

The Assembly met at 2 p.m.

Prayers

## ROUTINE PROCEEDINGS

### INTRODUCTION OF GUESTS

**Mr. Calvert:** — Thank you very much, Mr. Speaker. Mr. Speaker, it is my real privilege today to introduce to all members of the legislature nine students from the living skills for special abilities people program from the SIAST (Saskatchewan Institute of Applied Science and Technology) campus in Moose Jaw.

Mr. Speaker, these nine students are seated in your gallery, and today they are accompanied by teachers, Verna Nicholl and Paula Green. And both Glen Hagel and myself look forward to meeting the students right after question period for photos and drinks and some discussion. And so we'll see you later.

I ask all members to welcome these special guests.

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

**Mr. Hagel:** — Mr. Speaker, it is my pleasure as well to join my colleague the member from Moose Jaw South in welcoming these SIAST students to this their Legislative Assembly building. I understand they've already been on a tour of the building. And as most of the students, in fact, live in the Moose Jaw North constituency, it's my pleasure, Mr. Speaker, to join with the member from Moose Jaw South to meet with them after.

I would also simply like to say it's also an honour for me to welcome these people here today because there are several personal friends of mine among this group. And so I look forward to meeting with them after.

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

**Mr. Koenker:** — Thank you, Mr. Speaker. I'm pleased to introduce to you this afternoon a constituent, John Raymond who is from the constituency of Saskatoon Sutherland and is visiting here in Regina with his wife. He's a very avid viewer of question period both provincially and federally and this is the first time, I understand, that he's been able to take question period in personally. So I ask all members to welcome him today.

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

**Hon. Mr. Devine:** — Thank you, Mr. Speaker. It's my pleasure today to introduce to you, and through you to the members of the legislature, His Excellency Mr. Mäentakanen, ambassador to Finland, and Mr. Aarne Hilden, trade commissioner of Finland in Vancouver. They're in the Speaker's gallery, Mr. Speaker.

His Excellency and Mr. Hilden met with the Saskatchewan Wheat Pool officials today and they met with the Minister of Parks and Renewable Resources. They will be meeting with the Minister of Economic Diversification and Trade and with yourself, I understand, Mr. Speaker.

We certainly want to welcome them here. I will just add a personal note of welcome. I was very well received in Finland a little over a year ago, and in part because my grandmother who was an immigrant came from Finland to this province when she was about six years old, and obviously we have some long connections.

One of the interesting parts, Mr. Speaker, was that the land in Finland was worth about \$5,000 an acre on the farm and many of us wondered why we ever left Finland because it was a lot better than it was here.

I would ask all members to please welcome His Excellency and Mr. Hilden.

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

## ORAL QUESTIONS

### Effects of Open U.S. Border on Grain Trade

**Mr. Lingenfelter:** — Mr. Speaker, my question is to the Premier. Mr. Premier, many farmers and farm groups over the weekend have expressed surprise at your government's and your support of the open border policy for U.S. wheat coming into Canada. Many also have made the accusation that this will severely undermine the working and the role, the traditional role, of the Canadian Wheat Board.

Mr. Premier, can you explain to the farmers of Saskatchewan, the people of Saskatchewan, why you support this policy of opening the border to U.S. wheat, when many farmers, in fact I would say the majority of farmers, believe and know that this will severely undermine the Canadian Wheat Board? Why are you doing that?

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

**Hon. Mr. Devine:** — Mr. Speaker, the hon. member might be interested in knowing that since we have had better access to the United States in terms of a market, that our trade into the United States in agriculture is up 17 per cent, coming out of the province of Saskatchewan, from 1989 to '90. And if we look at Canada as a whole, it's up 23 per cent in 1990 and was up 13 per cent in 1989.

Now the hon. member knows that we market durum wheat, spring wheat, barley, oats, cattle, hogs, canola oil, and most of our agriculture commodities into the United States. And it's also interesting to note, Mr. Speaker, that while the Wheat Board competes in the export enhancement . . . against the export enhancement business all across the world, those subsidies don't apply to the American domestic market. So the Wheat Board has been able to walk right into the U.S. domestic market and increase our sales there, Mr. Speaker.

