

EVENING SITTING

COMMITTEE OF THE WHOLE

**Bill No. 47 — An Act respecting the Saskatchewan
Association of Speech-Language Pathologists and
Audiologists**

Clause 1

Mr. Chairman: — Would the minister introduce his officials.

Hon. Mr. Wolfe: — Thank you, Mr. Chairman. Seated to my right is Drew Johnston and behind him, Gerald Tegart.

Mr. Chairman, just for the benefit of the committee, I'd like to make a correction. In second reading I said that the Act also specifies that up to two public representatives may be appointed to the council. That was an error. The Act specifies that one representative may be appointed by Lieutenant Governor in Council to council.

Ms. Simard: — Thank you very much, Mr. Chair. We have had an opportunity, as I indicated before, to review the Bill in some detail and speak to the speech-language pathologists and audiologists. They are in favour of the legislation.

We don't have any particular problem with any specific provisions; however I do want to point to the fact that we have an extreme shortage of speech-language pathologists and audiologists in the province. I have spoken on this in the legislature on numerous occasions. And before me, Mr. Chair, I have a document that was prepared by the association of speech-language pathologists and audiologists back in somewhere around October of 1988. It indicates here that the ratios in Saskatchewan are extremely high of speech-language pathologists and audiologists to population: one to every 13,416; when in Alberta next door, it's only one to every 6,538.

The association also points out to the Minister of Health and the PC government that there's an extremely high turnover rate in Saskatchewan for speech-language pathologists and audiologists, and they indicate that Saskatchewan does not appear competitive with other Canadian provinces in regards to benefit packages. It's not competitive.

And this document, of course, makes a number of recommendations which the government has had, obviously, because I believe that this was presented to the government at some point. It makes recommendations that in order to deal with the professional drain of speech-language pathologists and audiologists from Saskatchewan, that benefit packages and incentives be provided and that employment packages be strengthened.

Well the fact of the matter is they're still not competitive with some of the other jurisdictions. And that may not be the sole reason, Mr. Chair, for the shortage of the speech-language pathologists and audiologists, but it is

one of the reasons that we have a shortage in this province, and it simply has not been addressed by the government.

Now I have gone on before at some length as to the consequences of young children not having access to this service in their developmental years and how crucial it is that young people in need of the service have access to it, but because of the shortage, that access is simply not adequate. And there are similar shortages in other therapies, Mr. Chair, in Saskatchewan; for example, physiotherapists.

And I want to take this opportunity to correct what the Minister of Health said in estimates with respect to physiotherapists. He indicated that we said there were only 180 physiotherapists in the province. And that's simply not true. If he took his time to read *Hansard* he would know we said there were 180 working in Saskatchewan, not 308 as he indicated. He indicated 308 registered. We were talking about working physiotherapists.

We have gone back and confirmed those statistics with the association, and also were advised by them that there were 90 who did some part-time work but some of this work was as little as one day a week or less.

So the minister, when he said our statistics were not correct was quite wrong, Mr. Chair, and, in fact, he did not take the time to read *Hansard* to see that we were talking about working physiotherapists.

But that's an example. That is an example of the shortages that we have in this province in the therapies. And one of the major reasons for it is the lack of benefit packages and incentives. And if we compare salaries in neighbouring provinces, in the prairie provinces, to what's being paid here, and benefit packages, we quickly see, Mr. Chair, that the problem in Saskatchewan is that the government is not competitive, and that is certainly what was pointed out by the association. Now I'm going to ask the associate minister what there is in this particular legislation that helps us deal with this shortage, if anything. Thank you.

Hon. Mr. Wolfe: — Mr. Chairman, probably one of the main things that the Act does to help deal with the shortage is that it gives the profession the courtesy that it deserves and has deserved for some time. The Act and the by-laws will recognize equivalent qualifications from other provinces and countries. The Act and by-laws will allow for the grandfathering of Alberta and equivalent baccalaureate graduates as well as those equivalent professionals not currently members. The professional association is currently encouraging non-members to apply for membership. The Act increases the professional status and activities of these professionals in the province.

As the major employer or funder of these professions or professional physicians, we wanted to ensure the Act not have a negative impact on supply. The Departments of Health and Education are satisfied that the Act achieves this.

Also I'd just like to say briefly that the speech-language

pathologists and audiologists do a real service to the public across the province. I've got a special concern in that I have a son that has used the services of speech-language pathologists. I recognize that early intervention is important, as does anyone that's been involved in that process, and I think that it's time that the profession was allowed to have the status that it does deserve, Mr. Chairman.

Ms. Simard: — Mr. Minister, can you tell me whether or not you have received the by-laws from the association, and if so, could we have a copy of them?

Hon. Mr. Wolfe: — Mr. Chairman, we have a draft of the by-laws. The association is currently drafting and redrafting those by-laws as I understand it. The by-laws would have to be approved by the Minister of Health and then they would be made public. If my opposition critic would like to review the draft, I'm sure we could arrange something like that.

Ms. Simard: — I would appreciate that, Mr. Associate Minister. Now could you tell me whether or not the government is looking at developing incentive and benefit packages that make Saskatchewan competitive with Alberta and other prairie provinces?

Hon. Mr. Wolfe: — Mr. Chairman, I had the pleasure of visiting with a couple of the members, the president and Kelly Richter, last week and we talked about this issue briefly, and anyway, we have a bursary program that is in place. And the bursary program is working and it's working quite well, and we're presently considering possibly expansion of the bursary program. The bursary program, as I understand it, has been in place since the early 1980s, and since that time, the numbers that I have before me are that some 22 out of the 26 individuals that used the bursary program have come back to practise in Saskatchewan, so we seem to think that it is working quite well. The bursary program is fairly expensive, but we're currently considering expanding the bursary program to attract people into the profession. That seems to meet some of the needs that are in place.

Ms. Simard: — Mr. Associate Minister, with respect to the bursary program, your minister was quoted as saying that they would pay for the education of anyone interested in this particular occupation. The fact of the matter is, is there were only two bursaries that were paid last year, and I think perhaps you've raised it to three or four this year, if I recall the minister's response to those questions accurately. That's hardly paying for people who are interested in taking this education.

As I understand, you've received a number of phone calls expressing interest. Now I do understand that a Bachelor's program has to be taken first. So what you are paying for is only the Master's degree program, Mr. Associate Minister. Is that not correct?

Hon. Mr. Wolfe: — What we pay for, Mr. Chairman, is the Master's degree program and it's over \$7,000 per year per student. As far as the numbers that were referred to earlier, it's my understanding that there were four last year, and there'll be four this year. There's two speech-language pathologists and two audiologists, and

that's maybe where there was the confusion about the questions in estimates.

Ms. Simard: — So it's only the masters program you're paying for and then only for bursaries. So if there's eight people who apply, there's only four bursaries. Is that not correct, Mr. Associate Minister?

Hon. Mr. Wolfe: — Mr. Chairman, that is correct, and as I've stated earlier, we're currently reviewing the situation and possibly we could look at expansion of those bursary programs.

Ms. Simard: — Now the bursary issue is not the only issue of course, Mr. Minister. Because when we take a look at salary rates, for example, in Saskatchewan as compared to Manitoba and Alberta, the top range in Saskatchewan is 41,772 according to the information I have. In Manitoba it's 45,183; in Alberta it's 44,000, and in Alberta there is a signing bonus of some 10 to \$15,000. How do you match those salaries and benefits, Mr. Associate Minister?

Hon. Mr. Wolfe: — Mr. Chairman, I'm not totally familiar with the salary breakdown in the other provinces or the benefit package. But I would say that in the consideration that we're giving to looking at the bursaries and possible expansion of the bursaries, we'd gladly take a look at those salaries and review them.

I'm not sure, but it could be that in some of those provinces bursaries aren't available to those students that are graduates, and so that may be part of the reason for the difference in the salary ranges. But I don't have that information before me.

Ms. Simard: — Well, Mr. Chair, we've raised this issue in the legislature not once, but several times. We keep raising this issue in the legislature. We keep saying it's salaries and benefits that are the problem; the association says it's salaries and benefits. And this minister still doesn't know what the comparisons are. No wonder the problem isn't dealt with. They don't even know what the facts are. They haven't even looked into it. And how many times have we raised it?

Now I say that's incompetence. I mean it's not as though it's an issue that hasn't been raised. We've raised it repeatedly. And they still don't know what's going on in that area.

Well I'm going to ask the associate minister another question, and that is: what steps the department is taking to improve services to rural and northern areas.

(1915)

Hon. Mr. Wolfe: — Mr. Chairman, I'd like to say that we are dealing with the speech-language pathology professionals Act, and we're not dealing with estimates. We're trying to give the profession, you know, the rights that they deserve, and give it some status, and try to make the province more attractive in which to practice.

As far as rural and remote areas go, we are currently putting together a health career video for health care

professionals across the province. As I understand it, that health care video would be introduced into high schools, I believe grade 9 or grade 10, so that people across this province, especially rural Saskatchewan . . . although the opportunities that do exist in a health care field whether it be nursing or physiotherapy or speech-language pathology or whatever.

The bursary program is an incentive. It's an incentive for students across the province. And as I understand it, when people sign up for the bursary, Mr. Chairman, we can suggest to them a rural location and may actually help in the designation of the rural location that's available to them.

Mr. Upshall: — Thank you, Mr. Chairman. Mr. Minister, I know a little bit about speech-language pathology, and I want to just ask you for a minute about the Alvin Buckwold Centre in Saskatoon. There are rural school divisions who have people, speech-language pathologists who are so over-worked that they're quitting. The Alvin Buckwold Centre has funding for speech pathologists coming from three different levels, and what they say there is if you want good speech pathology you go to a private pathologist.

Mr. Minister, the problem is that you and your government . . . I mean you can bring in Acts like this to try to tell people that you're helping out people who need those therapists. But I'll tell you, if you were serious about the problem, you would start working toward developing a college at the University of Saskatchewan so they don't have to go to North Dakota or any other places to get the training.

And you can give all the incentives you want. You can give all the incentives you want, but I'll tell you, unless you're serious about correcting the problem . . . and that means case loads that people are capable of handling, which right now they can't handle because the funding isn't there; that means providing incentives to major centres in Regina, P.A., and Saskatoon to provide the facility and the therapists in order to have those people give the children that need those services the proper attention.

Right now you and I both know that is not happening. That is not happening, and I prove that because in the rural school divisions, the case-load . . . the area is so large, the numbers are so heavy, that there are people and children being neglected.

And you may want to bring in your Act to tell them that they're going to give incentives to help those children out, but I'll tell you, Mr. Minister, you have no idea unless you've been out there as to what those case-loads are and what the responsibilities of those people are.

So I ask you: what are you going to do? What will this Bill do? If nothing, what are you going to do to help those people in rural Saskatchewan have the services that are available in other provinces to provide care for their children who need those speech pathology services?

Hon. Mr. Wolfe: — Well, Mr. Chairman, I don't know for what reason the hon. member would approach this Bill in

the fashion that he has. As far as rural Saskatchewan, believe me, I understand rural Saskatchewan. I come from rural Saskatchewan. I come from small town Saskatchewan. I have a son who has had the problem and we've experienced it.

The speech-language pathologists do excellent work. They are available. We have to arrange for meetings and times and things like that, and that's all part of life, but everyone meets those challenges. I'm fundamentally aware of those challenges and the challenges of rural Saskatchewan, much more so than most of the members opposite could ever begin to understand.

At any rate this Bill gives the profession the status that it deserves and that in itself, if you've taken the time to speak to the speech-language pathologists, is something that they really appreciate, Mr. Chairman. They really appreciate this Bill and they are actually upset, quite upset, at the fact that members opposite might stall it.

Mr. Chairman: — Order, order. I'd ask the member from Battleford to rise and apologize to the House.

An Hon. Member: — What did he say?

Mr. Chairman: — He called the minister a liar. I asked . . . I want him to rise and apologize.

Mr. Anguish: — I wasn't even speaking to the minister, Mr. Chairman.

Mr. Chairman: — Order. I asked the member to rise and apologize.

Mr. Anguish: — I said nothing to the minister.

Mr. Chairman: — Is the member going to apologize?

Mr. Anguish: — I didn't . . .

Mr. Chairman: — I ask the member once more to . . .

Mr. Anguish: — I apologize.

Mr. Upshall: — Mr. Minister, you know that that is not true. You know that those speech pathologists in Saskatchewan are overworked because the case-load and the area that they have to cover is so great that they are leaving. They have no benefits. And you can say that this makes them feel proud of their profession. Well I'll tell you it's not proud of the profession that they want to feel; it's they want to have a decent case-load to be able to service those people that need the facilities.

And let me tell you, Mr. Minister, I and several other members of this caucus know exactly what we're talking about because we're directly involved in it. So don't tell me that you know about rural Saskatchewan and that we don't.

There is . . . and I just will take one more second here to repeat this. There is the Alvin Buckwold Centre in Saskatoon who provides those services, and the funding is so confused that there is no responsibility for providing that service. The rural school divisions provide that

service but the case-load is so heavy that they simply do not have time to provide an adequate service.

So, Mr. Minister, I just wanted to get up and tell you that this . . . what you said was absolutely not true. And I ask you to not defend your record, but tell me what you're going to do to improve it.

Hon. Mr. Wolfe: — Well, Mr. Chairman, I mean we'll beg to differ on a few things, but we sure won't beg to differ about our understandings of rural Saskatchewan and the good work that speech-language pathologists do do. And it doesn't take away, Mr. Chairman, from the fact that this Bill does give them the status that they do deserve, and it does other things, Mr. Chairman.

This Bill protects the public. I mean it lays out clearly, you know, the designation for speech-language pathologists and audiologists. There's protection for the public and that's something that the public I believe deserves, and it's something that speech-language pathologists would like to give to them. The speech-language pathologists would like to ensure that the graduates, people that claim to be speech-language pathologists are qualified, and I'm sure that they will take that challenge and meet it.

The commission has made recommendations; the commission has toured Saskatchewan. This is one of the issues that was brought to their attention. And, Mr. Chairman, I'm pleased to report to the committee that it's actually one of the commission's recommendations that we've been able to follow up on, and we've been able to follow up in short fashion.

Ms. Simard: — Thank you, Mr. Chair. Mr. Associate Minister, you said or at least implied by your comments that we were attempting to stall that Bill, and that is a falsehood and you know it. And I have spoken to the speech and language pathologists . . . I spoke to the speech and language pathologists and audiologists; they know we weren't trying to stall this Bill.

They know that you only came forward with this Bill last Friday and then wanted to push it through. They know that, Mr. Minister. The printed Bill came out last Friday and they appreciate the need for us to review the legislation in detail once we receive the final draft, i.e., the printed Bill, which we did. And they also know that providing, after I did my review, we didn't have any difficulties with the Bill, that we were prepared to proceed, with leave if necessary, through committee and third reading. They know we weren't trying to stall that. And your suggestion that we may have been attempting to stall this Bill is a falsehood, Mr. Associate Minister, a falsehood.

We know that this Bill gives the profession status. We know that and we believe the profession deserves it. We know about the good things in the Bill. It will improve their professional status and in this way may attract more speech-language pathologists.

But what we're bringing to your attention tonight — which we've done on several occasions before — is this: you have to go further than this. You have to look at incentives in other provinces. You have to look at benefit

packages. You have to look at work-loads. And you have to take measures in that direction, which means a little political will on your part, Mr. Associate Minister, because this Bill isn't going to be costing you any money. This is something the speech-language pathologists will be administering. It's not costing you any money. It doesn't take any political will and priority setting on your part, Mr. Associate Minister.

And we're saying it's time for the government to stand up in its place and stand behind the speech-language pathologists and audiologists in a real fashion, which is through salaries, incentives, and case-loads, in addition to providing them with their own professional legislation.

Hon. Mr. Wolfe: — Well, Mr. Chairman, I'd just like to say that we are standing up for speech-language pathologists tonight, and we are standing up for the public. And hopefully we'll do them both very well, and I appreciate my opposition critic's comments in that regard.

I would like to also say that we have agreed to review the bursary policy and look at possible expansion. And I've agreed to review salaries and the comparisons. But I'd just caution everyone that the numbers made available here tonight may not have taken into consideration the fact that maybe there aren't bursaries paid in other provinces and things like that. Also a consideration that there's a difference in the cost of living in different provinces and those sorts of things. At any rate, I hope that those comments will satisfy the opposition.

Mr. Chairman: — Order, order. There's no amendments to this Act. The Table is asking for leave to move from item 1 to item 47 coming into force.

Clause 1 agreed to.

Clauses 2 to 47 inclusive agreed to.

The committee agreed to report the Bill.

Mr. Chairman: — I want to thank the minister and his officials.

Hon. Mr. Wolfe: — Mr. Chairman, I would just like to take this opportunity to thank the officials and thank the opposition critic.

(1930)

**Bill No. 19 — An Act respecting the Promotion,
Development, Control and Regulation of the Production
and Marketing of Agricultural Products and Certain
Amendments to Certain Acts resulting from the enactment
of this Act**

Hon. Mr. Martens: — Yes, Mr. Chairman, I have with me Stuart Kramer, acting deputy, to my right; behind me, Calvin Mulligan; and over to my right, Terry Scott.

Clause 1

Mr. Upshall: — Thank you, Mr. Chairman. Mr. Minister, I think this can go fairly quickly, but I just have a couple of

short questions. When it comes to section 7 of the Bill where it talks about establishing the plans and talks specifically about development plans, am I right to assume that this includes the right of an association to have a vote on whether or not they should have check-off for their particular commodity?

Hon. Mr. Martens: — Mr. Chairman, the plan calls for more flexibility in the process than there was before. The plan can have a vote or not a vote. You can go with refundable or non-refundable check-offs. There's a whole dynamic of increased flexibility in relation to the producers and when they want to establish a plan for themselves.

Mr. Upshall: — Mr. Minister, there's one point I guess I want to get to, and I'll get to it now, and that is in the whole area of check-offs, whether or not they're refundable. The problem that I have or the assurance I want from you is that this will not reduce your government's commitment to public funding of commodities that are now publicly funded for research development and marketing.

Because there are several problems that arise in this, and one is that when a commodity group establishes a plan and establishes a check-off, there is the potential then for the producer to fund totally the market research and development of their product. And given your government's history and the federal government's history of reduced funding to commodities around Saskatchewan in particular, I want you to tell me tonight that you will give the commitment to any producer group that establishes a check-off, that that will not facilitate your government reacting by reducing public funding to that commodity.

Hon. Mr. Martens: — Mr. Chairman, we are committed to funding research. The Ag Development Fund was set up in 1985 to deal with research and development and we committed \$200 million to that.

Last year what we did is we put it into legislation, that it became a Crown corporation to deal with an independent board, to deal with the funding for research projects and also the development side where the research goes the next step further in dealing with the components of on-farm testing.

And so the check-offs are a part of an increased opportunity that the boards and commissions may want to have in their specific area that deal with a specific item; for example, marketing research or those kinds of things that they think are important. And we have no intention of reducing the volume of dollars. We want this to walk alongside that.

Mr. Upshall: — Mr. Minister, have you given that commitment to those producer groups who have approached you to ask for the possibility of starting or having a vote on development or marketing? What assurances have you given them? Could you just specifically tell me what amount of dollars that you are putting into, let's say canola research, and how that will be affected by the fact that producers are now . . . could potentially now have a check-off in that industry?

Hon. Mr. Martens: — I can say this, Mr. Chairman: that we are dealing with these on a regular basis today. And we have projects that we've gone together with with the pulse growers. We have projects that we have got together with the sheep and wool commission. We have projects with the pork board. And we will be working together with them on other projects.

And we do that through the Ag Development Fund and then we proceed as a complementary funding method for research and development. And a lot of it focuses back to the boards and commissions having a broader perspective and a unit to come to us to deliver the Ag Development Fund money. And that makes it easier for us to deal with than it did before.

Mr. Upshall: — Okay, Mr. Minister, just one more question then. Can you give me your assurance that in next year's budget there will be no cut-backs in research, development, and marketing programs from your government to the agricultural sector in this province? Can you give me that assurance right now?

Hon. Mr. Martens: — Mr. Chairman, I think that our record speaks for the kinds of things that we do on the research side. We have put money together with the pulse growers into the component of their research that they want to have, with the sheep and wool producers. We have done it with the pork producers. We have even taken the Ag Development Fund money and put it into the ag college in Saskatoon.

