal, we find that Guy Montpetit purchased the computers from a company called GigaMos services. Well who owned GigaMos services? Guy Montpetit owned GigaMos services. So, in fact, what happened? He wrote a cheque to a company that he owned for \$2.9 million for merchandise valued at about \$40,000.

We also found that Guy Montpetit leased a jet from GigaMos Air Services at a rate of about \$15,000 a month. Who owns GigaMos Air Services, Mr. Premier? GigaMos Air Services was owned by Guy Montpetit, again putting money into his own pocket out of taxpayers' dollars.

As the situation progressed, Dr. Young apparently contacted the province of Saskatchewan, and the Minister of Justice launched an RCMP investigation because you suspected criminality in the case of GigaText and the province of Saskatchewan. And when this all hit the media and hit the provincial legislature, Mr. Premier, you tried to cover it up by saying that it was research and development. But it certainly was not research and development when you began. It was clearly stated that you were taking this company on to translate statutes from English into French. Very wasteful, very mismanaged affair, and that's only one of many.

The Deputy Premier himself, Mr. Premier, has said he would take full responsibility for GigaText but we still find him sitting here as Deputy Premier. Many of the questions asked in this legislature have not been answered. You first hid behind the RCMP investigation. You then in Crown corporations had your minister in charge of SEDCO (Saskatchewan Economic Development Corporation), over three days of questioning in Crown corporations, not answer any questions because you wanted to protect the interests of the company GigaText.

Mr. Premier, you found your cabinet ministers flying in the GigaText airplane. Pardon me, I should say the GigaText jet, because that's what it was. You yourself were in Montreal, riding around in the back seat of Guy Montpetit's limousine. We found Guy Montpetit and his assistant, Grace Sim, go on a weekend down to San Francisco, then to Minneapolis, and then back up to Montreal.

Could you maybe tell us when you answer this question, Mr. Premier, what was the purpose of the business trip that Guy Montpetit and Grace Sim took to San Francisco, Minneapolis, and then back to Montreal on a weekend?

And could you maybe tell us the nature of your business while you rode around in the back seat of his limousine in Montreal? Could you tell us the connections of business there? So that's the second question after you address the one from Mr. Britton.

What the taxpayers basically want . . .

**Mr. Chairman:** — Order. Order. Members are not to use other members' names in the House, and I'd ask the member to refrain from that.

**Mr. Anguish:** — I appreciate that ruling, Mr. Speaker, I should have said the member from Wilkie.

So when SEDCO finally took over GigaText in early November of 1988, when they took over the company, it was at the request of Crown investment corporation because they knew there was something wrong. Even with your representative, Mr. Leier on the board, and Mr. Waschuk, your pollster, even though he represented the interests of Norlus and Guy Montpetit, they didn't seem to have control of it. So SEDCO came in and SEDCO took over the shares of the company. And today, as far as we know, Guy Montpetit through Norlus still owns 75 per cent of GigaText, even after you know he padded his own pocket with money put up by taxpayers in the province, because GigaText had no other source of revenue other than the \$4 million given to them by Crown investment corporation in the province.

So finally, Mr. Chairman, we want to know from the Premier how much longer you're going to fund GigaText. Ever since November, SEDCO has had to put in \$50,000 a month to fund GigaText to keep them continually operating. So the question to you, Mr. Premier, is that are you going to hold the Deputy Premier accountable as he said he was accountable; and when can we expect you to make a decision on the future of GigaText; and further, when are you going to stop supplying \$50,000 a month to a company that's not capable of translating the statutes of the province of Saskatchewan?

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

**Hon. Mr. Devine:** — Mr. Chairman, a couple of observations in response to the hon. member. I believe that if your people have signed a petition and it's tabled in here, an individual publicly would like to have his name removed, he can advise the Clerk and do so. And I don't see anything particularly wrong with that, particularly if he thought that he would want to disavow himself publicly from the petition. And a lot of people have called us and said that they didn't know what the petition was talking about.

We've had members here, the member from Arm River went through and he . . . I think he said here on August 7, I want to comment about some of these petitioners, and this is the reason that we went to the public, and that people from Wilkie did. And the member from Arm River says on August 7, '89, page 3515:

. . . I want to comment on something she said. She got away talking about petitions and 100,000 names on petitions. Well let me just tell you about

the petition in Arm River — 239 names, 50 (of those names) didn't exist at all, one family from age 12 to 2 on that petition. So how can we, how can we possibly, Mr. Speaker, how can we possibly debate such a petition?

And other members have gone on and said that the petition has names of people from outside the province, people who obviously didn't understand the petition. And when they come to find out that it wasn't an accurate statement on the petition, then they felt very badly about it and they wanted to disavow themselves, and we're finding that today. So if individuals want to disavow themselves from this petition, they can advise the Clerk, and they can say I don't want to be part of this because it was part of the old scare tactics of the opposition. They're running around and say SaskPower's for sale, and it isn't. It isn't.