Now finally, I'd just say to the hon. member, we are in the export business. One of the largest markets for us is right next door — virtually no transportation costs — and if our sales are up 17 per cent over 1989, as a result of opening the market, Mr. Speaker, it seems to me that we should

keep that door open.

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

**Mr. Lingenfelter:** — Mr. Speaker, I say to the Premier, and I would ask him, last week he was saying that the export to the United States had increased by 23 per cent, today he says 17. The point being, Mr. Speaker, but the simple fact is, is that the export to the United States is a very, very small amount of grain compared to the world market. The problem here is, we're losing millions of bushels of grain sales on the international market because of the unfair subsidies being applied by the United States.

My question to you, Mr. Premier, is this, and it follows along the line of the first question on the undermining of the Canadian Wheat Board. I have here a quote from the Carol Goodloe, the researcher for the USDA (United States Department of Agriculture), economic research service, which says in part: It means that opening the borders will open Pandora's box for the Canadian Wheat Board, "which has traditionally maintained higher domestic prices for wheat compared to world prices."

She goes on and I quote: "It would be faced with either lowering the price (of grain) or facing a flood of American wheat." I ask you, Mr. Premier: why do you support this position of opening the border to wheat when this is exactly what will happen, not only according to Saskatchewan farmers but according to the USDA's own research staff? Why are you doing that?

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

**Hon. Mr. Devine:** — Mr. Speaker, I say to the hon. member — and I said it a week ago and I'll say it again now — for Canada our exports into the United States increased by 23 per cent. When we look at Saskatchewan commodities to the United States, it increased by 17 per cent, a little bit more than 17 per cent. And we are major exporters in terms of grain, like durum wheat, barley, canola, oats, as well as the livestock industry which is live cattle and pork products, Mr. Speaker.

Now the hon. member does not want to acknowledge the fact that the Canadian Wheat Board markets aggressively into the United States. So while the United States is competing with its export enhancement subsidies — and we don't like that any place — the Canadian Wheat Board has competed out there, and that's why we see the fact that the initial price has dropped. We see about in the neighbourhood of a billion dollars coming to farmers because of the difference between the initial price and what is being received.

And now the hon. member says, well now I'd cut off the best market open and opportunity that we have; I'd close the doors to the United States as well. So he would say, let's close all the doors in the export market because United States is out there, but let's also close them in the United States because it happens to be a closed market.

Mr. Speaker, why doesn't the hon. member just admit that the NDP (New Democratic Party) are against the United States and Americans, no matter what it is, and call a spade a spade when it comes to politics in this legislature.

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

**Mr. Lingenfelter:** — Mr. Speaker, new question to the Premier. Many farmers will be amazed that the Premier is making the United States the main new market for Saskatchewan wheat. This will come as a surprise to many Saskatchewan farmers.

Mr. Premier, I quote here from a news release issued in Ottawa, Friday, May 3, from the Prairie Pools. And in the news release it quotes, and I quote: there is still time to say no to opening the Canadian border to U.S. wheat, said Leroy Larsen. Mr. Premier, why don't you join with the Prairie Pools and say no way to the American wheat and say yes to Saskatchewan farmers and to the Canadian Wheat Board.

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

**Hon. Mr. Devine:** — Mr. Speaker, I quoted the president of the Saskatchewan Wheat Pool who is in Swift Current and I quoted him in the Swift Current paper who said he didn't think it would be a problem. I can quote today from the Western Canadian Wheat Growers' Association. I think that they're in the wheat business. And they say it's really a non-issue; we have every confidence that the Canadian Wheat Board can be as competitive at home as they are abroad.

Now here we are, Mr. Speaker, we have a surplus of wheat. We can market wheat here. We really don't need wheat in the province of Saskatchewan. We need, Mr. Speaker, markets. We need markets, okay? We need markets in California. We need markets in New York. We need markets with 2 or 300 million people and the NDP would deny us access to those markets, Mr. Speaker, when we have a surplus of wheat here in Saskatchewan.