All of these things and this Bill are not there to reduce the funding. They're to provide an area of opportunity so that they can better access the funding opportunities that we have. And whether that's with the provincial arm of the research side of the Ag Development Fund or whether that's a federal opportunity in research, it makes a better opportunity for them to gain access to the funds that are there. And we are not in a process here of setting a budget for what we're going to do next year, we're in a process of putting a Bill together that the people want to have. And it makes it easier for them to deal with the one single component that wasn't in the old Bill, and that is the development commissions or . . . yes, the development commissions and the development boards. And those are the things that focus on this Bill. And that's why it's important for us to deal with it at this time.

Mr. Upshall: — I understand that, Mr. Minister. But the concern that I have is that under a Bill like this, where you have reduced the amount of numbers of people who have to vote in favour of establishing a marketing or development board, that potentially could lead you to say, well the producers are now putting in so much money, we don't have to put in as much money. Just simply give me your commitment that you will not, as a result of this Bill, reduce your commitment, your public funding commitment to agriculture in Saskatchewan. Just stand up and say, no, we will not reduce it.

Hon. Mr. Martens: — Mr. Chairman, our record in research, led by . . . our record led by our Premier in research is far ahead of any research that has ever been done in this province before. And that, Mr. Chairman, is

absolutely a fact. And we have the people coming to us from these various organizations and wanting that assistance. And we are providing not only the money for that, but we're providing for them the legislative authority to deal with it, not only in a marketing sense but in a development of whatever they want to do in research or in market development, any of those components. We are there to help, and this is an enabling legislation to do that.

Mr. Upshall: — Well, Mr. Minister, I explained to you the potential that comes out of this Bill. All I want you to tell me is that you will not, as a result of this Bill — whereby producer groups are funding certain specific areas of research or development — that you will not reduce your funding commitment to agricultural projects in Saskatchewan, whether it be the pulse growers, the canola growers, any of the marketing boards. Just stand in your place and tell me that you will not, as a result of this Bill, reduce your current commitment to funding. That's all I'm asking.

Hon. Mr. Martens: — Mr. Chairman, the canola growers have come to us on a number of occasions to deal with some opportunity. They came to us in 1988, the very first time, to deal with an opportunity to develop a commission that would have a refundable opportunity to deal with the market development that they wanted to have.

Secondly, the canola growers wanted that, in that way, to give them flexibility. They didn't have any flexibility in the old Bill. And they prefer this arrangement and this Bill provides them the flexibility. What it does, Mr. Chairman, the third thing it does, is it gives them an opportunity — their organization — to deal with more funding for their direct input. It gives them an opportunity to plan on how they want to come to the government for the Ag Development Fund funding.

And all of those things are more important today than they were before. And that's why this is important to pass this Bill.

Mr. Upshall: — Well, Mr. Minister, we can be here all night. And I've asked you three times now to just make a commitment that you weren't going to reduce your funding to research and development. And, yes, that's exactly right, as one of my colleagues says. That means, because you will not stand in your place and give us that commitment, we know exactly, exactly what you're up to.

What you're trying to do is make it easier for the commodity groups to check, to have a check-off in their product. And you say they use it for specific areas but I know exactly what's going to happen. You're going to say, well these farmers now can fund their own market research and development, therefore the government doesn't have to do it. Mr. Minister, that simply is not good enough. And if you would have had a commitment to maintain your funding, you could have simply stood up and said, yes.

So I guess there's no point in carrying this on any further. I will be watching, Mr. Minister, in your budgets coming

up and I will predict right now, as a result of this Bill, you are going to be probably reducing your funding for agriculture research.

Hon. Mr. Martens: — Mr. Chairman, we have worked together with the organizations that have already become either a marketing board or a commission to deal with the areas that they have wanted to deal with. They have initiated the check-offs and with that check-off they have initiated more funding than they did before. And so what I can say to you is, our record proves that what we are doing is right and that they want to have it. And we have the canola growers dealing with this. We have other people that perhaps will start after they see how they can gain access to this money through organizing themselves province-wide. They'll perhaps deal with it but we want to put a window out there, of opportunity for them, and that's what we're doing.

Clause 1 agreed to.

Clauses 2 to 6 inclusive agreed to.

(1945)

Clause 7

Mr. Chairman: — A House amendment to clause 7, moved by the Associate Minister of Agriculture. Will the members take the amendment as read?

Amendment agreed to.

Clause 7 as amended agreed to.

Clause 8

Mr. Chairman: — House amendment to clause 8, moved by the Associate Minister of Agriculture. Will the members take the amendment as read?

Amendment agreed to.

Clause 8 as amended agreed to.

Clauses 9 to 11 inclusive agreed to.

Clause 12

Mr. Chairman: — House amendment to clause 12. Will the members take the amendment as read?

Amendment agreed to.

Clause 12 as amended agreed to.

Clause 13

Mr. Chairman: — A House amendment to clause 13. Will the members take the amendment as read?

Amendment agreed to.

Clause 13 as amended agreed to.

Clause 14

Mr. Chairman: — Clause 14 has a House amendment moved by the Associate Minister of Agriculture. Will the members take the amendment as read?

Amendment agreed to.

Clause 14 as amended agreed to.

Clauses 15 to 33 inclusive agreed to.

Clause 34

Mr. Chairman: — Clause 34 has a House amendment moved by the Associate Minister of Agriculture. Will the members take the amendment as read?

Amendment agreed to.

Clause 34 as amended agreed to.

Clauses 35 to 40 inclusive agreed to.

The committee agreed to report the Bill as amended.

(1930)

THIRD READINGS

Bill No. 27 — An Act to amend The Labour-sponsored Venture Capital Corporations Act

Hon. Mr. Neudorf: — Now, and passed under its title.

Motion agreed to, the Bill read a third time and passed under its title.

Bill No. 38 — An Act to amend The Municipal Employees' Superannuation Act

Hon. Mr. Neudorf: — Now, Mr. Speaker.

Motion agreed to, the Bill read a third time and passed under its title.

Bill No. 35 — An Act to amend The Income Tax Act

Hon. Mr. Neudorf: — With leave now, Mr. Speaker.

Motion agreed to.

Hon. Mr. Neudorf: — With leave now, Mr. Speaker.

Motion agreed to, the Bill read a third time and passed under its title.

Bill No. 34 — An Act to amend The Child and Family Services Act

Hon. Mr. Neudorf: — Now, Mr. Speaker.

Motion agreed to, the Bill read a third time and passed under its title.

Bill No. 4 — An Act respecting the Consequential Amendments to Certain Acts resulting from the enactment of The Child and Family Services Act

Hon. Mr. Neudorf: — I move that the amendments be read now, Mr. Speaker.

Motion agreed to.

Hon. Mr. Neudorf: — Right now, Mr. Speaker.

Motion agreed to, the Bill read a third time and passed under its title.

Bill No. 33 — An Act respecting the Administration of Young Offenders' Services

Hon. Mr. Neudorf: — Mr. Speaker, I move that this Bill be now read the third time and passed under its title.

Motion agreed to, the Bill read a third time and passed under its title.

Bill No. 47 — An Act respecting the Saskatchewan Association of Speech-Language Pathologists and Audiologists

Hon. Mr. Neudorf: — Mr. Speaker, I move that this Bill be now read the third time and passed under its title.

Motion agreed to, the Bill read a third time and passed under its title.

Bill No. 19 — An Act respecting the Promotion, Development, Control and Regulation of the Production and Marketing of Agricultural Products and Certain Amendments to Certain Acts resulting from the enactment of this Act

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

Motion agreed to.

Hon. Mr. Neudorf: — By leave right now, Mr. Speaker.

Motion agreed to, the Bill read a third time and passed under its title.

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 50 — An Act to amend The Teachers' Superannuation Act

Hon. Mr. Meiklejohn: — Thank you, Mr. Speaker. Mr. Speaker, I am pleased to explain the reasons for this enabling legislation and what it will accomplish. The issue with which the Bill deals, Mr. Speaker, is the integration of pension payments from the teachers' superannuation plan with payments from the Canada Pension Plan. I should emphasize at the outset that the issue pertains only to the old formula pension plan for teachers. It does not apply in any way to the annuity plan established in 1980.

Mr. Speaker, my colleague, the Minister of Finance, recently tabled the *Report of the Provincial Auditor* with

respect to integration as it is interpreted for purposes of the teachers' superannuation plan. The auditor determined that the integration formula being used for the plan is not only inconsistent with the existing regulations, but that the formula itself does not bring about true integration as required by the Act. The outcome was that the only way in which the issue could be resolved was through amendments to The Teachers' Superannuation Act itself, which is what we are dealing with in this Bill.

Mr. Speaker, teachers' superannuation is a mandatory item in the provincial teacher bargaining, and it has been past practice for changes in the superannuation plan and the legislation to be agreed to during the bargaining process. This Bill follows the traditional approach in that it is enabling legislation designed to allow the terms of a negotiated agreement to be implemented.

Mr. Speaker, I want to outline the two main aspects of the negotiated agreement which this Bill will allow us to implement. First is the question of past pension payments. Some time ago I provided assurance to all superannuated teachers that I would be taking all possible steps to ensure they were not required to repay any part of past overpayments they might have received.

This Bill will fulfil that commitment by allowing the passage of a retroactive regulation to validate all pension payments from 1966 onwards. By retroactively providing legal authority for these payments, we will be eliminating any question of overpayments or repayments.

A major concern of existing superannuates has been the potential impact of the integration issue on their future pension amounts. I am pleased to say that existing superannuates will have their pensions fully protected under the terms of the agreement. This Bill will allow us to authorize the continued payment of pensions to these superannuates in accordance with the existing procedures.

The second major aspect of the agreement addressed by this Bill is payments to future superannuates. In this respect, the Bill provides for integration of the Canada Pension Plan with teachers' superannuation benefits in accordance with proposals put forward by the STF (Saskatchewan Teachers' Federation) representatives and agreed to by the government-trustee committee.

Regulations will provide that teachers who retire between now and December 31, 1991 will have their pensions calculated in accordance with the integration formula currently in use. Teachers who retire after that date will have their pension benefits integrated with Canada Pension Plan payments at age 65 in a manner similar to teachers in most other provinces.

As I have said, Mr. Speaker, this Bill is intended to enable the implementation of the terms of a negotiated agreement. The Bill deals with a serious legal and financial problem which had to be addressed quickly and decisively, and I am pleased that we are able to proceed on the basis of such an agreement. I believe that the legislation will eliminate the concerns of existing superannuates and will establish the basis for fair and reasonable integration of teacher pensions in the future.

I therefore move that Bill No. 50, An Act to amend The Teachers' Superannuation Act be now read a second time.

(2000)

Ms. Atkinson: — Thank you very much, Mr. Speaker. Mr. Speaker . . .

Mr. Muirhead: — I would like to ask leave of the Assembly to introduce guests.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Muirhead: — Thank you, Mr. Speaker. I'd like to introduce three gentlemen up in the gallery here, three farmers, irrigation farmers from Outlook. They've been in today to the farm show and come over to watch the proceedings tonight. They're Mr. Ansil Derald and his two sons Reg and Ray. They're also in the irrigation business selling irrigation equipment, and I thank them for coming over here tonight, and I ask my colleagues to give them a warm welcome. Thank you, Mr. Speaker.

Hon. Members: Hear, hear!

SECOND READINGS

Bill No. 50 (continued)

Ms. Atkinson: — Thank you very much, Mr. Speaker. First let me say that the government of Saskatchewan and the Minister of Education and their behaviour on the administration of the teachers' superannuation plan has been most despicable. You and your government, Mr. Minister, have caused untold anguish for literally thousands of Saskatchewan teachers, whether they're presently retired or looking forward to retirement. This government caused this crisis. They like to blame the Provincial Auditor but this government caused this crisis.

On April 20, 1990, Lorne . . . pardon me, the Minister of Finance, the member from Weyburn, wrote the Provincial Auditor asking whether the Teachers' Superannuation Commission was following its own legislation and regulations governing the integration of CPP (Canadian Pension Plan) benefits with the teachers' superannuation benefits.

On May 11, 1990, the Provincial Auditor's office, after seeking a legal opinion from their legal counsel, Mr. Gordon Neill, advised the Minister of Finance that the Teachers' Superannuation Commission had been calculating pension benefits under the teachers' superannuation plan in a manner that did not comply with the legislation or the regulations. The Minister of Finance then moved the auditor's report in this legislature on May 23, 1990.

It was obvious, Mr. Speaker, that the Teachers' Superannuation Commission has accepted the auditor's report and they determined that they weren't in a position to rectify the problem of the regulations.

Then the Minister of Education advised teachers, presently receiving pension benefits, that they would not have to pay back any payments all ready received. And then — and then the Government of Saskatchewan went to the bargaining table and literally put a gun to the heads of the teachers' bargaining committee.

An Hon. Member: — Get off of it.

Ms. Atkinson: — Now the members over there can say, get off of it, but that's simply not true, Mr. Speaker, it's simply not true. The truth hurts — the truth hurts. They came to that bargaining table with a gun to the head of the teachers — that's what they did.

And what they said was, you either agree with what we want or we're going to implement legislation. And this Minister of Education tells us that pensions have always been negotiated in this province and that's true. But last Thursday and Friday, the Minister of Education, through his bargaining committee, was threatening to impose his view of the world when it came to teachers' pensions. And that is so. And that is so.

Now the teachers tabled a proposal to deal with this situation. They tabled a proposal last Friday to deal with this situation which is basically the legislation that we see here before us. But last Friday, the government bargaining team was not prepared to deal with the teachers' proposal, and what did they do? On Monday this government served a notice of motion of its intent to introduce legislation regarding the integration of Canada Pension Plan with the superannuation plan. That's what they did.

And on Tuesday, on Tuesday they were able to negotiate the same proposal that the teachers had put forward on Friday. And I say that's despicable; that's despicable. You put a gun to the teachers' heads and that's exactly what you did, Mr. Minister of Health. And, Mr. Minister of Health, you don't know what happened at the bargaining table, but the Minister of Education certainly does.

Mr. Speaker, this government has caused untold anguish for teachers across this province. We had teachers writing people; we had teachers phoning people; and we had teachers in this gallery putting pressure on this government. And what they were saying was, negotiate; don't legislate. Negotiate; don't legislate — because that's historically been the trend in this province.

Now the government, by serving notice of a Bill on Monday night to unilaterally change teachers' pensions, clearly showed its lack of respect for the right of teachers to bargain collectively. It clearly shows disrespect for the collective bargaining process. The government's actions have caused a great deal of concern to retired and working teachers. The government's thoughtless action in this entire situation could very well have provoked a province-wide provincial strike. The government's action is sending a message to teachers across Canada that the province of Saskatchewan did not care about its teachers at a time when school boards are desperately trying to attract teachers to this province because of pending shortages.

And I wonder, is it a coincidence that this pension issue was raised immediately after the STF launched a court case to force the province to meet its financial obligations to the Teachers' Superannuation Fund.

Generally, Mr. Speaker, the government has used strong-arm tactics in dealing with this entire situation — that's what they did. And what we see here today is the legislation that does protect superannuate pensions . . .

Some Hon. Members: Hear, hear!

Ms. Atkinson: — It does protect superannuates' pensions, but it's the very same proposal that the teachers had put forward last Friday, Mr. Speaker — last Friday.

And I say to the members opposite, your behaviour has been despicable. You've caused untold anguish for literally thousands of teachers. And even though we have this legislation today that will protect teachers' pensions, whether they're superannuated, and will protect teacher's pensions the way . . . the formula . . . the way Canada Pension Plan is integrated with the teachers pension up until December 31, 1991. We still have to deal with what happens to teachers on January 1, 1992.

Now I understand that there has been a memorandum of agreement as to what happens to teachers' pensions as of January 1, 1992, but that still has to be confirmed once the entire collective bargaining process has been through, and then that will be taken to teachers.

And all I can say to you, Mr. Minister, is there are literally dozens of other issues on the bargaining table, and I would suggest to you that you get down to business and negotiate a collective agreement in this province so that we won't continue to have labour disharmony in the teaching population which we've certainly seen to date. Thank you very much, Mr. Speaker.

Motion agreed to, the Bill read a second time and referred to a Committee of the Whole at the next sitting.

COMMITTEE OF FINANCE

Consolidated Fund Budgetary Expenditure Executive Council Ordinary Expenditure — Vote 10

Mr. Chairman: — Would the Premier introduce his officials.

Hon. Mr. Devine: — Thank you, Mr. Chairman. I would like to introduce several officials. Beside me is my deputy minister, Mr. Stan Sojonky; behind him is the secretary for social policy, Mary Tkach; the director of administration is Don Wincherauk; and the secretary for economic policy is Oswald Henry; and the associate deputy minister of intergovernmental affairs is Andre Dimitrijevic. There are other officials here and maybe even more than that from time to time.

Item 1

Mr. Lingenfelter: — Thank you very much, Mr.

Chairman. I want to say to the Premier before we start the estimates that the Leader of the Opposition will be back in the Assembly probably in about an hour, and in the meantime, I've got some questions and I know other colleagues have questions that they want to put to the Premier.

I want to start off, Mr. Premier, by asking you for the name and title and current salary of your personal staff, if you could give me that list. I think that's a routine question. You probably have it with you. If you'd send that across and I could have a look, then I'll have other, subsequent questions on that.

Hon. Mr. Devine: — Mr. Chairman, we'll provide it shortly. Maybe the hon. member could elaborate on personal staff, what he means a little bit more precisely — if he wants all of Executive Council, or what particular people, and we can . . .

Mr. Lingenfelter: — What I'd like, Mr. Premier, is your staff in your department that you're responsible for, with the salaries and any increases that may have occurred in the past, let's say, 12 months. And if you can get that over to me as soon as you can, because there's some questions that I just want to ask following that.

(2015)

Hon. Mr. Devine: — We'll put that together as quickly as we can and send it to the hon. member within a very short period of time.

Mr. Lingenfelter: — I wonder as well, Mr. Premier, if you can tell me the name and salary of your deputy minister, and also if you could, whether there's been an increase in salary or any of the remunerations in the past year.

Hon. Mr. Devine: — The deputy minister is Mr. Stan Sojony who's sitting beside me, and he started in November at a salary of 9,269 per month, and it has not changed.

Mr. Lingenfelter: — Mr. Premier, I wonder if you could tell me what the previous deputy was making, the monthly salary, so I can make that comparison.

Hon. Mr. Devine: — The previous deputy minister received seventy-nine ninety-nine, as of November '89.

Mr. Lingenfelter: — Mr. Minister, I wonder if you could tell us whether or not this increase, percentage increase — and I'm just taking the time now; my colleague is figuring that out — but would this be a standard increase that everyone in your department would have received? I understand that your staff received at some point, a 10 or 12 per cent increase during the past year. Was this across-the-board increase that everyone received, or was it just the deputy minister's salary that went up by this amount?

Hon. Mr. Devine: — There was a structural increase of 4 per cent. And then there are performance increases that would be, not across the board, but depending on individual performance.

With respect to the deputy minister, I think, as you probably know, Mr. Sojony was the deputy minister of Health, a rather senior individual. So when he moves across, it would be reflected in the fact that he is a senior individual coming laterally from one deputy's position to another.

Mr. Lingenfelter: — Well I'm not here to argue whether your deputy does a good job or whether the salary is the right salary. All I'd say that I'm sure that he replaced someone of a high level as well. I'm sure that the person that was earning \$7,900 a month was a high-level civil servant. The simple fact is that the increase in salary is 17 per cent — about 17 per cent. From 7,900 to \$9,200 is an increase from \$96,000 a year to 111, or about \$15,000 a year. That's over a thousand dollars a month increase.

And I just make the argument, not whether or not your deputy is doing a good job. I'm sure he is. I'm sure he does a good job every day. But what I'm saying is that at a time when your government finally admits that there's child hunger in this province and that 64,000 kids are going hungry and you have 3 cents a day for them, that when you have civil servants getting increases of 17 per cent or \$1,000 a month, that people ask, and not surprisingly, where is the fairness and why has this government gotten out of touch so quickly.

And I want to make it clear that I'm not attacking or arguing about whether or not your top civil servants in your department do a good job. What I'm talking about is the fairness and the perception of fairness that the public will think about when they see someone getting a 17 per cent increase.