So you ask about the member from Wilkie. The member of Wilkie told his constituents, if you don't want to be part of this petition thing that they put together because you think it's wrong or misleading — misleading, not truthful — as we saw with the Leader of the Opposition when he said we're going to close all five hospitals in Assiniboia-Gravelbourg. He said that and he shakes his head, yes, he said that's right. And we know that that's not the case and it's not true. And he's on record now, and he knows that and the public knows that, and every time he says, oh look, the sky's going to fall in, they say, well gee, we've heard that before. Maybe he's going to get a petition going and we can all sign that and then see how many kids can sign it.

So there's a lot of people on that petition that said, well what in the world were they up to, eh? What were the NDP trying to do. I don't want my name on that petition. And then there's a whole bunch of them you can't even read because people just scribble in stuff like this. So either you've got children, you've got out-of-province people, you got people that you actually misled, and then you've got people that just signed it with a scratch and you wouldn't know where they were from. So there's an awful lot of folks in this province that are just a tad suspect when it comes to your petitions.

With respect to my meeting with Mr. Guy Montpetit, I go to Montreal once a year and Toronto once a year, and I give a major address to the investment community, and that's why I was there. And I met him there because he said it's possible to translate, using computers . . . or help translate, French into English and English into French.

**An Hon. Member:** — And you believed him.

**Hon. Mr. Devine:** — And the hon. member says . . . I believe him, okay? I believe him.

Well I will use as an example so that the hon. members . . . because, you know, they're hidebound here and they're stuck in Saskatchewan and you can't move. We'll look here, July 24, *Time* magazine, 1989, and it talks about the Japanese translating machines make languages less foreign. And I'm going to just go through a couple of examples where in fact they're using computers to translate and to help translate, and let me just make a

couple of points.

“Machine translation is only to reduce the work involved in human translation.”

And that it does (it says, that it does). The present generation of machine-translation systems, which are priced between \$30,000 and \$70,000, can nearly double the output of translators of technical documents (technical documents, double the translation). The savings, especially for small firms unable to maintain a large staff of skilled translators, can be considerable.

The Japanese go on to say the following, *Time* magazine:

“Seven or eight years ago,” . . . a researcher at IBM Japan, “everyone was saying machine translation was a technology of the future. But now we have it.”

This is the Japanese talking about us translating languages by the help of the computer to reduce the costs.

Considering the complexity of the task, the progress in machine translation has been startling. Essentially, the translating machine analyzes the syntax of an English sentence, determining its grammatical structure and identifying, for example, the subject, verb, objects, and modifiers. These words are translated by an English-Japanese dictionary (via computer) . . .

Now this is not as simple as it sounds. (It takes a great deal of effort). Each computer company has devised strikingly different sets of programs to deal with the fiendish complexities of two languages (at the same time) . . .

(2215)

Now the article goes on, and I’ll certainly pass it on to the hon. members, saying Japanese computers and English computers and British computers are being used to translate.

And the hon. member says, well by law we were asked to translate French into English. Around the world, they’re using new technology to do it, and the hon. members say, oh but you shouldn’t try it here; you’d better do it by hand. You’d better hire a number of people and translate it, and certainly that’s possible and it will take time and it will take effort. The machines that are in evidence today in terms of technology, they say here, can double the output of translations on technical documents, not just normal writing but technical documents.

So when we’re familiar and I’m familiar with this kind of technology, and the man says to me, I believe that it’s possible to do this, I think we should try to do that. And so I was familiar with the project and enough to say, well I think if the Japanese can do it and other people can do it, we have the potential for a very, very large market in translations. Now the hon. member laughs and says, well I guess there’s some risk in trying to translate using computers . . .

**An Hon. Member:** — Some risk?

**Hon. Mr. Devine:** — Some risk, all right. Look, you have cost us \$2 million a month just holding up Rafferty — \$2 million every month just sitting there holding it up because you say you don’t like the project and you don’t like the way we went about it. You’ve cost the taxpayers of this province fortunes, not just on Rafferty but on Nabu, on potash mines, \$91,000 a day in the pulp company — I mean, you could go on and on and on. I believe there’s potential for computer translations. I believe that’s the case. They’re doing it in United States, and they’re doing it in Japan, and I believe that we can do it here . . . (inaudible interjection) . . .

And the hon. member says, he’s got one in his hand now, \$279, that can translate French into English and help us translate. Now he shakes his head; we know that it doesn’t quite do that, but computers in this translation capacity can certainly translate and help as they are here, and I feel quite prepared to go for that technology. I hope the technology helps and I hope that it works.