We know we can compete here. That's not a problem. The wheat growers of Canada say the Wheat Board can compete here. What we need is access to markets, Mr. Speaker, and the NDP haven't figured that out yet. And that's why those two members sitting over there lost their seats in the rural, came back to town to run here, Mr. Speaker. They're not very credible in rural Saskatchewan.

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

**Mr. Lingenfelter:** — Well, Mr. Speaker, new question to the Premier, who would know about running from one constituency to the other.

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

**Mr. Lingenfelter:** — Having been kicked out of Saskatoon and having been kicked out of Colin Thatcher's house when he wanted to run there, ending up in Estevan, and then losing the by-election, the safest seat in the province, he would know about running from constituency to constituency.

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

**Mr. Lingenfelter:** — My question to the Premier is this. You tried to draw Garf Stevenson, the president of the

Wheat Pool, into this debate to say that opening the borders is a good idea, which is simply not the fact. I quote here from Mr. Stevenson in the "Market Place" from the **Leader-Post** where he says, "We believe it is an excellent opportunity for the federal government to play a little hardball and bring the United States to the bargaining table."

He is saying, don't open the border until you get rid of the enhancement program at the U.S. level, which is killing Saskatchewan farmers. That's what he said.

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

**Mr. Lingenfelter:** — I'd ask you again, why don't you stand up for the Saskatchewan farmers instead of rolling over on your back like you've done on every issue, and defend the Canadian Wheat Board which has supported the farmers for many, many years?

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

**Hon. Mr. Devine:** — Mr. Speaker, the hon. member keeps flip-flopping on this issue like his leader does. First he's for it and then he's against it, Mr. Speaker. He says he sticks up for rural Saskatchewan. He can't be elected there so he comes back and takes another line.

Mr. Speaker, I quote the Saskatoon *Star-Phoenix*, May 4, and it says: "Ottawa should have kept the border closed" says the Wheat Pool.

Opening the Canadian border to shipments of American wheat does not mean the sky is falling (in), says Saskatchewan Wheat Pool vice-president Ray Howe.

Now, Mr. Speaker, what the vice-president is saying, he wants the United States, as we all want the United States, to stop the export enhancement program. But at the same time he's not willing to shut the U.S. border down on all of the exports we have into the United States. That's one of our best markets for not only wheat, but all kinds of other things.

And the NDP would stand up here and say no, shut her down; that's it. Not only have we lost the markets all over in the rest of the world but we'd stop trading with the United States and we'd make those Americans just toe the line on pulp and paper and gas and oil, and all of the other things that we export, Mr. Speaker. So right away just close them down.

Mr. Speaker, the NDP here in this House or the NDP in Ontario don't understand agriculture. We saw nothing in the Ontario budget about agriculture. Not a thing. Nothing for the farmers. They stood up and said we should do all these things. The NDP in the House said, well for Heaven's sake, get Ontario to pay. Ontario won't even pay for its own farmers, Mr. Speaker, let alone listen to these people here.

I'd say, Mr. Speaker, we will do whatever we can to enhance the Canadian Wheat Board sales offering all across the world, and we're going to open markets, Mr. Speaker, not close them.

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

### Cost of PST to Families

**Mr. Shillington:** — My question, Mr. Speaker, is to the Minister of the Family. Mr. Minister, we learnt late last week that the federal government had underestimated the effect of the goods and services tax on Canadian families by some 50 per cent. They probably had access to some of your accounting skills. Mr. Minister, my question is: what is the effect of the PST (provincial sales tax) on Saskatchewan families? Will you give us that figure — the cost per year. And will you table your study.

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

**Hon. Mr. Hepworth:** — Mr. Speaker, because we . . .

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

**Hon. Mr. Hepworth:** — Excuse me, Mr. Speaker. Because we don't want to have families who are on lower and more modest incomes hurt by the additional tax they will pay under harmonization . . . whether it be restaurant meals or any of the things that have or will be covered under full harmonization that they don't pay tax on today.