And the decision obviously, moving from 7,900 to 9,200, that position, the salary paid to that position has increased by 17 per cent. And I would just like to ask you, Mr. Premier, whether or not at a time when farmers are going broke — 10,000 of them facing foreclosure, many of them as a result of your own government's foreclosure notices, 10,000 who have already left in the last eight years for a total of 20,000 farmers who have left or are being forced off the land — is it fair that some civil service positions are getting increases of 17 per cent or salaries of \$111,000 a year?

Hon. Mr. Devine: — I'll just say to the hon. member so that he has a fair comparison. The deputy sitting beside me was the deputy minister of Health, and he was receiving between 8,500 and \$9,000 per month as the deputy of Health. So it was not a 17 per cent increase when he comes over to becoming the deputy in my office. So he's a senior civil servant. The individual that was the deputy minister before was obviously a younger individual who had not been at the deputy minister level, but obviously made it, and he was a more junior position.

So I don't think that you would want to see a deputy minister, say, for example, of Health in any public service move into the Premier's office and take a cut — I mean, just move across — if he's earned it. He's been there for years, served in several departments, in Social Services and Health and others. He has the experience. And it's pretty much a lateral move.

So just to point out, it's not really fair to say that he got this increase, and he didn't. He has had this experience, he brings it to the office. And if you were to hire him, that's about what you would pay as a deputy. If he was hired by another government as a deputy level, it would be about the same.

I mean, I understand why you're saying that it may be associated with that kind of an increase. But this individual is a senior civil servant, was paid this particular level, and to bring him into the office you have to stay in the ballpark.

Mr. Lingenfelter: — Mr. Premier, you've indicated that your deputy was in the Department of Health, earning \$8,500 a month, I believe, and is now working over in your department at \$9,200 a month. That's about a 10 per cent increase. And any way you cut it, whether you go position where the increase is 17 per cent, if you just go by the amount being paid to your deputy versus, I think, Mr. Riddell who was there before — I think that's who your deputy was before — that the position has had a 17 per cent increase in the amount being paid. And if you compare your present deputy's position in the Department of Health to the position now, it's a 10 per cent increase.

I think the point remains the same: is that many people in the public think that at a time when others are being told there's no money for minimum wage increases, except at election time; when farmers are being told that they have to do with less than they had last year; that people wonder why. And I say again, I'm not arguing whether your civil servants are doing a good job or not — that's not the point — but if it's good for high-paid civil servants to get a 10 per cent increase, then you have to believe that people on the bottom rung of the ladder deserve a 10 per cent increase as well.

And I just don't know how you can expect the public to believe that some in our society who are already making in the area of \$100,000 a year deserve a 10 per cent increase, working for the government, protected; while people who are on the front line, earning 5 or \$6 an hour, are being told that there's no money for increases. And I would just like you to deal with that for one moment, Mr. Premier, the fairness of that approach. How is it that your employees in your department get an automatic 4 per cent increase, plus bonuses; your deputy gets a 10 per cent increase, or 17 per cent if you look at the position *per se*? How do you justify that in the light of the fact that the economy of the province is in a very, very disastrous and precarious position?

Hon. Mr. Devine: — Mr. Chairman, I'll point out to the hon. member that the increases, for example, in the minimum wage as of January was 25 cents, and July 1 will be another 25 cents. So it's 11 per cent the first time and a 10 per cent increase the next time, so you're looking at a relatively significant increase across the piece so that you will have now the minimum wage at \$5.

That certainly ranks with other jurisdictions, Mr. Chairman. And if the hon. member wants to make the point that it's people at all levels deserve an increase, the floor has been raised 11 per cent in January and 10 per

cent by July which is, added together, relatively significant. It may not in his view be high enough, but it's probably as high a move in terms of minimum wage in a six-month period as we've seen for some time. So it's a fair comparison.

Again I will go back to the salaries of my deputy. His change in going from responsibility to Health to responsibility for all the departments was a 7.8 per cent increase. And I'm sure he would know, being in government, there's a very large responsibility associated with being the deputy minister in Executive Council. Because of his experience versus the previous public servant that was there, you have to pay that kind of salary to get people to move laterally. If he was to move to a department in Alberta or Manitoba, it would be very, very similar.

So I think it's comparable. His was 7.8 per cent. The minimum wage went up 11 per cent in January and another 10 per cent in July.

(2030)

Mr. Lingenfelter: — Well, Mr. Premier, I don't want to get bogged down on this point because I've got a number of other questions that I want to ask. But I really think that many of the people who watch the proceedings here and have an understanding of how salaries work and see the spread between the rich in this province and the poor growing by leaps and bounds, which it always does when you have — and I'm not being particularly critical of your government — but when you have right-wing governments in power the spread always magnifies. And it doesn't come as any surprise, nor should it.

But when you have your deputy earning \$111,000 a year . . . And I don't know how much experience he has. He may be a long-time, 20-year employee at the level he's at. I don't think he is, and I'm not going to get into that. But I think he's rather recent as a deputy minister, within the last five years. But I want to say to you, Mr. Premier, this: when you have people on minimum wage, and this is after the increase, after your much talked about increase which happened after five years of being frozen, earning the same amount in one year as your deputy does in one month, I think the gap is too great.

Now you may not agree with that. You may think that the gap of having someone on minimum wage working 40 hours a week every week of the year, earning one-twelfth of what your deputy earns — and I'm not saying he doesn't work hard, but I'm sure his life-style is commensurate with the kind of income he gets — that I think the spread is too great. That's the point that I'm making.

Now we can argue whether he should be earning twelve times as much or six times as much, but carrying this program on where the people at the top get 10 per cent increases year after year, and the people at the bottom get an increase once every five years, you can see where we get to in a very short period of time.

And I'm not to be argumentative. But I just want to make the point when we have the highest level of family

poverty in the country at the present time — this is from Statistics Canada and other people who follow it closely, the highest level of family poverty in the country — then I think we have to be careful about the increases we give our top civil servants. Whether it's your deputy at 111,000 or whether it's Chuck Childers at 740,000, I think we have to be very, very careful about the kind of messages we send to poor people in telling them to tighten their belts. That isn't fair. It shows you're out of touch.

And I want to ask you one more time, Mr. Premier, whether you think that the people who are earning \$100,000 a year working for your government, or \$740,000 a year, and getting those kind of increases, that that is fair. In light of the fact that we have tens of thousands of children, 64,000 children going hungry at the present time in the province, is that fair?

Hon. Mr. Devine: — Mr. Chairman, we usually get into this discussion where the opposition does pick on the public service. And they do it every year and they'll say that the public service should not be paid what it's paid. And then they'll compare it to the minimum wage. Everybody knows that a minimum wage is the starting wage; it certainly isn't the maximum. And young people start on it and other people live with it. But they always make the comparison. And I'm sure that the public service does not appreciate the fact that they do get picked on.

When you look at the spread, Mr. Chairman, when you look at the spread, I'm sure that if we look at, Mr. Chairman, the spread between those that have and those that do not all over the Soviet Union, Mr. Chairman, you'll find that 1 per cent of the population in the Soviet Union is very rich, very high under the Marxist system. And the rest of the people are very, very poor — very poor.

And they've decided to change that system and go to democracy and go to a market and go to a mechanism that allows people to improve and have equitable access to improvement.

Mr. Chairman, the opposition, if they want to compare the Soviet bloc to the North American bloc in terms of fairness, in terms of opportunity, we would . . . you know, I suppose we could be here debating it for a century, but the Soviet bloc has said, I give up. We've been wrong. Marxism didn't work. We're abandoning it. We're going to democracy and we're going to markets and we're going to have some fairness. Because the gap between those that are poor and the 1 per cent in the civil service that have all the money is so wide, people said it's terrible.

And when you talk about farm income, farm income in the Soviet Union is very, very low — very, very low. And if you talk about family poverty in the province of Saskatchewan, there's family poverty on the farm as a result of drought, as a result of high interest rates, and other things, Mr. Speaker. And I can only say to the hon. member that we have delivered in the neighbourhood of \$7 billion in the last five years into terms of farm income; just in the next few weeks another quarter of a billion

dollars.

It certainly isn't enough. But obviously, Mr. Speaker, with respect to agriculture . . . And the hon. member compares civil servant salaries to agriculture. Well I mean let's . . . we might as well get right into it and say it's difficult when it's dry. It's difficult with drought. But our capacity to deliver to farmers in the neighbourhood of \$100,000 per farm on average, Mr. Speaker, is not enough, it's not perfect, but it certainly has been a significant contribution, and the hon. member also knows that.

So with respect to the public service, they do work hard. The public service individuals who have dedicated their career need to be respected. They have contributed and they compete in the province of Saskatchewan with any public service across Canada. And I don't think that it's fair to pick on them, saying, well they should be taking less than their professional counterparts in other jurisdictions because of problems in drought or problems some other place.

Let me finally make the point: we've reduced the Executive Council staff by eight person-years. We've reduced the budget by over \$300,000. We've cut our salaries and rolled them back to 1989, Mr. Speaker. The opposition didn't; I'll say that. I mean for the Marxist supporters, Mr. Chairman, they didn't roll back their salaries, but we rolled back ours. And I say that to the viewing audience that is watching tonight, that the cabinet ministers and the legislative secretaries rolled back their salaries. I've cut my staff. I've cut my budget by \$300,000. And I didn't see the roll-back over there. So if they're concerned about the minimum wage or if they're concerned about the taxpayers maybe saying that this Legislative Assembly spends too much money, it was reduced on this side of the House.

But, Mr. Chairman, it was not reduced on that side of the House. So you can't have it both ways. I mean, we rolled ours back. I don't believe that the Leader of the Opposition or the other members rolled theirs back as well.

So I would just, if the hon. member wants to compare a market economies and Marxist economies, I suspect we could get into it for a long time. But obviously we believe that the gap in democracy and in a market-driven economy is certainly much fairer, Mr. Speaker and Mr. Chairman, than you would find in the Marxist economies which have now said it just didn't work.

Mr. Lingenfelter: — Mr. Premier, I suppose I could say I'm happy that you're into the position of now defending the Chuck Childers salary of 740,000 a year and arguing that that is a proper amount of money to pay one individual, \$740,000 a year. But I can tell you, there are literally tens of thousands of people in this province who don't think it's fair. There are tens of thousands of farmers who believe that paying one individual \$740,000 a year . . . in fact a no-cut contract for five years that amounts to over \$3 million that has to be paid out whether that employee is working or not working, whether he is at some point proven to be mentally incompetent or not, that he still gets paid that \$740,000 a year — you're now in a position of defending that.

And if it wasn't so sad, I tell you, Mr. Premier, we may laugh about it. But the problem is that you allowed, and your Minister of Families allowed, \$740,000 to feed the 64,000 hungry children that you admit exist and live here in the province of Saskatchewan, the same as one individual receives working in your newly privatized Potash Corporation of Saskatchewan. And this is not a deal that was signed by the new company; it's a deal that was signed by your minister and your government while the company was being privatized. At the very time we were debating the Bill in the House last year, your minister and your government signed the deal with Mr. Childers that allowed for him to receive \$740,000 a year for five years.

Now you can see the contrast to why people are upset. Here you have the children being taken care of by your new Minister of the Family, getting 3 cents a day per child, and Mr. Childers getting \$2,000 a day for the work he does. Now don't be surprised if some people in the province will say you're being unfair and out of touch.

Now you can compare and say that in eastern Europe people are rejecting that form of government, and I agree, as well they should; as they're rejecting your friends, the dictatorships on the right wing in places like Chile. They're rejecting them because they don't like them. And I can say that you're the same as Augusto Pinochet in Chile, but everyone knows that's nonsense for you and I to debate how we're like eastern Europe and you're like the dictators in Chile. And we know that's childish and silly.

And that's why the eastern press is beginning to write about you, sir, because of your absurd statements and stretching of the truth. It makes not one tittle of sense for you to come here and compare us to Marxists in East Germany, any more than it does for us to compare you to Pinochet, the dictator in Chile who kept government there by using guns and was a right-winger like yourself. I mean, you know that's an absurd argument.

And so I wish you would treat this place with the respect that it deserves, of debating the philosophy of the New Democratic Party of Saskatchewan versus the policies of your government.

An Hon. Member: — What is your policy?

Mr. Lingenfelter: — Well our policy is well-known. For 10, 11 years we balanced the budgets; we had growth in the economy; we had no deficit. The record of the New Democratic Party is well-known.

But I say to you, sir, that you are now in a position of defending Chuck Childers's \$740,000 and saying that that's a good deal — a good deal. But I want to say to you, sir, that there are many, many farmers and working people who believe that having 70 per cent of the single parents in Saskatchewan living in poverty is not good. You can argue that that's all right because these high-paid civil servants, your staff, are working harder than everyone else in the province. But many people will say, well if that's true, why are we in so much economic trouble? Why have we got a \$14 billion debt? That's what

they're saying.

Now to defend Chuck Childers's salary may be a position you want to be in, sir, but I want to say to you that the poverty in this province, which is escalating at a very, very high and fast rate, is in part at least due to the fact that some people who work for your government, Chuck Childers and others, are earning more than they deserve. So I want to say to you that in closing this part, I'm disappointed that you haven't got more compassion for the working poor in this province, and at least would say, we have to work harder in order to get them up to a living salary and a living income so that they could take proper care of their children and family members.

Mr. Minister, I now want to turn to out-of-province trips for a few moments, and ask you, can you tell me the agencies that you're responsible for and the department that you're responsible for; can you tell me the destinations, the persons accompanying you, and the total cost of the trips, and the purpose of the trips that you took outside of Saskatchewan during the past year, during the past 24 months.

Hon. Mr. Devine: — We'll provide that.

(2045)

Mr. Lingenfelter: — I wonder, will you get that to me within the next few moments, because there'll be some questions that I want to ask. I would like that broken down too, Mr. Premier, in terms of Air Canada, Canadian Airlines, and the amounts paid.

I would also like to ask you, on those days where you're not able to catch a commercial airline, and I'm sure in most occasions you do or you would try to, on those days where you have to lease an aircraft — for example, jet aircraft that I understand you had to use today in order to make your commitment in Newfoundland and then get back to the House for estimates . . . I would also like to know the commercial charters that you would use.

And also if you would tell me which company you would use on a day like today where you had to use jet service. I'll ask you that one pointed question. For example today, which company provided the jet service that you used to go to Newfoundland?

Hon. Mr. Devine: — The charter from Saskatoon was West Wind to Ottawa, and from there to Newfoundland and back again was with the federal government.

Mr. Lingenfelter: — Can you tell me, Mr. Premier, on the flight to Ottawa, can you tell me the cost of that portion of the trip and who was responsible for paying it?

Hon. Mr. Devine: — I don't have today's, but here's one that would be, I would think, very similar: Westwind Aviation, Regina, Ottawa, Thunder Bay and return on . . . well it was in 1989 and it was \$9,430. I imagine it would be very similar.

Mr. Lingenfelter: — So that was in 1989, probably about, like, 9,000, probably about 10,000. Could you tell me who was responsible for making that payment? Was that

picked up by the federal government? The total trip? I imagine they paid for the trip from Ottawa to Newfoundland, but who was responsible for the charter that you took this morning and back? Was that the responsibility of the federal government, the Newfoundland government, or the people of Saskatchewan?

Hon. Mr. Devine: — Executive Council pays for flights that I would take in terms of charter. The federal government pays for the air force. I mean, if you use a Challenger that I used today, it's federal government expense.

Mr. Lingenfelter: — Well, Mr. Minister, my question then is: can you tell me how many flights, charter flights, that you took outside the province in the past year. Have you got the number, the people who went with you, and the cost of those trips, the total?

Hon. Mr. Devine: — My officials are constructing that and we'll get it to you as quickly as we can.

Mr. Lingenfelter: — Mr. Chairman, I want to ask the Premier a couple of questions associated with travel. Can you tell me the booking agencies that you would use, the travel agencies that you would use when it comes to arranging your travel? Have you got a travel agent of record, or are there one or two travel agencies you use? And can you give me the names of those?

Mr. Chairman: — Why is the member from Kinistino on his feet?

Mr. Saxinger: — I would like to ask for leave to introduce some guests.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Saxinger: — Mr. Chairman, I'd like to introduce some guests seated in the Speaker's gallery. They are Gary and Debby Varga from St. Benedict, and Guy and Linda Bilodeau from Debden. These two are partners. They just bought the Chisum mill in northern Saskatchewan. They are here at the show to display their log building. They are in the Jubilee Building if anybody's interested to have a look at it. And I want to ask this Assembly to please help welcome these guests to this Assembly.

Hon. Members: Hear, hear!

COMMITTEE OF FINANCE

Consolidated Fund Budgetary Expenditure Executive Council Ordinary Expenditure — Vote 10

Item 1 (continued)

Hon. Mr. Devine: — We are phoning the public servant that does my booking, and she will outline the agencies that she uses. She uses Air Canada an awful lot and probably several. But we'll get that information.

Mr. Lingenfelter: — Mr. Premier, while you're at it I want to make sure that you understand what I'm asking here. I want you to give me the travel agencies, not the . . . I asked in a previous question the airlines that you use. I'm not asking for the carrier at this point; I'm asking for the travel agencies. And if you would give me the list of those.

Just a couple of other things that I would like information on before I give up the floor to a couple of my colleagues. I want you to give, for the year 1989-90, the total amount spent on the agency to your agency of record on advertising; and for 1990-91, the amount that you have budgeted for advertising; and secondly, for the year 1989-90, the total amount spent on polling in your department in market research; and also for '90-91 the amount that you've budgeted for polling in your department.

And I would like that information. Make a commitment to get it to me in writing. I'll then turn this over to my other colleagues.

Hon. Mr. Devine: — We'll provide that.

Mr. Lautermilch: — Thank you very much, Mr. Chairman. I have some questions as well to the Premier. Mr. Premier, over the last number of years you've been talking consistently about a code of ethical conduct for Saskatchewan cabinet ministers and legislative secretaries. And I want to quote from some of the documents that you've placed before the people of this province and some of the comments that you make. And I want to say, Mr. Premier, I'm not sure that you have fulfilled that commitment because I don't see anything that has happened here in the legislature, and I would like to ask as to what you're future plans are with respect to that.

I want to quote from a white paper on proposed ethical conduct put forward and signed by you in March of 1986. And I quote, it says:

This government has stated a commitment on a number of occasions to the development of conflict of interest guide-lines for ministers and legislative secretaries.

I'll skip some, but it goes on to say:

The proposed code of ethical conduct sets out seven basic principles for which this government believes should govern the behaviour of public office holders in the conduct of their duties.

Mr. Minister, I'll just quote a couple of those for you this evening. And the second principle you list is, and I quote:

Any conflict between the private interests, the public office holders, and their official duties, must be resolved in favour of the public interest. Upon appointment and while in office, public office holders are expected to arrange their private affairs in a manner that will prevent conflicts of interest from arising.

Under article five, Mr. Minister, you state:

The public office holders shall not take personal advantage or private benefit from information obtained in the course of their official duties.

Now, Mr. Minister, this goes back, this document, from 1986, as late as this spring.

In March in your throne speech, you indicated to the people of Saskatchewan that you still had that commitment that you gave to the people years back. You've had a white paper from the Hon. E.M. Culliton in November of '86. In your throne speech of this year, and I want to quote from that throne speech, Mr. Premier, you say — this was March of 1990:

The people have told my ministers it is critical all elected public office holders act in the performance of their duties with the utmost regard for the interests of the people of Saskatchewan. To avoid even the appearance of any wrongdoing by my ministers, my first minister will implement a set of guide-lines for the ethical conduct of cabinet ministers and legislative secretaries. These guide-lines, enforceable by the Premier, will be made public.

Well, Mr. Minister, we've sat through almost . . . some 60-some days of sitting in this session, and I've seen nothing introduced in this legislature. And I want to quote to you, Mr. Premier, from the Regina **Leader-Post** of June 14, 1990. It says:

In the hours before the March 20 throne speech, Premier Grant Devine told reporters that he would introduce a code of ethics for cabinet (ministers) and legislative secretaries sometime early in the session.

It goes on to say:

Legislation that would provide the public with even greater freedom to access government records could also be formulated in time for inclusion in this session.

Further on, Mr. Premier, in that particular newspaper article, your Deputy Premier is quoted and said that both are under review by the government.