**A Member:** — We do too.

**Hon. Mr. Devine:** — And he says, well I hope they do too, and so we’re certainly going to be prepared to give it every opportunity. We’re having people like IBM look at it, people like WESTBRIDGE look at it, other computer experts who say, if they can do it in other jurisdictions, I believe that it’s possible here.

Now you ask me about the other details with respect to GigaText, and I can’t elaborate on the details because I’m not involved with the details. That is, who was involved in a plane trip between here and California, or here and Winnipeg or some other place. I met on one occasion with Guy Montpetit and he talked to me about the new translation technology in the world, and I thought it was a possibility and that’s why we proceeded with it.

**Mr. Brockelbank:** — Mr. Chairman, I want to pursue for a moment some of the Premier’s diversification that he’s referred to many, many times in these estimates and the Department of Agriculture estimates. In doing it, Mr. Chairman, I want to refer to a series of headlines in the newspaper. And I’ll ask members to keep track of the dates of these particular news releases, and it has to do with GigaText. This is some of the diversification of the Premier, GigaText. Previous members asked some questions about GigaText.

The first article appeared — this wasn’t the first one but this is one of the series that I selected — appeared in the *Leader-Post* May 31, ’89. And the headline reads, “Berntson defends decision to back translation firm,” May 31 ’89. In it, he says, the article says:

GigaText Translation Systems Inc., has until June 17th (of this year) to demonstrate it can complete the translations or the government will withdraw the financial backing — worth an additional \$50,000 dollars a month — that has kept the company operating since December.

I want to just for a moment multiply that out. Right at this point it's eight months since December, that's eight times 50,000, that's \$400,000 poured into this company up to this point; over and above the \$5 million that we already know about.

The article goes on to say, and this is the member for Saskatoon Fairview, says:

Mitchell predicted that when June 17 arrives, the government will discover it has to hire interpreters that should have been hired in February 1988 at the time of the Supreme Court ruling.

And I go on, Mr. Chairman, to the next news item. The next news item is dated, June 14. The first one May 31; this one June 14, '89. And it says as follows: "Saturday is testing day for GigaText's technology." Saturday is testing day. It reads . . .

**Mr. Chairman:** — Order, order. It is difficult to hear the member for Saskatoon Westmount with members talking across the floor.

**Mr. Brockelbank:** — I want to be sure that the members grasp these significant articles in the paper as we chronologically move to the present time because I think it's important that the government's word is at stake here, the government's word about GigaText, and how they're going to make it perform.

So the second article — the first one being May 1, the second one being June 14. It's from the *Star-Phoenix*. The first couple of paragraphs read as follows:

GigaText Translation Systems Inc., faces the moment of truth this weekend when the provincial government passes judgement on its translation technology. The company has until Saturday to prove its technology can translate Saskatchewan laws.

I'll go on to the next item, Mr. Chairman. It's June 16, about the same time as the previous one, June 14; this one's June 16. The headline is: "Berntson waiting for confirmation."

GigaText confident of ability to meet Saturday deadline.

**An Hon. Member:** — Which Saturday was this?

**Mr. Brockelbank:** — Well this would be Saturday, June 17, 1989. Don't the members lose track of that now.

Even though GigaText Translation Systems Inc. says it will meet Saturday's government imposed performance deadline for its computerized French translation system, Deputy Premier Eric Berntson won't be able to confirm that until 10 days after the deadline passes.

So the Deputy Premier has already begun to retreat on the firm deadline which he announced in this Legislative Chamber of June 17. He says it will take another 10 days to determine whether in fact it can perform. And it goes

on with another paragraph:

Instead, the government is bringing in two independent translation experts to make sure the controversial system will actually translate English laws into French.

Well this is part of the prediction made by the member from Fairview. We get to June 17, the day of enlightenment about whether the computer is doing the job for GigaText. And the headline in the *Star-Phoenix* of June 17 reads, "Delayed verdict expected on GigaText." Don't call us, we'll call you, is what the media's being told about the results for the judgement of the GigaText Translation Systems Inc.

Go on a couple of weeks later to June 28. The headline reads, "GigaText likely to survive — Berntson." The first couple of paragraphs read as follows:

Deputy Premier Eric Berntson says he is not ready to decide the fate of GigaText Translation Systems, but it's unlikely he'll pull the plug on the troubled computer company.

Berntson had set the date of June 17 for the company to prove it could translate Saskatchewan statutes into French, but he's now saying the government only wanted the company to meet certain goals by that date.

Not an actual translation but just wanted them to meet certain goals. So the minister, the Deputy Premier is wavering again on the commitment that he made before this House that on June 17, they were going to prove their point or have their money cut off.

It got so obvious that the *Star-Phoenix* wrote an editorial on the matter a little later, July 6, over a week later, "Set deadline for GigaText." And I'll read a couple of paragraphs into the record:

It should insist (it's talking about the provincial government) the company be able to deliver what it said it would by the end of summer. GigaText director of operations has said that by then the firm is supposed to have a computer system that can translate the province's laws into French.