That's why we put in place the \$200 per child family tax credit. Yesterday, or last Friday I think it was . . . in fact it was, Mr. Speaker, in this legislature we went through the incomes of 20 and 30 — 10, 20, \$30,000 levels where we showed conclusively that up to \$30,000 these families would be better off under the family tax credit, Mr. Speaker. And we stand by that, Mr. Speaker.

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

**Mr. Shillington:** — A supplementary to the minister. In light of the fact, Mr. Minister, that you avoided the question rather than asking it, are we to assume that your government is so chaotic, so haphazardous, as never to have done a study on the impact on the Saskatchewan family?

**Hon. Mr. Hepworth:** — As I said earlier, last week in this legislature we went through various income levels and determined, in fact it was with the opposition members at their request, determined in fact that at the \$30,000 level, the family tax credit more than offset any additional tax that these families might pay, Mr. Speaker.

**Mr. Shillington:** — I wouldn't clap for that answer either. A further supplementary to the minister. Mr. Minister, in light of the fact that you apparently had some several hundred thousand dollars to pay Sean Quinlan to study a paint scheme for the Canadian buses, are we to believe, Mr. Minister, that you have nothing, no money to study the impact of the PST on the Saskatchewan consumers? Are you telling this Assembly that your priorities are really that perverted?

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

**Hon. Mr. Hepworth:** — Well, Mr. Speaker, I'll stack up this government's analysis, financial analysis of just about

any issue compared to the opposition. Last week we had them out by a thousand per cent on one issue, Mr. Speaker, a couple of hundred per cent on another issue. And today he talks about several hundred thousand dollars paid to a firm, when in fact as I read it in the newspaper, it was something in the order of 25 to 30,000.

And, Mr. Speaker, you can't rely on their analysis, Mr. Speaker, at all. Quite frankly they're driven totally by a political agenda. They do not put the larger public good first and foremost. They look at what they can get out of each issue on a partisan or political basis, Mr. Speaker. They're driven by nothing more than that. And that's the same on this issue.

The reality is, as it relates to families, just to reiterate, there is a family tax credit in place; 104,000 families will be eligible. In fact those families have already received their first cheque, Mr. Speaker. Because we believe in fairness, Mr. Speaker.

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

**Mr. Shillington:** — A final supplementary, Mr. Minister. Mr. Minister, in light of the crescendo of complaints from Saskatchewan businesses that the PST is ruining long-established Saskatchewan business, does the minister think that perhaps the time has arrived to stir forth from your lair and commence a study on the effect of the PST in Saskatchewan?

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

**Hon. Mr. Hepworth:** — Mr. Speaker, I have addressed many times in this legislature, I have addressed in this legislature many times, the real gain in economic growth from harmonization with the business input tax credit. It amounts to a \$260 million decrease, Mr. Speaker, decrease in the cost of operations and businesses across the province, and that translates into economic growth and new jobs.

Now we know, Mr. Speaker, and you know that in this legislature less than two years ago when we weren't in the heat of an election, the NDP then said, with all the studies that were available to all of us at the time, then said, we should harmonize if there's going to be a federal GST (goods and services tax). There is a federal GST. I've done precisely as the opposition NDP Finance critic said, and that was to have one tax and to harmonize, Mr. Speaker.

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

### Native Justice Review

**Mr. Goulet:** — Mr. Speaker, my question is to the Minister of Justice. Mr. Minister, there has been reports over the weekend that you will be doing an inquiry into the judicial system, especially as it relates to aboriginal peoples. I can only say that it's about time. However, I wonder about the limited scope of such an inquiry. My understanding is that you will not be looking into the actions of the legal system in regards to the death of Leo LaChance and the four-year sentence given to Carney Nerland, leader of the white supremacist group. Is that the case, Mr. Minister? And if so, why are you letting this case

go unchallenged?