Well, Mr. Minister, we've had commitments from you before in this, along with other issues, but I want to say with respect to the code of ethical conduct and the conflict of interest guide-lines, we've seen nothing in this legislature. And I'd like to ask you, Mr. Minister, if, before this session ends, you intend to introduce some legislation that will deal with a conflict, or a potential of conflict, and if we will see that in this session? Will you give us that commitment today, Mr. Minister?

Hon. Mr. Devine: — Well, Mr. Chairman, the hon. members are aware of the fact that the Speech from the Throne applies to the entire year. Some of the things that you can get introduced and passed take place, as you know, in the spring session, and some of them are carried over. In this particular case, I'm sure the hon. member can

be reminded that we have had pieces of legislation that have been introduced that didn't pass. We have had other pieces of legislation that never made the floor.

In terms of the code of ethical conduct, the recommendations by E.M. Culliton were taken very seriously. And as the hon. members know, that all members of the legislature, and legislatures across the country, are looking at ways and means to make sure that the public is very confident in the way that they behave and perform their duties as cabinet ministers. And the codes of ethical conduct that have been presented in other legislatures are certainly being reviewed by my office and my staff here to find out what is most appropriate. All I can say to the hon. member is that this is something that takes some time and we are putting our best efforts at it, and the year is not finished.

Mr. Lautermilch: — Well, Mr. Premier, the simple fact is that if this session is to go on through summer, then perhaps you may have the opportunity to introduce that type of legislation this year, and then we may be assured that your commitment would be that that would happen. But with respect to your reference to fall sessions, Mr. Premier, in the last couple of years in this province you've been afraid to face the opposition, and the people of this province through the opposition, through two sessions in a year. The only sessions that we've had have been spring sessions, never knowing when they're going to start or when they're going to end, simply because you've never had budgets prepared on time in a number of years, so we've started later and sat through the summer. And the fact is, Mr. Premier, there is no consistency with your government with respect to spring and fall sittings. That just simply doesn't happen in this province any longer since you've taken power in this last session of government.

So I want to ask you, Mr. Minister, are you still committed to the introduction of conflict-of-interest guide-lines or legislation in this House, or are you convinced that all is well and that there are no problems and will never be any problems and things should just run along as they are? Is that your position, Mr. Premier?

(2100)

Hon. Mr. Devine: — Well, Mr. Chairman, I said to the hon. member that there have been modifications in other legislatures. We're examining all of those and looking at them with a great deal of detail. And certainly as a result of the work by Mr. Culliton, we have the basis from which to operate with some specific recommendations, and we are taking those very seriously. We are putting together a package that can be used in the province of Saskatchewan.

Let me say to the hon. member that just was asking the questions, I do have two pieces of information for him with respect to the travel agencies. The Nationals Wideworld Travel is one agency that we use, and the other is Regina National Travel. Those are the two that, from what I gather, we use most of the time.

And if he would just allow me one other point, I was given this, and we were talking about the public servants in

Saskatchewan. The public servants in this province just won a national award and I believe that it is only appropriate that we do recognize very good public service.

“Civil servants win honors for quality.” Saskatchewan civil servants are doing it right, according to the Institute of Public Administration of Canada.

The Public Service Commission, the central human resource agency for the provincial government, is being honored for an innovative program it developed to improve the standard of service in government departments and agencies.

“Serving people first” (pardon me) is a series of courses for Saskatchewan civil servants who care about providing quality service to the public.

And it goes on to talk about the fact that Saskatchewan public servants did receive top-notch awards and recognized by their peers across Canada. I just thought the hon. members would be interested in receiving that kind of information about the quality of service. And the Saskatchewan public service is ranked as right with the top of any public servants any place in Canada. And they do deserve to be recognized for that quality service.

Mr. Lautermilch: — Mr. Minister, I want to take you back to the conflict of interest legislation. And I would like to ask you, Mr. Minister, after waiting for years and consultation and studies and more studies and more consultation and more words and more promises in this throne speech — the other promise that you made in your throne speech was open and honest government and an end to waste and mismanagement that has been so characteristic of your government since 1982.

Mr. Minister, in your throne speech, you committed to the people of the province that in this year you would be introducing legislation with respect to conflict of interest guide-lines. And I want to say to you, Mr. Minister, you don’t have to fool anybody in this province because they know you’re not going to call a fall session. And they know that if you don’t have that legislation introduced in this spring session, it just isn’t going to happen. And they’ll be in line for more promises and more commitments and more hollow words from you, sir.

So I want to ask you, Mr. Minister, at what stage is the preparation for this legislation at? Is it ready to go? Has anything been done? Has anybody even in your department put a pen to paper to design some legislation with respect to conflict of interest?

Hon. Mr. Devine: — Mr. Chairman, perhaps I could repeat the answer and add a little bit that there have been codes of ethical conduct redesigned across Canada, and we are studying those that have been introduced and tabled in other jurisdictions. In some cases it’s legislation; others just tabled the guide-lines. And we’ve had all kinds of guide-lines tabled in this legislature over the years. It’s professional conduct, and you would know as well as anybody else that it’s based on a professional code of ethics. Whether you’re a lawyer or you’re a professional

agrologist or you’re a professional engineer, it’s based on a personal code of personal integrity. And that’s what really counts and that’s the most important.

You can put it down and change it in terms of how you describe it, but it is the professional activity. And as a former professional public servant, as a professional agrologist myself, I know that the code of ethics has been there for years and it’s up to the individual to live up to them. And we don’t change the code of ethics every year to modify them, but they know in the medical profession, you know in the engineering profession, the legal profession, there is a personal code of ethics and a professional code. And it’s been there for a long time and it’s up to you to live up to it.

I will say to the hon. member that we have had much opening up of the whole governing process in recent months, so that the hon. member should be aware of the fact that much of the public participation in government has been expanded to a very, very large extent. I direct, for example, the hon. member’s attention to the *Future Directions on Health Care in Saskatchewan*. Now this is where the public is involved to a very large extent in the whole question of health care administration.

Future directions in health care, Dr. Murray’s commission, was established in July of ’88, reported in 1990 — hearings over 41 days in the province of Saskatchewan on our biggest budget item, which is health care — is very, very large. They had 13 centres, 450 briefs from individuals and associations across the province — very open; one of the most open public hearings mechanisms that you’d ever find. They never turned anybody down, as far as I know. Went all four corners of Saskatchewan. Certainly went through northern Saskatchewan, rural communities. And it’s for open access to how the government operates, and to recommend the things that we can do in health care.

The same applies to Consensus Saskatchewan. And the hon. member knows that it is complete open access to talk about the four major areas of concern to the public. And they design. Consensus Saskatchewan designed their own objective. And these are people from all walks of life and they hold meetings all across the province. And we estimate there’ll be something like 2 to 3,000 people that will actually participate in the province of Saskatchewan looking at future of the province in terms of management, in terms of resources, of saving towns and villages, to safety nets like health and education.

You can also look at the commission. And we raised it here because of a Bill that was tabled with respect to SaskEnergy. The Barber Commission held hearings all across the province of Saskatchewan, examining the questions of having equity in a utility, and replacing the debt with more equity. And it was examined at length in public hearings.

We’re looking at budget preparation sessions that were put together that allow people to have access to government, access to the budget; hearings across the province; new advisory committees to ministers, like the nursing advisory committee in health; safe use of medicine committee in health; the GST (goods and

services tax) advisory committee in finance — a combination of those things that are put together that allow the public to participate and open up.

So I say to the hon. member that these are just some examples of where we have opened up the government to the public so that they can speak and have hearings. And we are looking at other pieces of legislation that we can do more. And the code of ethic changes and the guide-lines that have been presented in other jurisdictions are being examined by our people, seriously. And we're looking at those in preparation for anything that we think would be appropriate to be tabled in the legislature or tabled in the public, or given to the media or anybody else.

Mr. Lautermilch: — Well, Mr. Premier, clearly you're not going to answer my question, but I guess maybe you have. What you're saying is really that you've done nothing. But what it doesn't do, Mr. Premier, is deal with the problem. And I want to say to you, Mr. Minister, I would like to give you an example of just why people are asking for conflict of information legislation from your government, because if there is a government in this province that needs one, it would have to be the government that's governing right now and has governed since 1982.

Mr. Minister, and Mr. Premier, I want to talk and ask you some questions with respect to the Pioneer Trust issue. You might recall that in late 1984 and early '85 your government was making a decision as to how to handle Pioneer Trust, the company that was in some major difficulties. And you will recall throughout that month you were deciding whether or not you were going to bail Pioneer Trust out to the tune of twenty-seven and a half million dollars.

And my question is this, Mr. Minister: during this period when the cabinet was discussing the possibility of a bail-out for Pioneer Trust, did you or any of your cabinet ministers declare that they had personal business pending with Pioneer Trust such as large personal loans or mortgages awaiting approval? Can you answer that, Mr. Premier?

Hon. Mr. Devine: — Mr. Chairman, with respect to the hon. member's question, I would have to go back and research any cabinet minutes or details with respect to that particular time period — 1984 I believe he said, or 1985. And I will give the hon. member the commitment that I'll go back and research anything that was relevant. We've been through that particular issue I think in several of my estimates, and I'll dig up whatever information that I had at that time and anything else that we might have access to.

Mr. Lautermilch: — Well, Mr. Minister, Mr. Premier, that's just simply not good enough. This is at a time when a major trust company in this province was going down the tubes. Your government was making a decision with respect to twenty-seven and a half million dollars worth of public funds and a public bail-out, and I want to say, Mr. Minister, that I just simply don't believe that you couldn't recall any conversations with any of your cabinet with respect to their involvement with this

corporation.

You know full well that Pioneer Trust was headed by a group of well-known PCs, well-known party supporters of yours. And you know full well that there would have been a possibility or could have been a possibility that one of your cabinet colleagues would be dealing with that particular trust company. And I say to you, Mr. Minister, that that's just not simply good enough to stand in this House and say you can't recall because you people either can't recall or it's under criminal investigation or you take notice of a question or deny, deny, deny. And I'm telling you that's not good enough tonight, and you're not going to get off the hook on this.

I'm asking you that question again, Mr. Minister. And I want to know as well — you might want to bring your mind back to '84, late 1984 and early 1985: did any of your cabinet ministers declare themselves ineligible from a cabinet discussion because of an involvement with that trust company, with Pioneer Trust? Can you tell us that tonight, Mr. Minister? You've got a gaggle of officials around you. Surely one of those can refresh your memory.

Hon. Mr. Devine: — Mr. Chairman, the hon. member is now going back to 1984. I believe it's accurate to say that we didn't bail out Pioneer Trust. I mean it just folded. It's not a nice thing to have happen. It was one of the earlier Saskatchewan companies that developed into the insurance business, and with difficult economic times, along with Principal Trust and some other banks and credit unions and other things, Mr. Chairman,

It had to fold, and we did not bail it out. So that was the end of it. It's unfortunate that these companies or banks or financial institutions have lost money. Our credit unions have lost a lot of money. Banks have lost money. Farmers have lost money. People across western Canada, in all kinds of investment, lost as a result of drought, lost as a result of high interest rates, market collapses, the price of land — all kinds of things, Mr. Chairman.

So this trust company did, and we did not bail it out. That was it. We just said: look, people who invested in it have to take their lumps. And that was the decision. That was in 1984. We've been through this several times. So as I said to the hon. member, if there's anything else that we can find, I will certainly offer it to the hon. member. But there was no bail-out in any way, shape, or form by the taxpayers. None. We didn't touch it.

(2115)

Mr. Lautermilch: — Well, Mr. Premier, I'm going to rephrase the question and I'm going to ask you if, when you are making major decisions or when you're in the process of making major decisions — as you were in the Pioneer Trust deal — does it not cross your mind to ask your cabinet ministers, or ask of your cabinet ministers, if there is any involvement with those corporations that may be perceived or be a conflict of interest? And I ask you, Mr. Minister: wouldn't that sound like reasonable policy? Wouldn't that sound like the reasonable thing to do?

And I ask you again if you had any conversations with any of your cabinet, with any of your Executive Council, with respect to involvement with loans with the Pioneer Trust corporation when you were making the decision as to whether or whether not you were going to put twenty-seven and a half million dollars into Pioneer Trust in late 1984 and early 1985?

And I'm asking you that question again, Mr. Minister, and we're going to be here a long time unless you decide to answer that question.

Hon. Mr. Devine: — Mr. Chairman, I've answered the question. And I've said to the hon. member we've been through this several times in the last few years, and if there's anything else that I can find for him or if I can dig up with respect to cabinet minutes, I will — that is public. And we've gone through it.

Clearly when you deal with all kinds of policy, when you're looking at agriculture policy, when you're looking at home policy and economic policy, you're looking at a combination of things that people have to deal with that affect all kinds of people, and particularly those that are across the province and those that are involved in agriculture and those that are involved in economics and those that are involved in other things. And you treat them with respect. The hon. member knows that. He's very well aware of the kinds of things that the cabinet will have to deal with.

And in this case I say to the hon. member again. And he raised it. He said a \$27 million bail-out. There's no bail-out. None. Not a dime. No money went into it. So I mean, that's the fact. And we've said that for now, what, six years? And you're asking me about cabinet decisions with respect to a bail-out in 1984. I'll say there's no bail-out, and any other information that I can provide you I will. And my officials will provide information that is relevant to the particular decisions. Obviously, I mean, cabinet decisions that we go through are not published, and I mean some members in the opposition have been in cabinet and they know precisely what that's like.

Mr. Lautermilch: — Mr. Premier, that isn't the question, and that's not what I asked. So let me make it very brief so even you might understand. Is it the practice of you and is it the practice of your cabinet that when you're making major decisions that if there is a potential for conflict of interest or there is a conflict of interest, that your officials, that your cabinet will notify you? Is that standard practice in your cabinet? Will you tell me that?

Hon. Mr. Devine: — Mr. Chairman, we've been through this. When ministers are in cabinet, and in cabinets here and in cabinets across the country, they declare themselves and they leave the room. This is recorded in minutes and you'll see them recorded in minutes. It's the policy that goes on in cabinets across Canada, in the British parliamentary system, and as far as I know in other cabinets in democracy.

Mr. Lautermilch: — Mr. Minister, I'm sure you've got the minutes of those meetings by now, and I'm sure you've had a chance to survey them. And I'm going to ask you specifically if any of your cabinet exempted themselves

from discussions or from the meetings with respect to the Pioneer Trust meetings that you had in late '84 and late '85? Surely you would know if one of your cabinet exempted themselves from discussions. Can you tell us that, Mr. Minister?

Hon. Mr. Devine: — Well no, I don't have the minutes with me tonight. They go back several years. I will just give the rules and they are applied in our cabinet as they are cabinets across the country; that when ministers are in cabinet they declare themselves, they leave the room, and that's the way cabinets operate and the way that they should operate.

Mr. Lautermilch: — Mr. Minister, can I ask you this: do you recall in '84, late '84 and early '85, if any of your cabinet colleagues exempted themselves from any discussions at cabinet meetings? Would you just tell us that, sir?

Hon. Mr. Devine: — Well, Mr. Chairman, cabinet ministers do exempt themselves from cabinet meetings from time to time. That's a fact. And they may have in '84 and '85 and '86 and '87 and '88 and '89 and '90. Secondly, I don't attend every cabinet meeting; I attend most of them. So I can't bring forward all the minutes and all the activities and who was at cabinet meetings that go back over six years. I mean be fair, to be realistic, I just don't recall every single cabinet meeting and who sat around the table. Cabinet ministers come and go, I'm sure as you know.

The cabinet meetings go on and sometimes they have cabinet without people in attendance. Sometimes there's cabinet without my attendance. So over the last six years there's been many, many cabinet meetings. We meet in cabinet almost every week, and certainly through the session. So you're asking me to recall an awful lot of meetings specifically. And so I'd say the rule is, cabinet ministers declare themselves, and that's what happens.

Mr. Lautermilch: — Mr. Premier, you're playing games. I've asked you, and you know that it doesn't happen that often that a cabinet minister would have to exempt himself from a discussion, and you've all ready said that, because of a conflict or perceived conflict.

And I'm going to take you back to 1984, Mr. Minister, and I want to read a letter into the record. And after I've read it to the record, I'll be passing it across to you for your information. This letter was dated November 21, 1984, and it's from one of your former cabinet colleagues, Bob Andrew, the then minister of Finance. And it's addressed to Mr. Will Klein, executive vice-president of Canadian Pioneer Management Limited in Regina, Saskatchewan. And it says:

Dear Mr. Klein: Please be advised that the Government of Saskatchewan will guarantee the 27.5 million dollar preferred share offering of Canadian Pioneer Management Ltd.

Details of the guarantee are now being reviewed by officials. You may expect the guarantee to be ready in time to allow your new equity to be placed prior to December 31st, 1984.

Mr. Premier, this was on November 21 in 1984. And the reason I'm asking you about whether or not any of your cabinet exempted themselves from that discussion or from those cabinet meetings or discussions surrounding this, is because I also have before me a certificate of title on a piece of property in Yorkton, Saskatchewan. And I want to read the certificate of title, the title of who it is listed as being under, and the name is one Lorne McLaren, and the property is at lot 3, block 2, Yorkton, plan 9913.

As I look down the certificate of title, I note under the date of instrument dated December 15, 1984, a loan made by Lorne McLaren in favour of Pioneer Trust in the amount of \$190,000. This is December 15 of 1984, Mr. Premier. And the next line below that, I see on December 15 of 1984 a loan from Pioneer Trust to this same minister in the amount of \$70,000, Mr. Minister. Now that amounts to loans from Pioneer Trust to your then minister of Labour three weeks after your Minister of Finance gave him the commitment, gave Pioneer Trust the commitment for \$27.5 million in terms of a loan guarantee. Only three weeks after, we see filed on the certificate of title loans from that company in the amount of \$260,000 from one of your cabinet, Mr. Premier, the former minister of Labour.

Now I'm going to ask you again if that minister exempted himself from any discussions with respect to this issue. I'm asking you, and surely that will have refreshed your memory, Mr. Premier.

Hon. Mr. Devine: — Mr. Chairman, I can only say to the hon. member that the rules of cabinet are clear, and I've read them to the hon. member. They've had several cabinet meetings with respect to all kinds of issues and particularly that one, and I can't add anything more to the hon. member. I have had many, many, many cabinet meetings and I'm sure that the hon. member knows that when it goes back over the last five or six years — some . . . in some cases where ministers would be there and some cases where they would not, and some where I would not be in attendance. So that's all I can provide the information and that is absolutely the case.

Mr. Lautermilch: — Well, Mr. Minister, let me recap this again for you. On November 21, 1984 your Finance minister tells Pioneer Trust they're going to get a guarantee, a loan of twenty-seven and a half million dollars. Three weeks later your minister of Labour files on a certificate . . . is filed on a piece of property owned by your minister of Labour, on the certificate of title, two loans totalling the amount of \$260,000.

Now clearly, Mr. Minister, there is a perception of a conflict of interest. And if you weren't aware of that, Mr. Minister, I'd be very surprised. And if your minister never made you aware of the fact that he was pursuing a loan and negotiating a loan from this trust company that your government was looking at bailing out, and had made a commitment which they later reneged on, surely, Mr. Minister, Mr. Premier, your cabinet minister, a minister of the Crown, should have come to you or you should have been asking the questions as to whether or not there may be some problems in this dealing.

And I'm asking you now, Mr. Minister, Mr. Premier, you were made aware of it after the fact I'm sure, and I want to know what disciplinary action you took, Mr. Premier, against the member from Yorkton? That's what I'm asking you tonight.

Hon. Mr. Devine: — Well, Mr. Chairman, the hon. member says that there is a perception . . .

An Hon. Member: — At least the perception.

Hon. Mr. Devine: — At least the perception. Well that's what he's dealing with. So I've answered the hon. member's question. I said that . . .

An Hon. Member: — You've avoided the hon. member's question.

Hon. Mr. Devine: — No, well look, we're going back five or six years on cabinet meetings, and it's extremely . . .

An Hon. Member: — Look in the minutes then.

Hon. Mr. Devine: — Well it's got nothing to do with the minutes. I mean sometimes you'll have cabinet ministers in attendance and sometimes that they're not in attendance. And you can have the minutes and you can look at who was there and who's not there. The rule is before us and the rule is followed, Mr. Chairman. And that's all the information that I can give the hon. member. The rules are followed.