The further paragraph:

If the company doesn't come through, the government should cut its losses and get out. If the system isn't viable. Deputy Premier Eric Berntson, who has insisted on sticking with the firm, should offer his resignation.

This is the editorial from the Saskatoon *Star-Phoenix* on July 6.

Later on, on July 12, another week later, article in *The Globe and Mail*, "Minister seeks clarification of GigaText assessment." And it refers to the police investigation and that there was no word on the Justice department report. So July 12, we've got more waiting for the public to find out what in fact the Premier is doing with this

diversification on GigaText.

On August 3, we've now advanced to August 3, the government issues a news release saying that there was no criminal intent, that criminal charges will not be laid with regard to any translation transactions relating to GigaText in the province of Saskatchewan.

Well if in fact criminal charges cannot be laid, if in fact the government has poured over \$5 million into this dubious technology, if in fact they've poured another \$400,000 at the rate of \$50,000 a month, and there's no criminal intent or criminal charges to be laid, there must be some charges of some kind to be laid against the Government of Saskatchewan for what they've done here.

It's interesting to note that maybe Paul Jackson has put his finger on it. Maybe Paul Jackson has put his finger on it. And Paul Jackson should know because he's been very close to the Premier in the past and understands how the situation is in the Premier's hierarchy. And in his article, August 14, 1989, Paul Jackson has this to say in part:

No provincial Premier in Canada can be surrounded by as many nits, twits, dimwits, and halfwits as Donald Grant Devine.

He goes on to . . .

**An Hon. Member:** — Read that again.

**Mr. Brockelbank:** — Well, you didn't hear it. I'll read it to you again.

No provincial Premier in Canada can be surrounded by as many nits, twits, dimwits, and halfwits as Donald Grant Devine.

This is Paul Jackson, a person who should know who surrounds the Premier.

Devine's senior staff and advisers must be rehearsing for Death Wish 64. That's the number of seats in the Saskatchewan Legislature they hope to lose. It's the only scenario that explains why every new initiative infuriates the very voters Devine represents.

Here are some of the individuals Devine should fire.

And he doesn't mention the member from Cut Knife-Lloydminster. You're in the clear. You're not on this list.

(Number one is) the numbskull who persuaded him to impose a 10-per cent tax on lottery tickets.

**An Hon. Member:** — Now who is the numbskull there?

**Mr. Brockelbank:** — He doesn't mention names. We may have to follow this up, but we should find out who in fact suggested this.

. . . the numbskull who persuaded him to impose 10-per cent tax on lottery tickets. Aside from being

a tax on a tax (and he gives his legal opinion here; he says) — basically unconstitutional — every person who plays the lotteries in Saskatchewan is fuming over this scam. It'll cost him 50,000 votes and five seats minimum.

That's what Paul Jackson says. The next . . . I think this might be Lloydminster in there, although Lloydminster has protection because it's a border city and it may not affect the member quite so much in Lloydminster.

(The next one is) the lame-brain who convinced the cabinet to snarl every Saskatchewan driver in a bureaucratic mess in order to get back a gasoline tax supposedly abolished in 1982. Each time a voter buys a litre of gas he's reminded why he shouldn't vote Tory come the next election.

(2230)

And then Paul Jackson says:

(You should get at) the hare-brain who advocated the surtax on basic fines. When a Saskatchewan driver gets walloped with a \$40 fine for a minor seatbelt infraction, why beat him over the head with a 10 per cent surcharge? Clue to the adviser's identity is he earlier had a frontal lobotomy.

So apparently this person has had some treatment already but it hasn't taken.

(The final person is a) scoundrel with the idea of hiring a second rate PR agency to swamp SaskEnergy hearings with third-rate phoney submissions. Any political back-room guru should have known this would explode in the government's face (and it certainly did.)

My question, Mr. Premier, is this: when I go out and talk to the public, they ask me about a couple of things. They ask me about the SPC privatization and why is the Premier doing it? And they also ask me about the GigaText thing. They ask about the GigaText. You'll notice as I went through the headlines, always the Deputy Premier is mentioned. The Deputy Premier was the one that took the flak for this GigaText thing.

The Premier will recall quite clearly, In November 1985, after the Regina North East by-election which he was soundly defeated in, he said to the people of Saskatchewan, I'm a take-charge Premier. I'm taking charge of things. Responsibility — everybody has to answer to me; the responsibility lies within me. The Premier said that and I listened to the Premier say that.

Now I want to know, Mr. Premier, when are you going to relieve the Deputy Premier of this GigaText affair? When are you going to take charge? When are you going to demand the explanations? When are you going to cut off the \$50,000 a month that you're putting into GigaText?