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

**Hon. Mr. Lane:** — As it applies to the Nerland case, we've already discussed that in the Assembly, and I gave you my views on that. The announcement of a justice review, a native justice review, is not new. The announcement will be made I hope in the next couple of weeks of the terms of reference and the people involved in the review. There have been discussions and negotiations with representatives of the various native communities and the law foundation will be involved as well as the Government of Canada. And I believe that the step being taken will have potential significance for both the native and non-native communities.

**Mr. Goulet:** — Mr. Speaker, another question. Mr. Minister, many people feel that Nerland is getting away with murder. The question is this, that many people have all kinds of examples. Marie Custer got nine years for robbery where she committed suicide recently, last year. Now you had the case where a person says they got five years for assault. On Friday the P.A. Tribal Council asked for a public inquiry as well.

And these are the words of the tribal chief, A.J. Felix. He states that: we believe that there are some very serious short-cuts taken. There were some very serious short-cuts taken during the judicial process. Decisions were made too quickly. Decisions were made too quickly. The investigation was not properly carried out, and overtones of racism and the Aryan Nations involvement were never analysed or taken into consideration.

Mr. Minister, your comments are really an insult to the P.A. Tribal Council. Why are you trying to cover up the Nerland-LaChance case? Why don't you expand the inquiry to include this case?

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

**Hon. Mr. Lane:** — I don't know how my remarks could be taken as an insult except for the hon. member over there, and I have indicated my concern on other inquiries and I have said it numerous times publicly. I frankly do not believe that the lengthy inquiry in the province of Manitoba at the end of the day did anything to enhance the position of the native peoples and the justice system. Other than compensation for the individual in Nova Scotia, I don't believe that the native peoples at the end of that specific inquiry were benefitted.

So having said all of that, I believe the following. I believe that a review of the justice system as it applies to the native people should be more broadly based and it shouldn't be focused as to specific incidents. The problem is an extremely complex one. It deals with more than the investigation of a particular offence and deals with the broader relationship between the native people and the existing justice system.

It will deal with matters like this sentencing, and I could go on and on and on. It can deal with the cultural differences and how they see a justice system. And I believe that that is a far more fair and practical way to

bring about some real changes for our native people, changes that will be seen as progressive by both the native and non-native communities.

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

**Mr. Goulet:** — Mr. Speaker, another question. Mr. Minister, you're the same person who slashed the native court workers' program in the province. You're the same person who has made promises in the past. A lot of people are trying to tie in this issue of racism in the justice system as well. A lot of people are saying this has to be concretely dealt with basically because you have to look at the diagnosis of the problem in order to get a cure in the justice system. That's what a lot of people are saying.

Why don't you follow the lead of many other inquiries and expand your judicial inquiry to include hate-mongering groups such as the Aryan Nations and really deal with this issue of racism, and come out with concrete, positive ways of dealing with it, Mr. Minister?

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

**Hon. Mr. Lane:** — With the greatest respect to the hon. member, he moved into about two or three different issues. We've been through the native court worker program, and I am disappointed that the hon. member did not read the information at the time to show that the native court worker program simply didn't work. We had a turnover of some 90 per cent in some areas. There were four or five different directors within a two-year period. It became a rotating job-creation activity and did nothing for the native people.

Secondly, one of its objectives was to lower the recidivist rate. And in fact the recidivist rate and the incarceration rate both went up when the native court worker program was there. So the fact unfortunately is that the program — and I'm not questioning motives — but the program didn't work. And we went through that debate numerous times. You obviously don't accept the argument.

I have laid out what I have an expectation for with regard to a native justice inquiry. And I've already addressed the matters you've raised about racism in Saskatchewan and whether an inquiry would be in order. And I see some serious difficulties with that, as I've stated before.

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

**Mr. Goulet:** — Mr. Speaker, another question. Every time aboriginal people such as the P.A. Tribal Council bring out issues for you to follow up on, Mr. Minister, you do absolutely nothing. All you do is fight against it.