And he can play with perception all he likes. I mean that's in the world of his politics. If he wants to play in that perception, I can't stop him from doing that. I can only say to the hon. member, we have rules and they're followed. And the cabinet ministers abide by them, and that's the case. And he can deal with perception if he likes, and I'm sure he will in his own way. But I will tell him that the rules are as I've stated and the cabinet ministers follow them. To the best of my knowledge, they follow them all the time.

Mr. Lautermilch: — Mr. Minister, I'm going to ask you . . . Look, pretty clear why there was no conflict-of-interest legislation introduced in this legislature. It's because you, sir, don't want any, because you are comfortable governing the way you've been governing since 1982 with no accountability.

Now I'm asking you this, Mr. Premier: did he tell you that he was pursuing a loan from this trust company? And I want to know — I want a yes or no answer to that — did he tell you or didn't he?

Hon. Mr. Devine: — Mr. Chairman, we're operating under the same rules that the previous administration had and the administration before that, Mr. Chairman, the same rules that apply in cabinets across the country. And they are there where cabinet ministers declare themselves, and that's what's followed. And it's followed here and it's followed in other jurisdictions. And that's the case; that's what happens.

Now you ask me which cabinet ministers attended which

meetings over the last six years and then you . . .

An Hon. Member: — That's not what I asked you.

Hon. Mr. Devine: — That's exactly what you asked me. You're asking me on what particular dates were cabinet ministers present and when were they excused. Well I mean, that's what . . . I've given you the rules and the rules are followed.

Mr. Lautermilch: — Mr. Minister, you say in this case the rules were followed. Are you convinced that the rules and the spirit of your regulations were followed in this instance? And if those rules were followed, do you feel they're appropriate and do you feel they're tight enough and do you feel the public interest has been protected in this instance?

(2130)

Hon. Mr. Devine: — Mr. Chairman, if the hon. member will allow me just one paragraph. This is from the Hon. E.M. Culliton in his report to this Assembly in November of 1986. And he says the following, and I believe that it's relevant. Mr. Culliton says this:

I have concluded a code of ethical conduct is not necessary. There are a number of good reasons for reaching this conclusion. First and foremost, there is nothing in the political history of this province that suggests that such a code is necessary. Secondly, there is no province in Canada that has found it necessary to provide such a code. Thirdly, such a code would normally lead to a great deal of political bickering, which is something to be avoided and not encouraged. Finally, it would be impossible to devise a code that would encompass every type of unacceptable conduct.

The result would then be that the code would be a shield and not a guide-line. This is to be avoided. The right of a Legislative Assembly to rule where their members' conduct is or is not acceptable, to be decided in the light of prevailing circumstances whatever they may be, must not be eroded or undermined.

Now it's the end of the quote. What Mr. Culliton is saying is fairly obvious. You have a code of guide-lines for cabinet ministers across the country, and you do here. The code is before us, the guide-lines are followed. And as in the case of any professional guide-lines, it will be up to the individual. And that's the case. It's a professional integrity that's there with the code that are in place across Canada.

Mr. Lautermilch: — Mr. Premier, by refusing to answer any questions with respect to the conflict of interest legislation that clearly isn't ready, by refusing to answer as to whether or not this minister told you that there was a potential for conflict or was a conflict, by refusing to answer those questions, Mr. Minister, what it does, Mr. Premier, is condemns the type of government that you've been delivering. And I want to say to you that it's not a proud performance that you're making on behalf of the people of this province as their leader, as their Premier. I

think it's a disgrace that you will stand in here in your throne speech in March of 1990, promise conflict of interest legislation; you came in here, make excuses for not delivering it; when we raised the potential or a perception of a conflict of interest, you don't remember. Mr. Premier, I'll defer to my colleague from The Battlefords because I think he has some other questions along this line to ask of you.

Mr. Anguish: — Mr. Premier, before leaving the topic that was brought up by the member from Prince Albert-Duck Lake, I want to ask you that in light of the facts . . . And these are facts: we sent you across the letter in which the Minister of Finance, Bob Andrew, said that they would guarantee, your government would guarantee \$27.5 million to Pioneer Trust. Mr. Premier, it's also a fact that we sent across a copy of a certificate of title which shows on that certificate of title that the member from Yorkton, then the minister of Labour in your government, received two loans three weeks after the letter of guarantee from your government. Those loans totalled \$260,000, Mr. Premier. Mr. Premier, my question to you is: when you examine the minutes from the cabinet meeting and you find that the member from Yorkton did not declare a conflict of interest, will you take disciplinary action against that member?

Hon. Mr. Devine: — Mr. Chairman, the rules, as are laid out, are followed by cabinet ministers. There are decisions that are taken in cabinet over a long period of time, in some cases several cabinet meetings. In some cases things that are on the cabinet agenda come up and sometimes they don't. So the hon. member at best would be on some sort of a fishing trip to find out all the various kinds of members that were at various kinds of cabinet meetings over a period of 1984 and '85 when the decisions are being made.

I can only say to the hon. member: the rules are there and the rules are applied and individuals follow them. And to the best of my knowledge, they always follow them. And I have asked them to follow them and they have followed them to the best of my knowledge.

And as former chief Culliton says, you have to depend on the individual integrity and honour of the members. And I do. I think every Premier in the country would do the same, and say it's up to the hon. member to declare. When they declare, that's it. And then you take it from there. And that's all the Premier can do. And that's what the Premier's expected to do.

Mr. Anguish: — There's no fishing trip. Do you question the validity of the letter signed by your former minister of Finance? Do you question the validity of the certificate of title that has the information filed on it, Mr. Premier? We question the validity of your comments, Mr. Premier, because you won't tell us whether or not the member declared there was a potential conflict of interest when the cabinet decision was made to send the letter to Pioneer.

It's your information that's lacking, Mr. Premier, not our information. It's you that won't tell us whether or not this one individual cabinet minister exempted himself from a meeting where these discussions took place. We're not

asking about which cabinet ministers were at which cabinet meetings. We want to know about one specific cabinet minister who is no longer a cabinet minister but still sits in your government representing the constituency of Yorkton.

Very clearly, Mr. Premier, we want to know whether or not, if you accept the validity of these documents we provided with you, and in your search of the cabinet minutes if you find that the member did not declare a conflict of interest, will you take disciplinary action against that member? Very simply that, Mr. Premier.

Hon. Mr. Devine: — Well, Mr. Chairman, I have said again and again this evening that the code of ethical conduct that is applied to cabinet ministers here is the same as other jurisdictions, and I believe that the ministers have lived up to that code to the best of my knowledge. And they have, as far as I know, after the scores and scores and probably even hundreds of cabinet meetings that I've been at with my fellow colleagues, that they have always been honourable and lived up to it.

So I can only say to the hon. member: to the best of my knowledge, that is the case. In this case, I would say to the hon. member: it would be the same as the conduct and the expectations and the code that is applied across the piece, in our cabinet and any cabinet you'd have in this Legislative Assembly.

I would add to the hon. member that was asking for more codes and more legislative codes, one other quote from Mr. Culliton, I think, is appropriate. He says, and I quote:

I have grave reservations as to the wisdom of attempting to establish a code of ethical conduct for members of the legislature. There can be conduct that is unacceptable and contrary to the standard of conduct that the public is entitled to expect from its elected representatives. But it would be impossible to formulate a code that would encompass all possible situations.

I just go on to say to the hon. member that it is based on personal integrity and honour, and that's the best way that we can deal with it here in this House. So the hon. member in opposition obviously can . . . I mean question the personalities of the members on this side of the House because you would rather be here and us over there.

But the point is the same code is applied to cabinet ministers down through the decades in the province of Saskatchewan. This administration was elected in '82 and again re-elected in 1986 and we had the same code and the same guide-lines.

And since 1984 we were re-elected, and you know that. So that the people have made their judgement and the people in democracy are always right. And so they certainly looked at this in 1986 and said, look, fair ball. We re-elected the members based on this code and based on the fact that we did not bail out trust companies. We said, no. It's impossible. We can't do this.

So I would say to the hon. member that I expect cabinet ministers to live up to the code, and as far as I know they

have.

Mr. Anguish: — Well what about if they don't? What about if they don't? What do you do about it? Nothing? Do you stand and cover up? Are you going to go back and examine cabinet minutes?

Well I want to talk to you about something else concerning the same member that it won't be in your cabinet minutes. And I'll send across to you a copy of a letter from the law firm of Rusnak Balacko Kachur & Rusnak. This letter was written on May 30, 1985 and it's written to McLaren's Music & Trophies Ltd., 44 Broadway East, Yorkton, Saskatchewan. And I quote:

Dear Sirs: Re: Edward A Laurence versus McLaren's Music & Trophies Ltd., Lorne McLaren and Blaine McLaren. Please be advised that we are the solicitors for Mr. Ed Laurence.

A loan in the amount of \$150,000.00 has been made to McLaren's Music & Trophies Ltd. secured by a Promissory Note in that amount, dated June 1, 1983. The Promissory Note is hereby demanded to be paid forthwith.

I trust you will govern yourself accordingly, however, if you have any questions or desire any further information please contact me. Yours truly, Ronald Balacko.

Now, Mr. Premier . . . Have you sent a copy of that across?

An Hon. Member: — Yes.

Mr. Anguish: — You have a copy of that letter. Mr. Premier, I would point out to you that one Edward Laurence is a fairly high-profile Conservative in the Yorkton area. And subsequent to this loan that was given out for \$150,000 interest free — no interest on the loan — Mr. Laurence is one of the principals of a building, Broadcast Place, where the court-house all of a sudden moves into Broadcast Place.

Now I'm wondering, Mr. Premier, if you're aware that there's a million dollar contract between your government and the people who own Broadcast Place, and also that there was a \$150,000 loan attached to it. Do you think there could be perceived a conflict of interest in that situation, Mr. Premier? And in fact, has the member from Yorkton discussed this issue with you?

Hon. Mr. Devine: — Mr. Chairman, I would just go back and respond to the hon. member with respect to the code that is before the cabinet ministers and the guide-lines that are there. They are followed by the cabinet ministers; they are, to the best of my knowledge, responded to in a very professional way. And I expect them to do that. And any Premier who has a cabinet does expect them to do exactly that. The code that is outlined . . . (inaudible interjection) . . . Mr. Chairman, the hon. members would probably like to know that the guide-lines recommended by Mr. Culliton, I can read to him again.

An Hon. Member: — Don't bother.

Hon. Mr. Devine: — They say, don't bother. So I'll just say the same guide-lines apply all the time; the code applies all the time. People are there on their honour and their integrity, and they declare themselves. And when they do declare themselves and they're not there during the cabinet meeting, and I expect them to do that. That's the guide-lines that applied then and apply now and across the country, Mr. Speaker.

Mr. Anguish: — We accept that's there what you say is there. What we want to know is what you do about it when it's broken. That's what we want to know. And I repeat to you again: I've sent you across the letter from legal counsel. Now what has happened, it appears that the member from Yorkton, at that time the minister of Labour, received an interest-free loan from Mr. Ed Laurence, a co-owner of Broadcast Place company, on July 1, 1983.

A few months later, the Government of Saskatchewan awarded a five-year lease to the same company for housing the provincial court-house. Now, Mr. Premier, it seems to me that a member of cabinet should in fact declare that he has got a loan, interest free, from a private investor who is trying to secure a contract to provide tenant space for your provincial court. I'm wondering, Mr. Premier, if you can tell us whether the minister of Labour at that time declared to you that he had business dealings with the people who in fact provided tenant space whereby you could move the court-house into. Can you tell us whether he declared that to you, Mr. Premier?

(2145)

Hon. Mr. Devine: — Mr. Chairman, the hon. member can almost be heard, I'm sure, in Newfoundland as he hollers from his seat. And he can go on his fishing trips if he likes. I will just say to the hon. member again, the code is followed. The guide-lines are followed. The cabinet ministers are on their honour to follow those and they do. They declare themselves when there's a conflict, and that is the way it operates. That's the way it should operate, and that's the way it has operated.

Now the hon. member knows those are the rules in a federal cabinet and a provincial cabinet. And you expect your people to follow those. And the guide-lines is recommended by somebody as honourable as Mr. Culliton . . . says those are the best guide-lines because it's based on individual integrity and your honour. And that's the way you have to operate. And you can go on all the fishing trips you like, but that's the code. That's the way it operates, and that's the way I expect them to operate. And as far as I know, that's the way they have operated, Mr. Chairman.

Mr. Anguish: — Well my question to you, Mr. Premier, is this: are you going to follow up on the documentation that we gave you here this evening in this Assembly? Will you investigate the cabinet minutes to determine whether or not the member that we referred to declared a conflict of interest or absented himself from those meetings? And will you provide discipline to that member if he has broken the guide-lines that you are so high and mighty about here this evening?

Hon. Mr. Devine: — Mr. Chairman, I always follow up, and I do expect the cabinet ministers to live up to the code and to the guide-lines, so the hon. member can rest assured that I do.

Mr. Anguish: — Just very simply, I'll put it to you again one more time: will you follow up on the documents that we gave you this evening?

Hon. Mr. Devine: — Mr. Chairman, I always follow up on the documents that are presented and any other things that are put forward here in this legislature, and I expect the cabinet ministers and former cabinet ministers to live up to the code — and that view has not changed and will not change, Mr. Chairman.

Mr. Anguish: — Will you examine the cabinet minutes to determine whether or not the member from Yorkton declared a conflict of interest or absented himself from the meetings?

Hon. Mr. Devine: — Mr. Chairman, I have said to the hon. member that I have responsibility to make sure that the cabinet ministers live up to their codes and their guide-lines, and I will make sure that they do. And the hon. member has asked me to check on this particular case, and I will check on all particular cases to make sure that they do.

Mr. Anguish: — Will you report back in writing to us to tell us what your conclusions are after your investigation, Mr. Premier.

Hon. Mr. Devine: — Mr. Chairman, I will advise the hon. member of any information that I find that is pertinent to this particular question.

Mr. Anguish: — Mr. Premier, I think this exemplifies the need why there should be conflict-of-interest legislation, and I think there should be more of a scrutiny process as to what's done within your government. We get many, many examples where there is less information to the public than what there has been previously, whether it's through the public accounts process or whether it's through Executive Council.

Mr. Premier, we expect that you will look into the cases that we brought up this evening, and rather than make up some kind of an answer to come back to us, we ask you to have due diligence in your pursuit of the matter that we brought up to you here tonight. And we will expect and look forward to that report back from you in the very near future, Mr. Premier.

Mr. Pringle: — Thank you very much, Mr. Chairman. Mr. Premier, I'd like to pursue this line a little bit more. I'm going to be talking a little later with you and asking you some questions regarding the impact of some of your government's policies as it relates to families, young people, and seniors.

But I guess one of the concerns that I think people of Saskatchewan have about your government is maybe exemplified by what we've seen tonight, and that is the way you people do business. It's the way you people

relate to the public. And, Mr. Premier, I would suggest that this level, the way you people relate to the public of Saskatchewan, is in fact in some ways more serious than the mismanagement of some of the economic and social and financial policies, because it in fact chips away at our democratic practices and our democratic traditions and institutions in this province which . . . We've got a proud heritage of adhering to democracy in this province. But you people clearly over your eight years have not listened to the public of Saskatchewan.

This Consensus Saskatchewan approach, which is your brain-child, I understand — despite the fact that many of your cabinet colleagues saw it for what it was — basically it's a last-ditch effort to try and save your government and project an image that you really care what the public of Saskatchewan think. And you've clearly demonstrated that that is not sincere over your eight-year term, Mr. Premier. Your approach is one of confrontation. Whether it's ordinary working men and women or teachers or other groups, it's been one of confrontation.

Your approach is clearly one of intimidation. Members of your cabinet have attacked people who are concerned about the environment. Members of your cabinet have attacked ordinary working men and women for wanting to collectively bargain. Your Minister of Consumer Affairs has attacked Principal investors, blaming them for the fact that that company failed when you people weren't doing your job.

So your approach has been one of intimidation. Your approach has been one of withholding information from this Assembly, withholding information from the public of Saskatchewan. I would suggest, Mr. Premier, that that's very, very serious. That's a breach of the integrity of this Assembly and has contributed towards a sense of broken public trust.

That's a concern of your government. Your government has made secret deals. We only find out the results of the arrangements, these deals — whether it's Cargill or Weyerhaeuser or other sweetheart deals you have — where the information is leaked to us. And you don't seem to share the information in an open manner.

That's what the auditor said. Your administration started out this term, Mr. Premier, in a very deceptive way, where your Finance minister admitted that after the election that in fact you were \$800 million out in your budget deficit projection. And that was a very conscious decision. I think the public of Saskatchewan believe that. It was not an error; you knew that situation.

I think we've seen here where there's no conflict-of-interest guide-lines. We've seen tonight, the last hour we've focused on that, and you refuse to answer the questions that were asked. And again I think you've downplayed what the Saskatchewan public see as a very, very serious matter, Mr. Premier. And I don't think any viewers who are watching believe that you did not remember whether or not the member from Yorkton declared a conflict of interest or not. I don't think the public believes that.

An Hon. Member: — All you have to do is turn around

and ask him.

Mr. Pringle: — That's right. He was here.

But no fair tendering practices, Mr. Premier, is a concern that a lot of small-business people have across this province, whether it's . . . This is why you've got the issue with the STC (Saskatchewan Transportation Company). Many buildings, there seems to be conflict around much real estate because of a lack of fair tendering. I'm well aware in my riding of a liquor store that was awarded that didn't meet the specs, Mr. Premier, and have to ask why that's the case.

But rampant patronage is a hallmark of your administration. And, Mr. Premier, you know, these issues are very serious and they have to rest on your shoulders, sir. The string of broken promises, the broken promises in taxation; I won't review them because they're very clear to people of the province.

But you broke your promise regarding the SaskEnergy privatization. And I would like you to know that the vast majority of the Saskatchewan people believe that if you were re-elected, you will privatize SaskEnergy. So your credibility, Mr. Premier, that the behaviours of your government that I've tried to outline here that are well established in the public mind, these behaviours are anti-democratic.

You people flaunt the laws regarding the environment. You people flaunted the law regarding SaskEnergy and the Securities Commission a year ago. The auditor said, the Provincial Auditor, an officer of this Assembly, said that your government breaks it's own laws — breaks its own laws. Your Minister of Justice of all people then ran at the auditor, and you defended him — you defended him, Mr. Premier.

And I don't know if you really comprehend how very serious this is. You talk about democracy around the world, you talk about East Germany. All of the Speech from the Thrones from the members of your cabinet started out their speeches by appreciating the freedoms and the wall going down around East Germany. And your government has practised — actively practised — eroding many of the democratic traditions and institutions and practices and conventions that have been well established over many administrations in this Assembly and in this province.

The auditor said that your government is not financially accountable. Your Minister of Justice attacked him and you supported him. You actively, Mr. Premier, ignore the public of Saskatchewan; you say you're interested, you've got these Consensus Saskatchewan hearings going on. But, Mr. Premier, the lack of public input and involvement — and this maybe exemplifies your lack of concern for public interest and public input and involvement — your lack of concern about any input on Meech Lake is something that disturbs a lot of people around this province. It disturbs a lot of people around this province, sir, that in three years — three years — you haven't had the courtesy and the interest and the sincerity to involve the public of Saskatchewan. That exemplifies your lack of concern for public input, and this is not a

laughing matter, Mr. Premier.

Your late filing of annual reports . . . you know, Mr. Premier — I don't think you know this — but we got today an annual report, tabled today, 1986-87. Three annual reports today on one department. But going back to 1986-87, the first year of your term, you're at the end of your term now. Now that's the kind of lack of financial accountability that the Provincial Auditor was talking about. That's the lack of financial accountability that the public of Saskatchewan is concerned about. You can't view that as being accountable. We can't even examine your expenditures. Not only are they late, but they're of such a poor quality. There's less and less information in these annual reports than there have been in years gone by.

You're allowing your officials, your government officials, your cabinet ministers to sabotage public accounts. I happen to know that there's ministerial interference in the hiring of staff in many of your departments. Your Crown corporations officials are refusing to allow us to call some of the senior officials to that forum for cross-examination and questioning to answer questions that the public has a right to know about.