The Deputy Premier, he's loaded up with Rafferty, he's loaded up with SaskEnergy privatization — he's got all kinds of problems. When are you going to take charge? When are you going to relieve the Deputy Premier of his

responsibilities in GigaText and take responsibility yourself for them?

I'm not going to ask you to dismiss the people that Paul Jackson says you should dismiss around you. It would be a benefit to the people of Saskatchewan, but I know you won't do it; you won't take that suggestion from me. But when are you going to take charge of this GigaText affair? That's what I want to know.

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

**Hon. Mr. Devine:** — Mr. Chairman, I would certainly recommend that the member opposite get all of Paul Jackson's editorials and articles, and he can read them over and over and talk to his constituents about them, because he will find them very, very interesting. It's one thing to cherry pick the editorials and I know we all do it, we pick them up on either side and say well this one is good for us and that one isn't.

With respect to the question of GigaText, I hope the technology is functional as I pointed out with *Time* magazine with the Japanese. It's being used and it is complex and it is difficult. IBM perhaps is somebody that could be very helpful in this case. We have invested some money in it and I admit that. It's certainly capable of investing money in research and education and translation. We've done that and the members opposite have been in all kinds of things — when it goes to the Saskatchewan SRC (Saskatchewan Research Council) when it goes to research councils, universities, SaskCOMP, when you go to the WESTBRIDGE Corporation, you look at telecommunications, all kinds, new cellular phones, computer technology — we're using it all the time.

And the best example, I think, and I have it in my pocket, at least I usually carry it around, is the new health care card.

**Mr. Chairman:** — Order, order. Members aren't . . . Order. Members aren't to use exhibits in the House.

**Hon. Mr. Devine:** — I was just tempted to show the people of Saskatchewan on television this brand-new card that is computer-based, plastic and computer-based, that is extremely functional and efficient and I might say popular, popular in your riding, and popular in yours, and popular across the province of Saskatchewan. And, Mr. Chairman, if . . . I'll say to the hon. members, if the . . . The members opposite are somewhat afraid of new technology and they wouldn't want to bring this in, but I'll say a big thank you and a big bouquet to Co-op Data Services who helped develop it with us, and to the WESTBRIDGE Corporation who helped develop it. And it's perfectly in line with us taking some risk to use a computer and bringing the best technology forward.

And I can say to the hon. members that if you would've walked out and frightened the people and said, oh my gosh, they're going to rip up our little paper card and they're going to turn it into plastic, you're probably been very successful in frightening them about, you know, the health care is going down the tube, this is it. And now when you give them this card and they've got it in their

hands — you can't get it away from them. They think this is the best card in Canada.

We now have opportunities to market it in Europe; we have opportunities to market it across the country and in the United States. The Japanese are interested in it because we were able and willing to look at new technology and bring it into the province of Saskatchewan. I am quite convinced that you will see in the province of Saskatchewan, across Canada, the technology we're talking about here with respect to computers translating languages.

And the hon. member says, well I don't think you can do it through the technology that you have in GigaText. Well then you tell me the technology, the specific kind. We've looked at all kinds and we're prepared to look at others, Mr. Chairman.

So I just say with respect to this search on our part to find technology that will allow us to translate French into English, Mr. Chairman, I know that they spent about \$8 million on some fancy company called Nabu and they never got it back. It's a slight embarrassment. At least in this case we have the potential to be on the very edge of leading technology in translating, and we hope that that's the case, Mr. Chairman.

**Mr. Anguish:** — Well, Mr. Premier, Mr. Premier, there's actually two issues here. There's two issues: there's one of technology, and there's one of waste and mismanagement.

On the issue of technology, technology in this case of GigaText is questionable to say the least. Early independent studies described the system when it was fed independently, aside from Guy Montpetit and Dr. Young; they described it as having coughed, sputtered, and died. What I want to ask you is about the waste and mismanagement that took place at GigaText. The question of both the member from Saskatoon Westmount asked you and I asked you earlier this evening was one of the continual funding to GigaText after they had gone through at rapid speed the \$4 million invested by Crown investments corporation.

After the \$4 million was gone, wasted, and squandered, SEDCO loaned GigaText an additional \$1.25 million. SEDCO say they have not released all of that money, but they are releasing it from when SEDCO took over to the present day at a rate of \$50,000 a month to keep GigaText in operation. I would ask you, Mr. Premier, about the way in which the mortgage was filed. The only security that SEDCO has for the \$1.25 million loan is on a condominium worth \$137,000 that was given to Dr. Paillet to live in while he worked for GigaText. I want to ask you: do you know any lending institution that would file a mortgage of \$1.25 million against a \$137,000 condominium?

**Hon. Mr. Devine:** — I've already responded to the hon. member. With respect to the details of the internal operations of GigaText, I would have to refer to the minister in charge or the Deputy Premier that have the details because I don't have them.