Why do you continue doing that? Why don't you just stand up here and assure the people of this province that you will not preclude specific cases from being included in regards to this judicial inquiry, and that it would also include the Nerland case? Why don't you just say that it will not preclude other special cases like the Nerland case?

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

**Hon. Mr. Lane:** — Mr. Speaker, again the hon. member does not accept what I have said about the Nerland case before — that I support and uphold the independence of the prosecutors. Prosecutors made the decision on the evidence and took the appropriate action, and it is up to the prosecutors to exercise their independence in the judgement in each specific case. I have no reason to believe that they did not do so in this case.

Secondly, with regard to the P.A. Tribal Council, your statement is completely wrong, and in fact the Government of Saskatchewan has taken a significant number of initiatives to deal with the relationship and involvement of natives in our justice system. And I've given a long, lengthy list here on numerous occasions before; I'm sorry you didn't read it.

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

**Hon. Mr. Hodgins:** — Mr. Speaker, I seek leave of the Assembly to introduce some guests seated in your gallery.

Leave granted.

## INTRODUCTION OF GUESTS

**Hon. Mr. Hodgins:** — Thank you, Mr. Speaker. Mr. Speaker, on behalf of my colleague, the member for the riding of Kinistino, I'd like to introduce a group of grade 12 students that are seated in your gallery. This is a group of 15 students from the Aberdeen Composite School in Aberdeen, Saskatchewan. They are accompanied by their teacher, Judy Crozier-Smith, and their other teacher, Dave Herron. They also have Leo Klassen with them, the bus driver.

On behalf of the member for the riding of Kinistino, I'd like to welcome this group of students to the Legislative Assembly. I trust that you will find today's proceedings informative and educational and interesting. Mr. Saxinger is not able to meet with you today, but one of our members will be pleased to visit with you on the steps of the legislature, take a picture, scoot out for a little bit of coffee, and have a good visit with you.

We whole-heartedly welcome you today to the legislature.

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

## MINISTERIAL STATEMENTS

### Establishment of SCN Educational Channel

**Hon. Mr. Lane:** — Thank you, Mr. Speaker. I rise today to commemorate the official launch of Saskatchewan's first educational channel operated by the Saskatchewan Communications Network.

The establishment of the corporation in 1989 was based on input from a public hearing process on the need for an advanced communications network in the province. The process focused on the potential of an advanced telecommunications network which could enhance the exchange of information in such areas as education, agriculture, technical training, skills upgrading, culture,

and the arts.

The mandate of the corporation is now to provide equal access to information for all of Saskatchewan. SCN's (Saskatchewan Communications Network Corporation) new cable network will begin broadcast tonight at 6:30 p.m. and will then broadcast daily from 2:30 to 10 p.m.

This new network, coupled with the SCN training network, will enable the people of the province to further their education and achieve a more rounded knowledge without having to leave their home community.

Programming on the SCN cable network will not only strengthen formal education but will further the concept of lifelong learning as people in Saskatchewan want to be more active and productive for their entire lives, not only while they're at school or in the work-force.

I draw to your attention that the cable industry regulator, the CRTC (Canadian Radio-television and Telecommunications Commission) requires that part one and two, i.e., the larger cable operators, must carry SCN between channels 2 and 13. I would like to thank the efforts of cable companies around the province for accommodating this requirement without major disruption of their program offerings.

One noteworthy exception however, Mr. Speaker, is that of Cable Regina, which has chosen to put SCN on channel 12 and bump the PBS (Public Broadcasting Service) network from channel 12 to 18, resulting in the elimination of the CKOS Yorkton TV channel from Cable Regina service.

I stress that the decision to bump PBS to a higher channel in Regina was entirely that of Cable Regina, and not at all necessary, I might add. Channels 7 and 9 were available and could be cleared up at little or no cost.

Many programs for SCN will be produced in Saskatchewan, giving our residents as well as Canadians all across the country a diversified flavour of our province that they may not have known before. In addition to the benefits of education, our provincial film and video production industry will thrive and expand, producing quality programming for Saskatchewan and other provincial education networks.