And you continue to hide in Crown corporations huge expenditures which we have no access to, which the Provincial Auditor has no access to, directly. And the Provincial Auditor was concerned about that. You people have gerrymandered the boundaries, the electoral boundaries, in a way which were in 1986, when the opposition, the New Democrats, won the popular vote by one per cent and your government won 13 more seats . . . on analysis with the new boundaries, the new gerrymandered boundaries, based on the same results where the New Democrats would have won by 1 per cent, you would win by 15 seats. So you've made the electoral process more unfair under your government. You will go to any length to hold on to political power.

(2200)

Mr. Premier, your government — and ultimately you because you're the Premier; you're the person overall responsible — your government chooses to ignore the Ombudsman's report whenever it's convenient. Whether it's in child welfare, not acting on the recommendation that the Ombudsman makes, or the Principal Trust affair where the Ombudsman said that your government was clearly accountable for that, you've chosen to ignore that.

Mr. Premier, my point here tonight is that there is a long list of areas where your government, under your leadership, has eroded the democratic principles and traditions of this province, and has eroded democracy itself. As I say, you talk about democracy and freedom in eastern Europe while you practise and you allow to practise in this Assembly a very, very scary situation where you're engaging in some of the concerns that you talk about being espoused by other governments.

I could go on and on. The Canadian Police Information Centre has information on Saskatchewan residents. You refuse to share what information that they have. That's a violation of our human rights, I would suggest. You keep

promising freedom of information legislation. You promised that in 1985, '86. In your throne speech you promised it again. And we understand from the Deputy Premier a few days ago that you're still studying it. So no freedom of information legislation.

Mr. Premier, all of this has added up in the mind of the public of Saskatchewan to a lost confidence in you and your government, to have broken public trust. And I would suggest to you, Mr. Premier, that you have lost the moral authority to govern in Saskatchewan. You have lost the moral authority to govern in this province by your actions. You have lost the right to call yourself a democratic government. I am aware of the seriousness of that allegation. You're out of touch, Mr. Premier. The public sees your government as deceptive and hypocritical and dishonest, and you're not going to fool them by Consensus Saskatchewan.

Mr. Premier, in my view, and the view of a lot of the public of Saskatchewan, under your leadership — and this is more serious than your mismanagement, which is serious and is creating a lot of hardships for Saskatchewan people — but you've lost all sense of ethics in terms of how you're running this government, and all sense of decency. And I believe that this is a blemish, a major blemish on the record of the Saskatchewan government and that the public of Saskatchewan will not forget this.

Now you haven't been listening to me, Mr. Premier, and you still aren't. But I'll wait until I get your attention, and then I'll ask you a question.

Mr. Premier, I wonder if you could tell me when your government intends to introduce freedom-of-information legislation? You promised it in the throne speech. We've come to the end of the session. We've been talking about it for five years and we've seen nothing. You're rationalizing why it's not possible — too much money, still some things to consider, still under consideration. You've had five years to study this. As we found tonight in terms of conflict of information guide-lines, you simply are not prepared. You are not prepared to see freedom of information brought into this legislature because there is simply too much you're trying to hide. Could you answer: when do you plan to bring in freedom of information?

Hon. Mr. Devine: — Mr. Chairman, with respect to freedom of information, there are a couple or three considerations that we have before us in terms of review. In talking with other jurisdictions and how they operate, one is the cost of freedom-of-information provision in terms of a new bureaucracy and how you would set it up, where it would be housed. Some have looked at under the Ombudsman and others have looked under a special new kind of mechanism.

Then at the same time, in looking at other jurisdictions, there's the whole question of a privacy provision, because you have to respect the confidentiality of much of the information that is in the public service as you deal with private individuals. And in many cases we find that the privacy commissioner and the privacy part of the freedom-of-information package is more onerous and almost dominates the freedom-of-information side of the new equation.

So we're examining both of those and we're looking at other jurisdictions. So from a cost point of view, from a bureaucracy point of view, from where you set it up in terms of what kind of department and how it's examined, and in terms of how do you respect individual rights in terms of their privacy, because individual rights are very important. And what a privacy commissioner and the provisions would be under that role is a very important question. So we are examining those in some detail, we've looked at other administrations across the country, and when we have a package that we think that is reasonable, we will be bringing it forward.

Mr. Pringle: — Well, Mr. Premier, I understand what you're saying. I don't personally accept that. We have introduced a Bill into this House — a private members' Bill — that has been looked at by many, many groups in the province including the Saskatchewan Association of Taxpayers who are very concerned about your lack of accountability and your lack of sharing information.

We have looked at other jurisdictions, Mr. Premier, where this legislation is in place, and we are assured that this legislation, as drafted in the private member's bill which you have access to, and as drafted in this democratic reform paper, not only has the legislation as drafted here been effective, it has not created a bureaucracy.

We're not calling for setting up a bureaucracy. The process is reasonable. It's a process that has worked in other jurisdictions. What we want is the right of citizens to access information that is of public nature, that they have a right to know on the one hand, and to balance that with the privacy rights and safeguards of individuals on the other hand.

And this paper and that Bill has 10 or 12 areas that respect the privacy rights. Obviously we know that that's important. And I would suggest that you don't listen to the Minister of Justice, who's hiding behind this notion just as a way of diffusing the issue, that it will create a big bureaucracy. You haven't properly protected the rights of citizens. You're not concerned about protecting the rights of citizens when you won't share information with us about what information you've got about citizens on the security commission, the police security, and you're arrangement with the federal government. I don't hear the Minister of Justice being concerned about privacy rights being violated there. So I don't accept your explanation of why you have not introduced freedom-of-information legislation.

And I want to switch if I can, for just a few minutes, to the whole area of families, Mr. Premier. Because I've heard you talk many times about the value of families, the value of our young people. In fact, in 1982, you're the man that was committed to bringing the young people home. You've talked many times about our pioneers and the value of our senior citizens. And yet, Mr. Premier, there's a paradox in all of this, because what you say, the rhetoric that you use, and then how your policies impact on families is quite a different matter.

Mr. Minister, Mr. Premier, eight months ago you set up a

Family ministry, and I have a lot of personal respect for your Family Minister. But eight months ago you set up a Family ministry. And we've talked about the mandate in this House with the Bill and the mandate is fine and I gave the minister credit for that. But what we need, Mr. Premier, is more than a mandate. We need a will to bring in policies that are supportive to families, economic and financial and social policies. And the true test is in eight months, what has been the impact with the influence of the Minister of the Families on the average Saskatchewan family? Has anything changed? That's the true test to whether or not in the last eight months Saskatchewan families are better off.

Now, Mr. Minister or Mr. Premier, since this minister, with all due respect to him, has been the Minister of the Family, we have gone from the second highest rate of family poverty to having now the highest rate of family poverty — in this province, the highest rate of family poverty. We've got 45,000 families in this province who live in poverty, Mr. Premier. We've got 64,000 children living in families, according to Statistics Canada, who live below the poverty line.

Mr. Premier, we've got 12 food banks in the province. In 1989 they provided food to some 29,000 people; 50 to 60 per cent of those Saskatchewan residents were children; 1990, it's my understanding that the demand on food banks is up 25 per cent. Not only that, since we've had the new Family ministry, two new food banks have opened in this province. Now what has been your budget response? Your budget response has been to allocate \$740,000 to fight family hunger — \$740,000 for 64,000 children, the equivalent of Chuck Childers's salary for one year. Not only that — in three months you people haven't even been able to allocate that \$740,000. It's 3 cents a day per hungry child to start with, and in three months you still haven't allocated it. Twelve dollars a year per hungry child is what you allocated in your budget.

What else did you do? What else was your response to young people? You cut \$500,000 from youth employment programs. That was your response to dealing with youth unemployment.

So, Mr. Premier, one is left to conclude that despite the good intentions of your Family ministry, given the record that things have not improved, that this is a public relations initiative; otherwise the situation wouldn't be getting worse. The Family minister's job is to evaluate the impact of government policies on families and then to suggest changes and improvements to you and your ministers. And the situation is getting worse.

(2215)

A thousand farm families a year are leaving the farm. Your government putting pressure on family farms through foreclosures; your government putting pressure on family farms through your deregulation support, your *ad hoc* programs, and your free trade agreement. Your government, the last three years in a row, we've had a record level of family bankruptcies: 1990, family bankruptcies are up 27 per cent over 1989, which was a record level, Mr. Premier. So obviously small-business people aren't feeling your support.

Out-migration — you're the man that was going to bring the children home. Well, Mr. Premier, in the last five years, up to May of this year, there was a net out-migration from this province of some 77,000 people; 50 to 60 per cent of those people are under the age of 34 years.

And so, Mr. Premier, you're forcing young families and young people to leave the province in record numbers. Now that's objective information. That's clear to all families. Very few families have been untouched by out-migration.

The economy. Your preoccupation with privatization. You phased out the department of co-ops. You gave up on the co-op approach. But your policies, your privatization policies, Mr. Premier, has meant that Saskatchewan had the poorest job-creation record in 1989 of all the provinces. Saskatchewan was the only province whose labour force fell in 1989. This is public information. Your Family minister should be advising you of this stuff.

You've had health-care cuts which have put pressure on families. All three of the education systems are in a crisis. And you've just finished your confrontation with teachers.

I suppose in the whole area of taxation on families best exemplifies the pressure you have put on families. And you've broken promises around taxes. You were going to phase out the sales tax. You weren't going to bring in a flat tax. The public knows that you have done the contrary to those.

But you have shifted, Mr. Premier, you have allowed to shift taxes from corporations, losses of revenue from natural resources, to average families. Taxes on average families have gone up 119 per cent — 119 per cent.

An Hon. Member: — He must be in trouble in his riding.

Mr. Pringle: — No, as a matter of fact I'm not in trouble in my riding. I'm not in trouble in my riding. You're in trouble in the province, Mr. Premier. I'm not in trouble in my riding.

Don't you worry about me. You worry about running a clean government with policies that help families, not hurt them. That's what you should worry about. But you've put taxes on families 119 per cent since '82 and corporations only 18 per cent. And I'm not even mentioning the gas tax and the lottery tax and the used-car tax.

Mr. Premier, you run with a government with a few winners, a few winners, and many, many losers — many, many losers. What we've seen in this province by you and your ministers, your abandoned ministers, is an incredible record of mismanagement and waste.

And, Mr. Premier, I know you find this humorous, but it isn't humorous. This is not humorous. Saskatchewan young people, families, and seniors are paying the price. Mr. Premier, many Saskatchewan families are feeling desperate and they're feeling humiliated and they're

feeling — the 45,000 poor families in this province — are feeling a sense of desperation. And they've lost their dignity. And this is not funny.

I hope, Mr. Premier, that you have taken the time to read the Red Cross study that was recently released, because I think that will give you a pretty clear message about what's happening in Saskatchewan. And in a very gentle way, in a very gentle way, this organization lays some responsibility at your doorstep.

Mr. Premier, I would suggest that you have placed . . . your policies have placed incredible stress on Saskatchewan families, Saskatchewan young people. I don't know why on earth since 1986-87 with the high unemployment rate we've got here, you have allowed \$7.4 million to be cut from youth summer employment programs. For the life of me, I don't know why you've allowed that. So you're placing more stress on families and young people, and then you cut the services: 750 women turned away from transition houses in 1989. So you cut the supports at a time when families need more supports.

Mr. Premier, I would say that in terms of your mismanagement there are two areas that stand out that are of particular concern to Saskatchewan people. And one is the debt — the incredible debt that you have allowed this province to get into, a debt that future generations are going to have to pay for, a debt that our young people are going to have to pay for. And, Mr. Premier, you have bankrupted this province. This province is on welfare thanks to your mismanagement.

The second area, Mr. Premier . . . and I know you got a long letter from one of my constituents about 3 months ago, and you wrote her back a 14 page letter. And one of the major concerns she has is that you have given away assets of this province that our seniors and builders took many years to build up, and you have given those away. And this woman that wrote you was concerned, as are many seniors. They're concerned that their grandchildren are having to leave this province that they helped to build. And this woman was sick about that. And she wrote you a very, very compassionate, very emotional letter that pleaded with you not to be giving away Saskatchewan's resources, to maintain the control of Saskatchewan resources to Saskatchewan people. That's what she asked you to do.

So, Mr. Premier, what I would say is that . . . and what I'm hearing from people in my constituency is that you're on the wrong side of Saskatchewan families. You're on the right . . . (inaudible interjection) . . . yes, this is your last term. I'm glad you recognize that. You're on the right side of Chuck Childers. You're on the right side of Cargill. You're on the right side of Weyerhaeuser and GigaText, but you're on the wrong side of Saskatchewan's families. You're on the wrong side of Saskatchewan people.

Your member from Wilkie — and I want to know whether or not you agree with this; this is going to be my question, so be thinking about it, be thinking about it — your member from Wilkie . . . but first of all you said in the budget, the throne speech, that you were going to eliminate hunger. You said you were going to eliminate

hunger. Well the family minister doesn't want to hear this, but you said you were going to eliminate hunger. Two days later the family minister said we didn't mean we were going to eliminate hunger; we meant we were going to reduce hunger.

A week later, your member from Wilkie said it would be irresponsible to say that we could eliminate hunger. That's what he said. In the bread basket of the world, your member from Wilkie said we could not afford to eliminate child hunger in this province.

Mr. Premier, I know that you don't agree with that. You have children. I think the member from Wilkie has grandchildren. Now you wouldn't want you children . . . This is not funny, Mr. Premier. This is not funny. You would not want your children going hungry. You would not want your children going hungry. You would not want anybody saying that we can't afford to feed your children. Your member from Wilkie says that we can't afford to, and you laugh about it. Well I would say, Mr. Premier, that typifies the insensitivity of you and your government and that is not acceptable, sir. That is not acceptable.

Now, Mr. Premier, what families of Saskatchewan need from your government is they need some openness and honesty. They need some sincerity. They need some compassion. They need opportunities, and families need to be able to live with a sense of dignity. All families want security. Seventy . . . \$740,000 towards 45,000 poor families is not going to give families a sense of dignity. We've got the highest family poverty rate in the country and you've got to deal with that. You're responsible, Mr. Premier, and you must respond.

And I don't want you to get up in a few minutes and give me rhetoric . . . (inaudible interjection) . . . Well listen, I'm quoting tonight from public information about . . . (inaudible interjection) . . . I'm going to talk about drug abuse because you're the government that subsidizes alcohol going into northern Saskatchewan, but you took away the subsidy to food. Now how can you live with yourself, Mr. Premier? How can you sleep? And you're laughing about that.

Seventy per cent of the families living in the North living in poverty, and I've asked four of your ministers, including the Minister of Health and the Minister of the Family if you would reverse that decision in northern Saskatchewan — quit subsidizing booze and start subsidizing food. And they have not answered that, and I want you to answer that, Mr. Premier, tonight. I want you to answer that question.

So, Mr. Premier, if I can have your attention, if I can have your attention, Mr. Premier, I would like to ask you two questions, and if you don't answer them, I'll get up and ask them again. First of all, do you agree with the member from Wilkie that Saskatchewan cannot afford to eliminate child hunger? That's my first question. My second question is, will you tonight make a commitment that your government will cease subsidizing alcohol to northern Saskatchewan and transfer that subsidy over to food, basic food for northern residents? Will you answer those two questions, please.

Hon. Mr. Devine: — Mr. Chairman, the hon. member touched on several items associated with hunger, and families, and food, and co-operatives. And I could just touch on a few bits of information that he might be interested in. And perhaps I could start with the whole question of the family and how we have been spending renewed money and effort to stay close to families, and I will just list several of them so the hon. member can be aware of them.

We have a new Minister of the Family, as the hon. member knows, and the Family Foundation, that was established in '89 to consult, and evaluate, bridge concerns, provide information. I did raise the family at the annual premiers' conference in 1988. We hosted a national symposium about families in 1989. We provided \$85,000 to sponsor forums. And I would like to point out to the hon. member that the family forums in the province of Saskatchewan have hosted 61 forums in 23 Saskatchewan communities, and over 15,000 — or close to 16,000 — participants, Saskatchewan people, have come out to the forums to be involved. And it ranged on family issues, as the hon. member might know, that covered a large combination of things that people were concerned about including: divorce; family life improvement programs; family violence; better parenting; issues associated with coping strategies for the 1990s and change; family festival workshops; drug and alcohol awareness; the Everyone Wins programs; teen parent relationships that are significant particularly today; the family, the necessary and secure base; parenting and information about them; the convention of communities.

So thousands and thousands and thousands of individuals have come out to the family forums and very much appreciative of the fact that these forums are taking place in dealing with problems associated with many of the issues that people across Canada and certainly across Saskatchewan are concerned about.

With respect to individuals, we have allocated a great deal of money to address hunger. We have breakfast programs in 18 community schools now in Regina and Saskatoon; a child-hunger education program. We have school-family centres in Regina and Saskatoon. Increasing of social assistance increases that are financially, I think, significant. Obviously, as I mentioned earlier tonight, increased the minimum wage by 11 per cent in January and another 10 per cent in the first part of the year.

So the situation with respect to increased awareness and involvement of families across the province of Saskatchewan, dealing with a host of issues, a range of issues that they think important, is very well attended. Almost 16,000 people have attended these meetings.

(2230)

An Hon. Member: — Family poverty is going up.

Hon. Mr. Devine: — The hon. member says that the level of poverty is up in the province of Saskatchewan. And I can say to the hon. member that nobody is more aware of

rural poverty than I am as a result of an awful lot of conditions in agriculture. If you look at 87 . . . I believe that farm income is declined by 87 per cent in 1990. And the hon. member may not be familiar with the agricultural situation, but I can tell the hon. member that this administration certainly is.

We are putting \$277 million into the farm economy within the next few weeks. We have allocated, between this administration and the national government, about \$8 billion into the farm economy. And that's what, as you know, addresses the figures and the numbers that he has raised.

I mean if you want to separate out the farm economy from the urban economy, you will see a tremendous difference in the statistical information that you're talking about. So, to be fair, when you have drought and you have low farm income . . . And certainly it's been documented by co-operatives. The Saskatchewan Wheat Pool and others have said the big change in the numbers are associated with a decline in farm income.

Now when farm income falls to zero — in fact it was estimated this year to be minus \$9 million net — now that's not a lot of farm income. Now I will tell you, however, that despite low farm income, farmers do feed their children, farm families do look after their relatives and their friends and their neighbours, and farm families do have a resilience. So I don't think it's fair to them for you to make the allegation that there's low net farm income and as a result farm families don't feed their children.

I think to be very fair, all those numbers that you're talking with . . . (inaudible interjection) . . . Well you've got to defend the numbers as well as I do. So you want to stand there and talk about the numbers. The numbers are skewed as a result of a net decline in farm income. That's the truth. That's the fact.

Farm income is down 87 per cent, and in fact it was forecast to be zero. Now that will skew the numbers that you're talking about. Farm families at the same time feed their children, and don't tell anybody across the province that they don't feed their children. It's not fair to them or anybody else to leave that impression as a result of the statistics that you're presenting here tonight.

If you want to, you can separate them out. You represent an urban riding and you can talk about the statistics in the riding that you represent. Fair enough. But don't take those statistics that include all of rural Saskatchewan and apply them to your urban riding. Because you're not going to fool anybody. You're not going to fool anybody in Saskatoon; you're not going to fool anybody in this legislature when you're starting to play with those numbers. So I'll just make the point to the hon. member, farm income in a province that has 50 per cent of the farm land in Canada, is down 87 per cent. And that is significant and it would have an impact on the numbers.

Let me just add to the hon. member. He mentioned co-operatives and the fact that I might have given up on the co-operative approach. Isn't that the term that you used . . . (inaudible interjection) . . . Okay, let's take a look

at co-operatives. There have been 100 new co-operatives incorporated in 1989-90, for a total of 1,200 registered co-operatives. We can talk about a few joint efforts with the co-op.

The NewGrade upgrader is close to a billion dollars, creating a large number of jobs. It's the largest project in the history of Saskatchewan, and it's built as a joint venture with a co-operative. And that is the Progressive Conservative administration in the province of Saskatchewan, dealing with the co-operative, making the largest project in the history of the province. You didn't acknowledge that. I think it'd be fair if you did acknowledge it. In fact I haven't heard members opposite ever acknowledge the NewGrade upgrader and the fact that it's built with a joint venture — the Government of Saskatchewan, a Conservative government, and a co-operative; the largest project in the history of Saskatchewan.