So I will say to the hon. member, with respect to the technology, I would point out that again going back to what IBM and the Japanese say, and if I could quote:

The market for such machines will be vast . . . “Since we Japanese have so much trouble in the area of foreign languages, machine translation is the kind of tool all Japanese desire.” And since many people in other nations are not linguistic whizzes either, sales of the electronic translators should be brisk around the world.

Now you’re making fun of the fact that we are trying to use high technology in translating, and there are two official languages in this country. When we have the technology being used and being designed, I grant you, and being improved as we speak, we want to make sure that we’re not left behind with respect to translation technology and the use of computers. We are using it in health. The new health card has many new applications as we design and go into the health care field, and you’re going to see them.

Translation in computers has many, and as the Japanese and as *Time* magazine points out, vast opportunities in markets. And you say, oh, Mr. Premier, you shouldn’t explore those because you’ve got a company that you set up or that you went on a joint venture in that deals with translation, and it doesn’t work the way you said it was going to work to start with, okay . . . (inaudible interjection) . . . Well that’s right, you’re trying to scare them again.

And you say, oh they shouldn’t use this technology, the Japanese can use it, the Americans can use it, Germans can use it. But not here in Saskatchewan because you’re trapped. You’re trapped, and it’s easier to scare them if you’re trapped.

Now I’ll say, Mr. Chairman, we hope the technology works, and there’s as much potential here in Saskatchewan as there is in any place else in the world. And you could take some political satisfaction and say, well they’ve had trouble with it and it didn’t work as well as they should have. And oh my gosh, it’s going to be a big problem with them, it’s \$5 million.

Well look, you have taken \$500 million and dumped it into a mine that’s already been in the ground — didn’t care at all. Any analysis by the media and others, if I could read it in here, says you lost \$1 billion in potash — \$1 billion. And you’re on my case for \$5 million in terms of translation. And this technology has the potential for hundreds of millions of dollars well into the future, and that’s what the Japanese and the Americans and other Canadians are talking about.

So I know you’re afraid of technology. You’ve always been afraid of it. I mean, you feel trapped, and you don’t want to do it, and you admit it. The members opposite just sit there. Let’s go to the fear; let’s go to the fear, and we’re trapped in this poor place called Saskatchewan. And they keep saying that and saying that. I remind them, they laugh and chuckle a little bit, but they don’t look very confident when it comes to adopting new technology and using it.

They couldn’t build upgraders, and they couldn’t build paper mills, and they couldn’t build new packing plants. They couldn’t build turbine manufacturers; they couldn’t build new fertilizer plants. They’re afraid of technology.

Well, Mr. Chairman, I’ll point out to the hon. member, it’s clear there is risk when you’re going to be a builder — there is. And we have, and we’ve taken the risk and we’ve delivered and we’ve delivered and we delivered.

I can’t bring my health care card out any more, but if I could bring it out, I would show it to you because it was one of the finest pieces of technology that you’ll find any place, not only in Saskatchewan but indeed across Canada. And if we are not afraid and Co-op Data Services isn’t afraid to do it, the Co-op refinery is not afraid to build an upgrader with us, other people are not afraid to build with us, but the members opposite, they tried and they tried but they felt so trapped in Saskatchewan that they just couldn’t deliver on it.

Well, Mr. Speaker, we are optimistic about the 1990s and the 21st century. We believe that the new technology can be used in health care, in distance education, in telecommunications, in cellular phones, all kinds of technology, Mr. Chairman. And we are not afraid to try to introduce that technology to the people in the province of Saskatchewan.

**Mr. Anguish:** — Well, Mr. Premier, you’re living proof that you should start pumping more money into Saskatchewan hearing aid program because your answer had nothing to do with the question I asked you. I asked you about the waste and mismanagement of the GigaText affair. And I submit to you, if you agree that a commercial lending institution would lend money at a rate of \$1.25 million and hold it against the condominium worth \$137,000, there’s going to be all kinds of investors from Florida coming up here not to invest but to sell you land in Florida — swamp land.

Mr. Premier, if you’re unfamiliar with the details of GigaText, which I have a hard time believing — I think that you know a great deal about the details at GigaText — but I will ask you something that you’d have to be familiar with, and that’s of one Ken Waschuk, who is the subject of the RCMP investigation launched by your Minister of Justice.

(2245)

Ken Waschuk sat on the board of GigaText representing Norlus and Guy Montpetit, but he also represents you, Mr. Premier, because he does all your polling for you in the province of Saskatchewan, outside of the polling that Decima and the people in Toronto do. So I would ask you during the time that GigaText came into operation in Saskatchewan and up until the time that the RCMP investigation was launched and SEDCO took over the operations, did you, sir, ever have any conversations with one Mr. Ken Waschuk about GigaText or French translations or Guy Montpetit and Norlus?

**Hon. Mr. Devine:** — Well, Mr. Chairman, I did not have the conversation with Mr. Waschuk during that time. And

your next question will probably be well did you have any surveys done? I believe there were some surveys done.

Certainly individuals are innocent until proven guilty unless you want to stand up and try to wring them through the public and say that they are guilty. They are innocent and there was no charges and everything was reasonable.

So I just say to the hon. member that yes, Mr. Waschuk has done surveys for us, and certainly Decima does some surveys, and other people do. And as most administrations, we use them from time to time.

**Mr. Anguish:** — We're not making any allegations of anyone. We're asking questions of you to help you try and establish some credibility in your government in this wasteful, mismanaged affair.

I'm asking you whether or not you had conversations with Ken Waschuk about GigaText. I asked your about the specific period of time. But even outside that period of time, did you have conversations with Ken Waschuk, a member of the board of directors of GigaText, also one of your main pollsters, about GigaText or Norlus or Guy Montpetit?

**Hon. Mr. Devine:** — I don't believe that I did. If I had any conversation at all with them, it would be very casual, in no detail at all. We knew, and I know that they were looking at some new technology with respect to translations, and I talked to the Deputy Premier about it, and maybe one other staff member when they looked at the possibility of having this technology used when we found out we had to go from English to French translation, but no detailed conversations with them at all.

**Mr. Anguish:** — Well casual conversations have a great deal to do with the GigaText affair because we do know that Ken Waschuk received \$150,000 interest-free loan from Guy Montpetit on a golf course in Regina. So that's a casual conversation. If you had casual conversations, we'd like to know about it because I think it's very important as to the mismanagement and waste that's very apparent at GigaText.

Now we know that Mr. Waschuk's money that he received came from Koyama, a Bermuda company held by Mr. Guy Montpetit, to another Bermuda company called Libra which is owned by Mr. Waschuk. So if you did have casual conversations with Mr. Waschuk, we'd like to know about it, because we know for sure that there's \$150,000 in this transaction that happened in a very casual conversation.

Can you tell us if the casual \$4 million of taxpayers' money that was put in also as a result of a casual conversation, maybe stimulated by one Michel Cogger to Waschuk to yourself, Mr. Premier.

**Hon. Mr. Devine:** — No, I didn't have any conversations of that sort with Mr. Waschuk or anybody else with respect to GigaText.

**Mr. Anguish:** — Well could you undertake to tell us your representative on the board, sir. Have you had any

conversations with your representative?

There was one Terry Leier, who I believe represented Crown investments corporation on the board of directors of GigaText. And there is still outstanding to this day, that you and your ministers have not answered in this legislature, of certain sums of money amounting to either 4 or \$5,000 that can be documented for other directors but not for Mr. Leier. In fact, Mr. Leier, in the court documents in Montreal, the two amounts — I believe one amount was \$3,000 and another amount was \$1,000 even — the court documents in Montreal show it as "represents." Now I don't know what that means. I'd like you to explain that to us because your minister, when your minister stood up and explained those two expenditures to Mr. Leier, the minister said that they were for expenses incurred by Mr. Leier.

We still have not seen those receipts in this legislature, and we find it very strange that your minister can stand up and say it was for expenses, because I have yet to see anyone employed by the government or any company that submits a travel claim and it words out — not once, but twice — to equal thousands of dollars. Usually they work out to odd numbers of dollars and a few cents, because exact amounts don't happen in claiming expense accounts.

So would you care to explain to us this evening and give us your undertaking that you will table the documents that relate to the payments to Mr. Leier, your representative on the board of GigaText.

**Hon. Mr. Devine:** — Mr. Chairman, I've worked for the public service and universities in Ottawa and often we would get an advance on expenditures, and you'd ask for \$1,000, or \$1,500 or enough for plane fare and some other things, and then you'd go back and submit it after you've done your travelling and your work. That's very common.

So if he put together an advance with respect to expenditures, then that's perfectly normal. And when you're involved with . . . I'm sure, through Crown Management Board we have people involved in companies like Saferco and others that are working on the board of directors because we jointly operate them. And we have expenditures and the board pays the expenditures. And these people are working for the Government of Saskatchewan, but they are there in that position as on the board on various kinds of companies. Now that's a standard practice and a normal practice, and when the minister has the details, I mean, I'm sure that he will table them here and table them. I don't have anything with me here.

And with respect to the details of the operation, I don't. And that's why I have ministers of Energy and ministers of Health, and ministers of everything else except Agriculture. And there I'm responsible for details and I will have all the details there. I am responsible for the ministers.

I would certainly like to be able to take credit for this translation equipment working, working very efficiently and working fine and everybody being quite proud of it.