Secondly, if you look at the results of the new health care card and the research that's gone into it and the publishing of that card and the manufacturing of that card, it's by Co-op Data Services. Now that card is being marketed all over the place, and particularly — I'm proud to say that I had the opportunity to meet with the Minister of Health in Belgium; and other provinces and jurisdictions are looking at it. And that is in co-operation with who? Who's that with? A co-operative.

When you look at Prairie Malt, and the fact that it is now owned by the Saskatchewan Wheat Pool and an American large company — that's done with a co-operative. The Saskatchewan Wheat Pool has been very instrumental in diversification and I give them full credit. The same applies to the new expansion at Lanigan with Mohawk Oil and the Saskatchewan Wheat Pool — that's a co-operative. We provide the incentives in ethanol so that they can do that, and a co-operative is taking advantage of it.

During the past four years, co-ops have invested \$200 million in capital projects in the province of Saskatchewan, encouraged by our administration. The co-op could give you a summary: there's 600,000 members of co-operatives in the province of Saskatchewan; 4.3 billion in annual sales; over 7 billion in assets; more than 14,000 jobs; and over 4.5 billion in deposits in credit unions.

And you look at Community Development Bonds; we deal with co-operatives. In fact, the only financial institutions that can put up \$50,000 into communities are co-operatives. Credit unions can put up \$50,000 backed by this administration; that principal is guaranteed; they can take an equity position. Who are we doing it with? Co-operatives.

Now I can go on for a long list of economic opportunities and diversification and for small business, for towns and villages, on the basis of co-operatives, that is many times larger than the activity of the NDP in co-operatives in the history of Saskatchewan. In fact, when you expand the operation that we have here, in the last few years in the province of Saskatchewan with diversification, it has been led by co-operatives and equity positions taken by

our administration.

So you raised co-operatives and said I had forgotten the co-operative movement and the co-operative approach. You've never seen so much economic development with co-operatives in the history of the country or the history of Saskatchewan as you've seen in the last five years in this province. And that is a fact. And you can go to the upgraders, you can go at Co-op Data Services, you can go to credit unions, and you can look at the Saskatchewan Wheat Pool, and you can look at the initiation of new co-op feeder associations. The range is large.

Now you might raise that that is part of the mixed economy that you often talk about. Well let me just say that the mix in Saskatchewan is healthy, the growth of co-ops is healthy, and I'm very proud of that. And the fact that we will deal with small business, with co-operatives, with large business, with people from across the world, is something that Saskatchewan should have been doing a long time ago, not just building in government, but building with all the players — business, co-operatives. And I just make the point because you raised it.

This administration is very, very proud of co-operatives in the province of Saskatchewan and has gone out of its way to encourage co-operatives, build, expand, and diversify. And I give them full marks and full credit for the capacity to do that.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Thank you very much, Mr. Chairman. My purpose in rising at this late hour is not to continue the debate on the co-operative situation, but I will, having said that, preface my remarks by saying that notwithstanding the Premier's list, the recitation of his list, the cold, hard reality is that the percentage of economic activity which is attributed directly to co-op activity in the province of Saskatchewan is noticeably down by our calculations — anywhere in the neighbourhood of 5 to 7 per cent since the election of this government in 1982.

And we also have the incontestable other fact that for the first time in a long while in the province of Saskatchewan, if not perhaps for the first time in the history of the province, we have a minister of privatization sitting around the cabinet table advising the minister on how to sell off matters of Crown corporations and aspects of our Saskatchewan heritage, but we no longer have a minister of co-operatives sitting around the table protecting the interests of the co-operatives.

The Premier might argue that that means nothing. I argue that it means a lot, both in terms of symbolism to the co-op movement and to the people of the province of Saskatchewan, and in terms of hard-core economic policy. As the statistics point out, a reduction of economic activity due to co-ops in that neighbourhood of about 7 per cent. But again, I don't want to dwell on that. My colleague from Saskatoon Eastview, I think has made that point. And I simply want to reiterate those bald facts in the face of the Premier's rather lengthy but unconvincing defence of this government's economic policies.

Rather, Mr. Chairman, what I wish to do this evening for

the time permitted and allotted to me for the moment, is to ask the questions of the Premier in rather specific terms in several areas which I think are very important for the people of this province and the overall direction of the province's future development. I have them broken down in four or five areas. And the first area that I wish to deal with is with respect to agriculture.

We have talked about agricultural estimates in the session thus far. I want to focus in however, on one other matter which has not received the kind of attention publicly which I think it absolutely warrants. And that is the question of transportation policy as it relates to agriculture and agricultural development, and transportation policy as it relates primarily to the farm sector in the province of Saskatchewan.

And what I want to ask the Premier . . . these are straightforward questions as I'm sure, Mr. Chairman, you understand and recognize, with a minimum of rhetoric as advance to the questions. I want the Premier to give this House, if he will please, a clear and concise statement of his government's position of what agriculture transportation policy should be in specific reference to the Crow benefit — please note the words that I use specifically and clearly here — in the face of what one can only describe, or what I shall describe as the current federal-provincial state of negotiations on ag transportation policy as it relates to the Crow benefit.

To prompt the Premier, perhaps, what I'm really wanting to know is whether or not the province of Saskatchewan is backing the proposition that the Crow benefit should be paid to the railway companies as part of a transportation subsidy or whether it is backing the position that this payment should be made to the producers. What is the position of your government, Mr. Premier, in this regard?

Hon. Mr. Devine: — Mr. Chairman, very briefly, just so that we have it on the record, two points: one is that I do want to give the hon. member just a word on co-operatives so that we all are talking from the same number.

The total expenditure on facilities, expansion, and other projects in co-operatives in 1987 was 12.6 million, up 87.5 per cent from 1986; the total membership in 1988 was 682,724, a rise of 22 per cent since 1983; and the total value of assets in 1988 was estimated to be 4.7 billion in Saskatchewan, up 40 per cent from 1983. I would just say to the hon. member: co-ops have been growing and expanding at a phenomenal rate in their asset base as well as their value and their memberships.

And I would just also say, and the hon. member mentioned with respect to privatization, one of the most significant and successful privatizations was taking something owned by the government and turning it over to the co-operative movement, which is Prairie Malt, to turn over to the Saskatchewan Wheat Pool and its employees there — very successful, endorsed, supported by the co-op movement. Obviously they bought it. I just make that point.

With respect to agriculture and the Crow rate, our position has been — and I've laid it out at the

Saskatchewan Wheat Pool meetings and other meetings — it has not changed. And we've taken a position of 50-50; that 50 per cent, if they're going to change the policy, and right now it all goes to the railroads, they're going to change it.

When we go back and look at the split in the communities across the livestock sector and the grain sector and how they would like to see it allocated. We said 50 per cent to the railroads and 50 per cent to the farmers. And we know that there's not a consensus as you go across the Prairies. And certainly the Alberta Wheat Pool may have a different position and the Manitoba Wheat Pool, and I'll speak for Saskatchewan. When we look here, you've got some organizations that want it to go one way and some the other, and we have said that we will allocate it 50-50 if they want a recommendation.

I will make the point, and the wheat pool has made that with me, and I've looked at their studies, that the key question is for Saskatchewan to maintain its share of, as you put it, the Crow benefit. And if we've traditionally received about 55 or 56 per cent of that benefit, we must make sure that our share stays there. If we have that locked in, then you can have some very interesting discussions about how you spend that share.

(2245)

So there's two questions. There's the political question of how do we lock in our benefit so that, as they say, the Alberta solution is not the Saskatchewan dilution. The fact that we maintain our 55 or 56 or 57 per cent share of, say, 7, \$800 million annually, then you can have the discussion how best should we spend it.

As you see the diversification taking place . . . and I'm sure you're aware in the Saskatchewan Wheat Pool and in other commodities where you're not just selling barley, but you're selling malt. You're not just selling straight grain, you're maybe selling doughnuts. Or you're not just selling just a straight raw commodity, you're selling a manufactured commodity. Then your business mix and the manufacturing and processing and diversification mix that the wheat pool is into, for example, changes the economics.

So the basic question is to maintain our share, 57 per cent, and then we'll have lots of interesting discussions about where that goes. And I've had some very good discussions with Garf Stevenson about that, I certainly have with the presidents of co-operatives and farm organizations, the livestock associations, and others.

The changing economy of the 1990s and the 21st century means that we are — and I think everybody agrees — processing and manufacturing more, adding value. I think you've endorsed that in this legislature that we should take the raw commodities and we should add value because that's where the wealth is and that's where you can generate the prosperity.

So you have two questions that are associated there. One is associated with the historic rate and our share; and the other is how best you encourage processing and manufacturing and value, and the jobs that go with that,

because there are an awful lot more jobs in processing and manufacturing than there are just in producing the raw commodity. So if you make paper, there are more jobs in a paper mill than if you're just cutting fence posts and selling them. And it's the same principle, and as you add value it provides new opportunities for jobs in the province.

Mr. Romanow: — I take it, Mr. Chairman, from that lengthy answer that the Premier's saying that his government's position is that with respect to the Crow benefit, in the future he would like it paid out on the basis of roughly 50 per cent of the benefit payable to the railway companies or in some form of transportation subsidy, and 50 per cent to the producers. What I want to know is will the Premier tell me what other provincial government is adopting that position with respect to this issue?

Hon. Mr. Devine: — Well I would have to check, Mr. Chairman. I believe that the . . . I could be corrected and the hon. member will have to check. I believe that the Alberta government has taken the position that they want all of the payment paid to producers. And if I'm not mistaken, I believe the Manitoba government has said something similar or very close to it.

There is some split between, I believe, various farm organizations as you go across the Prairies. And I think if I would go back and look at it, there would be a difference between the Alberta Wheat Pool for example, and the Saskatchewan Wheat Pool on this issue. And I could be corrected if that's not the case, but there certainly is some very strong views, as I'm sure you would . . . differences of views as you go across farms and ranches across the Prairies, and there has been for some time.

So because of the increase in the livestock sector in the province of Saskatchewan, which is very important to us, and their concerns that we not retard them or hurt them, the Saskatchewan government has taken the position that until we have more information or more consensus on a position, that we would just sort of be there with the farmers. Half the farmers want it paid to the producers and half the farmers say, we'll pay the railroads. And with the diversification of the livestock industry, that's a very big question.

Farm income, net farm income in Alberta is up this year in good part because they've so diversified into livestock. And you know that as well as I do. If the livestock industry is basing its profit on the feed grain business and feed grain prices have been relatively low, obviously their margins are better and their net farm income is better than ours in Saskatchewan, and they use that as the basis for the argument, maybe we should be diversifying more.

And so the positions have moved back and forth across the prairies. And we just said look, until the farmers make up their mind, we'll look and respect all of their views — the livestock industry and the grain industry.

Mr. Romanow: — Well, Mr. Chairman, forgive me for saying so, and I say this to the Premier, but I get confused with the Premier's answers. That may be my fault. His first answer to my first question seemed to be predicated on

what he would have advanced as a logical economic argument for 50-50.

His second answer to my second question is predicated on the basis that there are conflicting views amongst the farm organizations and groups, and the easiest way — these are my words and not his — in which to settle this matter is to simply make it 50-50. And the economic argument is not a consideration.

My question to the Premier is: which of those two rationales is the basis of your position of 50-50? And I would ask, when we come back for the next day, if you would provide for me, since you have officials sitting at this very important committee meeting, to provide for me the information of which other government in Canada supports a 50-50 proposition with respect to the payment of the Crow benefit.

So the second part you don't know. You say you're going to have to check that. I don't think we need to go through that argument again, but I do want you to ask the first question that I ask here. On what basis is this 50-50 proposition of payment based as far as you're concerned? Is it a matter of simply ducking into what seems to be the most convenient political hole given the controversy that's out there, or is it based on some form of the economic and sound agriculture and economic development policy? What's the answer to that?

Hon. Mr. Devine: — Mr. Chairman, that's a reasonable question. I will put forward to the hon. member that we took that position having talked with and canvassed farm groups a couple of years ago on where they thought the benefit — as you put it, the Crow benefit — should be allocated. And at that time farmers were split. And as far as I know the farmers are still split. And it's the farmers that should have the say with respect to the allocation of this benefit, if it's changed, if it's changed.

Now what we have said is two things, and I agree totally with the wheat pool on these two points. One, the most important thing — that we should lock in and make sure that we do not vary, and this administration will not vary on that — is that the share of that money stay the same, the percentage coming to the Prairies, that goes to Saskatchewan stays the same regardless. Now people will admit they are using, pay the railroad, as a political argument to lock in the share. And they have said that to me personally and they may have said that to you. And if you get them in a corner, they'll say, I'm not so concerned about how the payment is made — livestock, processing, railroads and what-not — what I'm really concerned about is that percentage stay the same in Saskatchewan.

And they'll admit to you when you get them in the corner that the reason that they want to pay the railroads — and Lord knows the railroads got enough money. This isn't something that is easily endorsed by a lot of people, that you've got to give the CPR or the CNR more money, right? The reason that they're doing this is to make sure that the share stays the same.

Once you get over that argument, then there's a really interesting discussion. When you're in the malt business and the barley business, where should that freight rate

support go? Now that's a very interesting question. And believe me, it is split, when you look at processing, value added, livestock, and so forth. Because if you're in the malt business as opposed to the barley business, as you take the Saskatchewan Wheat Pool, all of a sudden some of that transportation number and economics changes, and changes considerably — or if you're in the food packaging or marketing business. And we're getting into more of that.

So the key question for us to address in this Assembly and this province is to make sure the percentage stays the same. Then we can have long discussions with farmers, processors, manufacturers, and everybody in the province in terms of what's best for the province of Saskatchewan as we go into the 21st century in terms of jobs and opportunity, and particularly at the farm level.

So you ask me where I get my position from. I get it from talking to farmers, talking to farmers that are in the hog business, talking to them that are in the malt business, talking to them in the livestock, as well as just grain production — talking to those that grow canola, grow flax-seed. Processing opportunities are now before the flax growers, and some of them are pretty exciting.

Those are very interesting questions. And so it is a time where we're looking at more processing and manufacturing, and that's a time when we have to deal with both. So you asked me where I get the position. People of Saskatchewan, farmers of Saskatchewan particularly, as they look at the change in the mix from grain to livestock, is significant and I believe we should listen to them.

Mr. Romanow: — Well, Mr. Chairman, again I don't want to be obstructive or obstinate about this, but I am really trying to get from the Premier a very clear statement on an urgent matter which is progressing along at some pace. There will be very soon, it is expected — at least as I am advised — some form of a report by the transportation task force on the question of the Crow benefit, as I described it.

And as the Premier knows all too well, historically the location of this province in this part of the world with respect to getting our agricultural products to port, is to large measure the reason for the Crow payment in the first instance; and very largely the reason why the question of what happens in the future is so much a matter of importance and in the public domain.

And I say to the Premier that within the next two or three weeks or so, there's likely to be some form of a transportation task force report. And I want the Premier to tell me who his representative is on that transportation task force studying this issue. And I want again — not to be as I say, apologize for sounding obstinate or perhaps a little bit obstreperous — I want him again to tell me whether or not it is his instruction to this representative that Saskatchewan's position is this 50-50 proposition.

So perhaps I should add a third question: when is it that you expect the report to be tabled? Who is our representative? And is it your instruction to our representative that it should be paid on a 50-50 basis?

Hon. Mr. Devine: — Our representative is Mr. Neil Petrovitch. He's director of transportation and policy, and the action is expected in about a month. The report will be in about a month. And so the hon. member will receive that. I will say to the hon. member — and we got into this last year — I remember now the words and the pretty significant difference with respect to philosophy, and I'll be glad to pursue it. I won't, but I'll just raise it again.

I think the hon. member used the word that Saskatchewan was trapped because of its geography here. And we therefore had to pursue the same line of policy that we've had for the last hundred years or more. I will say to the hon. member, more and more people are coming to recognize the fact that we are not trapped, that we cannot just take raw commodities and have them exported out of the province. We are not trapped. We don't have to take the raw lumber and export it out. We can make pulp and paper with the best of them. And as you add value, you know as well as I do, the significance of the cost declines.

If you're going to be marketing a package sandwich that has grain in it and meat in it, then the percentage of transportation on that becomes less and less significant as you add more and more value. So as you look at paper, as you look at malt, as you look at bacon, as you look at gasoline and diesel fuel, as opposed to the raw commodities, then transportation becomes less and less significant. We're manufacturing turbines now that can be marketed all over the world. And the same applies to paper. The same applies to other things.

So the old argument in a developing economy, which is fair enough that we had to start with raw commodities and we had to have a subsidy to get the raw commodity out as fast as we could, is not necessarily consistent with the fact that you can add value and process and manufacture and have more prosperity. So that's why we're looking at the whole question of whether in fact you want to make paper, make malt, make bacon, add value and have more sophisticated products manufactured in Saskatchewan as opposed to the raw commodity. So I just make the point to the hon. member, if he says that we are, again, land-locked in the middle and we're trapped, I would say that there's increasing view. And if you look at processing and manufacturing being up 600 per cent in the province of Saskatchewan in the last few years, increasingly the industrialized world is saying we can make things the same as the Japanese.

Japan is a long ways from here and we send raw materials over there; they send packaged material back here. The distance, Mr. Chairman, has not been the significant factor. The fact that they can use technology to make things has been very instrumental. In fact, as they say in the country, we send our rocks over there and they send cars back. Mr. Chairman, much of what we'd like to do here is to make and manufacture and add value to commodities. Those considerations, farm considerations, policy considerations, will be instrumental in the views that we take to the table in the report that's coming down in the next month.

(2300)

Mr. Romanow: — Mr. Chairman, again I'm pleased to hear of the Premier's world vision about economic development and how we have decided to opt into this great economic boom in the province of Saskatchewan, notwithstanding our record. But please, Premier, spare me for the moment the lecture which I think we've all heard in Saskatchewan, and a lecture which has been rejected by the people of the province of Saskatchewan. Because I want to tell you that no matter what you say, the reality is that we have producers upon whom their future survival, amongst other factors, will depend on what you and your government are doing on the question of transportation, getting their commodities out of this land-locked area, which is the reality, and to market or to port.

And I want to know why it is that the provincial government, so far as I can tell, alone of all the governments, and I stand to be corrected tomorrow when your officials advise you — advances a proposition of 50-50, something which is certainly novel, if not unheard of. Why it advances this position. And I guess my specific question to the Premier is: why is it that you advanced this proposition in clear opposition, for example, to the stated point of view of the three prairie pools?

The three prairie pools, as I read in newspaper reports and elsewhere, take the view that the benefit should be viewed as a transportation subsidy, paid to the railroad people, that it should be on a distance-related basis. I have my rationale as to why that policy is there, which I think is tied into the realities of the province of Saskatchewan.

Why is it that you find that unacceptable from the leading farm organizations — not the only ones, but the leading farm organizations? And how is it that this 50-50 formula has been concocted? On what basis 50-50? Why not 75-25 or some other combination? What's the economic and solid policy position in this regard?

Hon. Mr. Devine: — Mr. Chairman, I've already answered that — the farmers themselves.

We've looked and come up with the position two or three years ago. The farmers themselves were saying, we haven't made up our mind. And the farmers in the livestock industry feel very strongly about this. They deserve to be respected and understood. And we've looked at that situation very carefully. And the increase in the livestock industry is very important to the province of Saskatchewan. We're going to make sure that they have our ear.

And I would think it's fair to say — and you know politically as well as I do — that the livestock industry have had the ear of this government. No question about that. And the livestock associations and the expansion in feed lot operations, expansion in the beef and the hog industries because it is diversification in jobs. It's very important.

The livestock industry's income is up. And a good part of farm income in Saskatchewan is now linked to the question of livestock. We've got programs and packages that I'm sure you now endorse, like interest-free money to

the livestock industry; cash advances, no interest at all — the only place in North America that the livestock industry has zero per cent interest rates. Now that's pretty significant.

You start talking to them about margins and economic opportunity, that's there. I just respect the livestock industry and the processing side of agriculture enough to know it's important that we weigh that in our considerations, and that's precisely what we did. We talked to farmers, we've asked about them.

The province of Alberta has said no, pay the producer. Period. And the farmers of Alberta generally support that — pay the producer. That's what they say. In the province of Saskatchewan it's split, and we've got a growing livestock industry, more processing, more diversification. And that just happens to be the fact. In Manitoba I think you would find the majority would say, pay the producer.