It's been difficult because it hasn't worked as fluent as we'd like to see it. I'd like to see it work smoothly, and I'd like to think that we can compete with the Japanese and others. So . . . and I'm sure you would as well. I mean you can have some political fun with the fact that it hasn't worked as well as it, okay, and fair ball, I understand that. I mean that's . . . You can dig in that and we used to throw the same thing about Nabu back at you guys and all that other stuff, and we can understand that.

But I give some credit to people who try to do some things, try to build, or try to translate, or try a new technology. That's what we're doing here and hopefully it will be successful, and I hope to be able to at least get some very good advice with people like IBM, WESTBRIDGE, Co-op Data Services, and others who are involved in computer technology that are handling it and looking at it world-wide.

**Mr. Anguish:** — Mr. Premier, we find it very difficult to understand why you, as president of the Executive Council, would not equip yourself with details of this GigaText affair. Your Minister of Justice was concerned enough that he called the RCMP in to investigate. We asked that documents be tabled in this legislature, they have not been. We don't know what the RCMP investigated, was it just Mr. Waschuk. Were members of your cabinet investigated? Was Guy Montpetit investigated? Was Dr. Paillet investigated? Who was investigated? Was it just the loan from Guy Montpetit's Koyama company to Libra, Ken Waschuk's company?

So we don't know the details of this, and the question I ask you just very simply was it . . . Would you give us your undertaking to have the expense accounts of Mr. Leier tabled in this legislature so we can do a reconciliation as to the \$1,000 payment, the \$3,000 payment and maybe any money that he's been paid since. That's all I ask you, to give us your undertaking that you would at least instruct your ministers to do that, who has to this point not complied with the request.

And you know, Mr. Minister, we think you should be looking at some of the other things that happened in GigaText as well, just out of your supposed interest for the health and the economy of the province of Saskatchewan. In Crown Corporations Committee, we brought up under court documents that, even during the first week when SEDCO took over, SEDCO took over from Crown investments corporations to manage the company, there's a payment made to a travel agency for a ticket to Fort Lauderdale. And do you know what name is beside that trip to Fort Lauderdale? The initials G.M. Now we suspect that that might mean Guy Montpetit, who went, still at taxpayers' expense, on a trip to Fort Lauderdale. But your minister wouldn't answer those questions, would not answer those questions. There are many, many expenditures like that that took place in GigaText for no apparent reason, no health of the company, nothing to do with translations.

Will you give us your undertaking not only to bring the expense accounts of Mr. Leier before this legislature, but to instruct your ministers to give full disclosure on the other questions that we have about the affairs of GigaText, so that the people of Saskatchewan will be well

aware of where their money went. Did it all go into Guy Montpetit's pocket? Well the majority of it did, but let us know where the other money went as well, Mr. Premier.

**Hon. Mr. Devine:** — Mr. Chairman, I'll respond. With respect to RCMP investigations, cabinet doesn't even know the details on that nor should it. And the public doesn't and that's the way it should be. It's at arm's length. The Minister of Justice can deal with it and they do it and they make their reports and then it stays. I mean, if there's charges, then they follow the normal course, and if there not, that's the end of it. So you ask me the details about that, did they investigate slim, slam, or anybody else. I don't know and I shouldn't know. So that's perfectly normal and that's the way we should keep it.

With respect to expenditures on the potash . . . or pardon me, billion dollar loss on the potash corporation, but on GigaText, they will spend money with respect to the technology and there will be some travel involved, and you know that as well as I do. With respect to expenditures that the minister might have regarding the cash advance or the expense advance incurred by individuals and where that money's spent and the rest of it, I mean they'll bring that forward when they want . . .

**An Hon. Member:** — Squandered.

**Hon. Mr. Devine:** — And the hon. member say, squandered. Well you can clearly put, you know, that billion dollar loss at the feet of the NDP administration. A billion dollars in potash corporation. If we'd just put the money in the bank, we'd have been \$3 billion better off. So they talk about 5 million. It's 8 million in Nabu and they never got a dime for it. And fair enough; you know, I mean that's the way it goes. We put 5 million into this and hopefully it will work. So you can go on, you know, we can go back and forth.

I will say with respect to technology, we hope that it works. With respect to the details . . .

**An Hon. Member:** — I hope it works too.

**Hon. Mr. Devine:** — Well good, we agree that we hope the technology works, and sometimes you have to risk and invest that money to see that it works. Now you don't . . . (inaudible interjection) . . . Well the hon. member says that you can't, you can get it with a very . . . \$269 computer can do all this . . . (inaudible interjection) . . . \$279 computer that can translate all these languages simultaneously. Then, Mr. Speaker, I think we should hear about it. But I hope that this technology works, as do the members opposite, and I appreciate you saying that.

**Mr. Chairman:** — Order. It being near 11 o'clock, the committee will rise and report progress.

The committee reported progress.

The Assembly adjourned at 10:58 p.m.