So here we have Saskatchewan that is different than the two provinces on either side of us. Legitimate arguments about the growth of the livestock industry and the diversification that has taken place.

So you ask me where we get that position — in talking to farmers and ranchers across the province. And they're relevant and they're credible people who have said, you know, look at this very carefully. And so we have.

Mr. Romanow: — Mr. Chairman, there must be some cost-benefit analysis studies carried out by your Executive Council people or your Agriculture people or Transportation people based on the assumption that the 50-50 formula, which is something you're advocating and therefore standing behind, some cost-benefit analysis as to what the impact will be in the province of Saskatchewan vis-a-vis the gains and the losses both on the grain side and on the cattle side. What do those studies show, and will you be prepared to table an internal study of the government? You can take a look at it and vet it if there's some sensitive analysis. What will a 50-50 combination pay-out mean to those sectors? Because I venture to say that on any change from Crow benefit as a principle of transportation subsidy, even for the benefits to the cattle industry, the losses to the grain producers will outweigh in large proportion any of the benefits that may come off from the change in this methodology.

So surely my question to you is twofold: you have conducted these studies. Being an economist yourself, you would have directed your officials to have conducted this cost-benefits analysis; and secondly, show to us, prove to us — and if you don't think that we're interested in this thing in an objective way, I assure you that we are, although we come from some biases — show to the people of Saskatchewan what the cost-benefit analysis is, on the assumption the 50-50 message is accepted.

Hon. Mr. Devine: — Well, Mr. Chairman, we are doing analysis. The 50-50 is based on the fact that the farmers themselves had differences of opinions. And we're going back and doing the analysis. I can give you an example. We received a wheat pool report that looked at the implications of change. And I've gone over that with a

great deal of detail. Their major concern is that the percentage stay the same and then we'll look at the changes. If you implemented a wholesale change immediately to pay the producers, under the wheat pool's analysis there would be a net loss in the province of Saskatchewan, and that's that they call "the Alberta solution is the Saskatchewan dilution". And we don't want that.

Now as the mix changes over time, we're going to have to examine it over and over again, as you examine the implications. And the wheat pool is aware of that, and all organizations. As their industry and the wheat pool itself changes over time, you may find, as you point out, it should be 90 per cent to the railroads, 10 per cent to the farmers. Then in five years it maybe should be 50-50. In the next century, it should be something else. And our ongoing analysis and other things would provide that kind of sensitivity. The most important thing, the most important thing is that the percentage coming into Saskatchewan does not change. Then as the mix in Saskatchewan changes over time, then you can play that examination on an ongoing basis, and that's only fair. And the wheat pool acknowledges that with their research.

So we're doing our own research. We don't have the conclusions. We said 50-50 because the livestock industry and the grain industry and producers are split. Now that's just a position to show that we do have some compassion for both sides as we look at this change in the agriculture mix into the future.

And clearly, we're processing more, no question about that. So we're just sensitive to it. But you make a fair point. Maybe it should be 90-10 now; maybe later it should be 75-25. As our economy changes into the 21st century and the analysis tracks it, we may find that as long as our percentages is there, then we may find better ways to spend the money. And I think the wheat pool and others would acknowledge that.

Mr. Romanow: — Now, Mr. Chairman, I don't want the Premier to misinterpret the point that I make here. I have a couple of points, but the point that I'm making in this last series of questions I want to be absolutely clear about.

The point that I want to make with respect to your government's accountability and responsibility is this: by your own admission, the transportation task force report is going to be tabled within about a month's time more or less. You have a representative on that committee. That committee represents Saskatchewan's interests. You have tried to make the point to me that the interests are mixed. Let's leave that argument aside for the moment.

You have said in general terms, that Saskatchewan's interest can be best served by 50-50, something that I am very sceptical of and to be quite frank with you, would oppose. But leave that aside for the moment. In one month's time, there will be a report, or thereabouts, which will have grave impact on grain producers and cattle people. But let's just talk about the grain producers for the moment in the province of Saskatchewan. And you are telling me, sir, with the greatest of respect, you are telling me that this is some sort of rolling analysis, almost

on a week by week, or month by month, or day by day basis, with respect to the percentage splits that the Government of Saskatchewan's involved in.

Surely that cannot be the position of any responsible government. Surely the position of any responsible government is got to divine — pardon the expression — the choices which are before it, tough as it may be, and to advance a position, tough as it may be, backed by the appropriate economic and agricultural analysis, as tough as it may be, and fight for that position in that transportation committee.

Are you telling me, sir, that Saskatchewan is at this stage in the federal committee, namely that it has no firm definitive economic analysis, that it's an ongoing rolling analysis, and that in a month's time a report may be tabled which could have catastrophic results to the agricultural community, and that as a consequence of this policy, there will be no reports or documentation tabled to this legislature or to the farmers of the province of Saskatchewan. Because that's what I hear you saying.

And I'm trying to be as objective as I can about it. Surely, sir, that is an impossible posture. Surely that is an incredible posture for the farming community and the agriculture community, and is one which has grave danger for the future development of this province of Saskatchewan. And therefore I want to say to you in the few remaining minutes left to us this evening — because I understand you've been in Newfoundland all day today and you must be tired, clearly — surely we've got to try to resolve this issue.

What clearly have your officials been submitting? What is their proposition and on what is it based? What studies is it based? Who are going to be the winners; who are going to be the losers? What's the fall-out in the agriculture economic development sense. Because that is going to be a very key issue of the future. So my point again to you is this — I want you, sir, to be very precise on this — is it your firm position, 50-50? If so, what are the numbers as to who wins and who loses on the assumption that 50-50 is adopted? Because the farmers of the province of Saskatchewan want to know. And I tell you, as the Leader of the Opposition, I want to know.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Chairman, just to state again is that because of our close contact, and mine as the Minister of Agriculture — and we have, I think we represent all the rural seats in this province except two — we're very close to the agricultural sector. The farmers have told us that it's important to the producers; we should listen to them. They have some very strong views in the hog industry, and in the beef industry, as well as in the grain industry. And we just have gone in and said look, until the farmers make up their mind, and we have done all the research, we'll just take a position of 50-50.

Now I've said that position is there as a result of the mixed views on the farms. The hon. member goes back and says well, see your research. The research and the report will be public within about a month. There will be hearings in Saskatchewan on the report, I understand. And people

can look at it and examine it in detail.

The key question, the key question: where there's unanimity in the province of Saskatchewan — just so you know — is that the percentage Saskatchewan receives today stays the same. Then as Saskatchewan grows over the next decade, and the next decade, and the next decade, how we allocate that money is a fair question. And you may be right; it may be 90-10; it may be 100 per cent to the railroads today as it is, and that will stay that way for some time.

I will tell you the province of Quebec likes it the way it is. That's an interesting question. Interesting question — why the province of Quebec? When you start talking to our dairy industry and our hog industry and our beef industry and you tell them that the province of Quebec likes it just the way it is so they can get access to cheap grain, that's an interesting question. And there's been some interesting dialogue between western Canadian farmers and central Canadian farmers, particularly in the province of Quebec.

I'll just make the point that as we do this research we have said we are sensitive to the change in the mix in Saskatchewan. We're sensitive to the livestock industry and we will be as sensitive to it as we can. And the report will be out; our analysis is going on.

And I'll just make the point once more, Mr. Chairman, that I believe it's fair to listen to both sides in this and that's all our position is, that we respect the livestock industry and we respect the grain industry and we want to take the time to make sure that we listen to them very carefully.

(2315)

Mr. Romanow: — Mr. Chairman, the Premier keeps referring to some sort of a statement about 90-10. I know he does not mean it in this sense but I'll just simply clarify this. I'm not advocating a 90-10 position. I'm not advocating a 50-50 position. I believe the system with respect to the Crow benefit being viewed as a transportation subsidy, distance-related, paid to the railroads, with all of its difficulties is the best economic position for the grain producers in the province of Saskatchewan based on history, based on geography, based on political, economic fact.

There are problems with livestock. We understand that. There are other ways to get at that — other ways to get at that. Your argument is not new. You say your argument is new. Your argument about Quebec and cheap grain is an argument that Otto Lang has been advocating and advocated from 1969 and earlier when he was the minister of Agriculture, Canadian Wheat Board minister, and Transportation.

And the people of the province of Saskatchewan fought Mr. Lang in 1969 to 1971 during that period. And they stopped it then. And here you are, 20 years later, coming back with the same old argument, and with no economic numbers, no economic positions. You see, you present this, I mean — with the greatest of respect to you — you present this as some sort of new economic concern. Of course we know it's a new concern about cheap grain to

Quebec; of course we want to diversify in the province of Saskatchewan; and of course there's no easy way to square this circle, but somebody has to make the choices. That you is, sir, for the time being.

You are the Premier and you must divine the choices in the best interests of the economic community. And what you're telling this House and telling me right now is that for the time being it's 50-50; in fact, you're saying it might be 90-10; it might be 80-20; it might be some other combination. That's what you're saying, and you're saying this without telling the legislature or sharing with us what the rationale on an economic basis is in this context.

Now I don't mean to be haranguing you, but that's the position that you're in; that's the position you're in. I mean, at least Otto Lang — give the devil his due — took the position of simply saying the Crow benefit is all wrong; it works to the detriment of Saskatchewan cattlemen and the diversification; we should do away with it. End of issue — pure and simple. And you people jumped on that bandwagon in 1982. I mean, at least he was honest about this.

Now we're into another very critical phase, and all I'm asking you — I mean, this may sound like it's a partisan political speech — all I'm asking you quite legitimately is I think we are owed some rational explanation as to who the winners and the losers will be on the 50-50.

Now let me ask you another question here, let me ask you another question here. And again, Mr. Chairman, again I am mindful . . . the House leaders presumably are negotiating an appropriate time to adjourn for tonight, so I don't want to give the Premier a chance to respond before we resume, but I want to ask this question. If you won't share the study . . . (inaudible interjection) . . . No, your study. I don't mean the transportation task force study. I want to know what position you and your people have been fighting for there over all these months. And I want to know your analysis and, as my colleague says, on what the issue was. Don't tell me what Mazankowski and the boys are going to be releasing a month from now because I'll tell you that gives me no comfort. And I want to tell you, it gives me no comfort to think that they're going to have public hearings after they release the report that they get stuck to. I want to know what your position has been in that task force report with studies.

Now I ask you two things. Number one, I ask again: will you table the studies as to the winners and the losers on the 50-50? I've asked already. And I'll expect, with the greatest of respect, tomorrow your officials to provide me the answers of what other governments take the same position of 50-50 and, for that matter, what other farm groups take the position of 50-50.

But my question is, for the time being: will you table your internal study or studies, in this regard as to winners and losers? And if you won't, my next question is: have you at least shared your studies and numbers with, let's say, the Saskatchewan Wheat Pool, to let them know of what the possible impact is going to be about this policy?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — I can only say, Mr. Chairman, that with the work of the task force, we are doing our research. We will be sharing it with the wheat pool, with the members opposite, and with others when we finish it. And it's an ongoing research and analysis. When you look at the benefits and the analysis . . . you can just take the wheat pool study, and they'll show you some that will benefit and some that will be cost. And as the industry changes you will have different ratios and different developments. Over time we're going to have to continue to monitor that. I'll only say to the hon. member, it's an ongoing research and it's an ongoing discussion. In the province of Saskatchewan you have a mix and you also have a changing, so we're going to be examining it every year. I think it's worthy of research, and I believe the wheat pool would agree with me on an ongoing basis.

So you keep examining the mix. I know that the minister of Ontario is increasingly worried, Mr. Chairman, because the livestock industry is moving out of Ontario, moving to the West and moving into Saskatchewan, moving into the Prairies. Now that's a good sign.

One of the biggest demands for grain in the prairie basin is the domestic livestock industry, the domestic processing of grain. So if we can increase that, obviously we can add more value because you can ship that grain out at a much more valuable level and at a higher price. If you processed all the grain in Saskatchewan, if you did, and shipped it out in package form, we would be all much wealthier. And obviously, as the hon. member says, we are trying to diversify more and add more value so that you can process it. As you do that, the mix and the analysis changes, and we're going to have to examine that this year, the next year. We'll share with you the information. We're doing studies and analysis. I don't have any to present to you tonight but the task force will be out there. We'll be sharing them with the groups, with the farm organizations, with you.

There's no secret studies going on, I'll tell you that. We're examining it all very carefully. And I guess I could say from my own academic experience that there are volumes of studies on freight rates — I'm sure you're aware of that — and the implications to diversification. Volumes. And they talk about all the different ratios and all the different examinations. The transportation officials and the Minister of Transportation has no end of studies. And I suppose we can table all of those that have gone back for years.

So it's an ongoing discussion. We said that we are sensitive to both sides. That's precisely why we said that it should be examined fairly. You spoke tonight about the grain industry, but you said you had another plan for the livestock industry. I think you should be very clear in this Assembly what your plan for the livestock industry is.

Now you said it could be dealt with in other ways. I'd like to know what it is and I'm sure they would like to know what it is because that balance out there is very important. So we're just sensitive to the balance, and we said until we find the consensus in rural Saskatchewan, we're prepared to look at the 50-50.

Now if you've got some information that says this should all be one way or the other, I'd be glad if you shared that information with me. I mean, there are lots of organizations, and particularly the livestock organizations, that would like to have that information as well.

Mr. Romanow: — Mr. Premier, I say this to you with respect, but I think you're ducking your responsibility as the Premier of the province of Saskatchewan on this issue. That's the only conclusion.

Some Hon. Members: Hear, hear!

Mr. Romanow: — You're ducking your responsibilities, sir. The Saskatchewan Wheat Pool, a member I'm told of this transportation task force, the Alberta pool is a member, various organization; Ontario cattlemen are, provincial governments are. All of these people are individual members and they come with positions to advocate.

Your government is a member of this transportation task force report, the government responsible for the economic development and the agricultural development of the province of Saskatchewan, and you're telling us tonight, your telling me, you're asking me, the Leader of the Opposition, what do I think about it, to try to give you some ideas about it, when the report is going to come down from Ottawa in a month's time or so.

And what other conclusion can anybody make except that you and your government are ducking the issue? And that's irresponsible, sir. That's irresponsible. You give me all of the speech about diversification; please spare us. The history of this province has been to attempt to diversify. Premiers long before you have tried all kinds of diversification schemes — some succeed, some don't succeed, some are better, some not as good. I think that there are very few that are not as good as this government. But spare us that.

What we need to know is on the next \$720 million annual, or whatever that amount is with respect to the transportation subsidy, this particular Crow benefit that is being paid, at a time when national governments and institutions are debating its future, we need to know what this provincial government stands for. We need to know what you and your officials have been telling this group. We don't need to know the end result. I mean, we need to know the end result but at that stage in the game, it's too late. It's too late. Well all right. The Associate Minister of Agriculture says we need to know the end result. Of course we need to know the end result. But if the end result turns out to be something based on 50-50, or some other operation of that nature, I don't understand that.

And I tell you, Mr. Minister, Mr. Premier — this is Executive Council — I tell you your ministers, you have four ministers in one form or another responsible for this task. I don't know how many officials you have sitting behind you. You've got the Minister of Transportation. I don't know what he's getting paid for in this issue. Has he spoken or delivered any report on this thing? I've seen none. I don't know what the Associate Minister of Agriculture has done. Absolutely none. I don't know what

the Minister of Rural Affairs has done in this area. Absolutely none. Absolutely none. Absolutely none. And the Minister of Highways runs out of the legislature because I happen to criticize him.

Mr. Chairman: — Order, order. Members are not to make reference to people's absence or presence in the legislature.

Mr. Romanow: — Mr. Chairman, I didn't mention his absence. I mentioned the fact that he was in this legislature and leaving this legislature.

Some Hon. Members: Hear, hear!

Mr. Chairman: — Members are not to make reference to absence or presence. Members are not to make reference to absence or presence in the legislature.

Mr. Romanow: — Well, Mr. Chairman, I abide by your ruling, but it'll be interesting to know how we ask questions without any reference to who's here. But none the less that's your ruling. We can't refer to who's here and who's not here; that's fair enough. But I'm not going to be side-tracked by that issue.

The issue that I'm talking about . . . and I accept your ruling, Mr. Chairman, I mean that quite sincerely. I accept it, and I apologize for having broken the rules. But the point that I'm trying to make is that there are four ministers. There are another two that are content in heckling me on an issue which I say simply can be answered and answered legitimately by saying: what basis is 50-50 being advanced?

Well the Premier says that he's got all of these agricultural MLAs backing him. What about the agricultural MLAs? Have any of you asked the Premier what the basis of the 50-50 payment is out? Have any of you asked for those economic studies? Has the Minister of Finance, who represents a semi-rural riding, has he asked it? How about the member from Rosetown-Elrose? How about the member over there from Arm River? Do you know what the Saskatchewan government position is on the Crow benefit or not? Do you know? Because if you know and we don't know, that is not right, and it is not correct for the people of the province of Saskatchewan. It's fundamentally wrong.

Some Hon. Members: Hear, hear!

Mr. Romanow: — And we're not talking about peanuts. We're talking about millions of dollars. And we're talking about the futures of farmers. And we're talking about the future of diversification. And I'm asking a simple, and I think, sir, a very legitimate request: I want to know on what basis that 50-50 is made. I want to know who the winners and the losers are according to your studies. I want those studies tabled and if not a good reason to why they're not being tabled. And I think that nothing less is adequate. And surely that is not irresponsible to ask of it.

And I say to you, Mr. Chairman, and to you, Mr. Premier and the leader of this government, that if you refuse to do this, if you refuse or fail to do this, I can only draw one conclusion: that you either have absolutely no policy,

and you're going to abdicate for the agricultural province of Canada, a position on this important issue which I can only say is shameful to you and to the government. Or in the alternative, you've got a policy which in effect amounts to the doing away of the Crow benefit, and in effect phasing it out, eventually, to the detriment of rural Saskatchewan, and farmers, and towns, and communities, unless you show me the studies that justify the 50-50. Now what is it?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Well, Mr. Chairman, I remember the hon. member went ranting and raving about this issue back in '82, and I think he was responsible for saying that, let's go in April and go in the Crow, and he lost his riding over it. I mean, I don't know that he's that much more informed about agriculture policy in the last eight years than he was in 1982. I'll only say to the hon. member, we were elected in '82 and re-elected in '86 and in 1986 with respect to all the economic opportunities for farmers; we're very sensitive to them.

(2330)

I will say to the hon. member that the farming community has not reached a consensus. I will just provide to you in terms of the responses from various jurisdictions. When we're looking at . . . Alberta and British Columbia released a position paper October 31 of last year to pay the Crow benefit directly to producers. The Saskatchewan Wheat Pool maintain the current position of paying the benefit to the railroads following review and discussion at their annual meetings.

Manitoba released a discussion paper November 6, 1989, outlining impacts of various payment options and is waiting for public input before taking another position. They're going back to talk to the farmers in Manitoba. And that's their position to date; to find out what is best for Manitoba. You're saying that you know what's best for Saskatchewan. You've got a hard, fast position, and you discount anybody talking about it. The province of Manitoba has said, I think we should go out and talk to the farmers. I'm saying the same thing. You should listen to farmers. Not make up your mind in here, but listen to the farmers.

The federal Minister of Agriculture released a discussion paper November 6, '89, identified payment methods under the WGTA (Western Grain Transportation Authority) which should be reviewed and evaluated during a policy review. Ontario remains very firm — pay the producer. Quebec recommended, pay the railroads, but has recognized the pay-the-producer option would not have a negative impact on the agriculture economy. And the whole issue is being reviewed by the General Agreement on Tariffs and Trade. The GATT (General Agreement on Tariffs and Trade) negotiations to be completed by the end of 1990 will evaluate the whole implications of the Crow benefit when it comes to international trade.

All right. The hon. member has said he wants to know the basis for the 50-50. The basis for the 50-50 is discussing it with farmers and ranchers and farm organizations across

the province of Saskatchewan. The Government of Manitoba has said they will not take a firm position until they have discussed it with the farmers in the province of Manitoba. We have said we will listen to the farmers of Saskatchewan. I think it's only fair that we should continue to listen to the farmers, Mr. Chairman.

The committee reported progress.

The Assembly adjourned at 11:33 p.m.