Knowledge, Mr. Speaker, is the key to our future, and never before has this province had the opportunity to bring education right into our own living rooms. This is now possible through the SCN cable network. And I say that through the SCN training and cable networks, Saskatchewan will be better prepared for the future.

I'd like to commend, Mr. Speaker, finally all of those who have assisted in making this event a reality for the people of this province. Thank you.

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

**Mr. Trew:** — Thank you, Mr. Speaker. I want to respond to the minister's statement. First, I'd like to thank the minister for sending across his prepared statement just as he was rising to speak. I haven't had a great deal of time to

look at it, but on this side of the legislature we've long welcomed the idea of an educational television network throughout Saskatchewan. SCN has great potential.

There is work going on in local production, certainly in the major centres, and I understand there's some spin-off in some of the smaller cities in Saskatchewan as well, and we welcome that local content. There is of course concern with the ongoing funding of SCN — the federal government is kicking in significant amounts of money for the next three years, after that SCN is going to have to find other sources of money.

I'm concerned, Minister, that SCN is going on the air at 6:30 this evening and there is a large number of small villages and towns in Saskatchewan who have cable who will not be receiving the SCN channel this day. And they won't be receiving it because there has been a dispute that has, I would argue, not been handled well by the government and SCN. It is unfortunate, sir, that these many communities will not reap the benefit of SCN. I urge the government to pay close attention to that and get those problems resolved.

There's a further concern I have with SCN as it results . . . as it impacts upon particularly the major centres of Saskatchewan, and that is respecting impaired channels. And as I talk to people involved, to cable operators across Saskatchewan, I find that there is no seeming understanding about what an impaired channel is by the minister. And I urge him to get a briefing on impaired channels so that we can deal with it.

I want to say we're pleased that SCN is finally hitting the air. There are problems with it that will be dealt with. Thank you, Mr. Speaker.

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

### National Forest Week and Arbor Day

**Hon. Mr. Kopelchuk:** — Mr. Speaker, I stand in the Assembly today to officially proclaim National Forest Week and Arbor Day in Saskatchewan.

Across the country, this week has been set aside as a time for Canadians to reflect on the importance of trees and forests. Everyone is encouraged to observe Arbor Day the traditional way, by planting a tree. Together, Saskatchewan Parks and Renewable Resources and the Saskatchewan Forestry Association, have a long tradition of joint participation in this national celebration.

A highlight of our joint efforts this year will be the initiation of TREEmendous Saskatchewan. This non-profit foundation will be operated by the Saskatchewan Forestry Association. Already over 35 projects are in the works to plant over 60,000 new trees in Saskatchewan. This is a wonderful start towards our common goal of a new tree for everyone in Saskatchewan. This is a reflection of people's interest in trees and this government's commitment to Saskatchewan's forests.

I'm pleased to report the Government of Saskatchewan is on track to meet the renewal goal it set in 1988, to co-ordinate the planting of 50 million trees in five years.

In the three years of the program now complete, nearly 32 million seedlings have been planted. This year government and industry will plant an additional 10 million trees in the provincial forest.

Although we often take them for granted, trees are a mainstay of our natural environment. Whether it's purifying the air, providing food, preventing erosion, modifying the climate, creating habitat for wildlife, or providing timber, trees are essential for life.

I am therefore pleased to officially proclaim May 6 to May 11, 1991, as National Forest Week, and May 6 as Arbor Day in Saskatchewan.

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

**Mr. Lautermilch:** — Thank you, Mr. Speaker. Mr. Speaker, I'd like to say a few words, if I might, with respect to National Forestry Week, the proclamation of National Forestry Week and Arbor Day. And I would want to say that it is an important day for the people in my community. We are heavily dependent on the forest industry, and I think the people of Saskatchewan understand clearly that the forest industry is a very big mainstay in our economy and an industry that should be recognized.

I want to say, Mr. Speaker, that I would like to congratulate the Saskatchewan Forestry Association for the work that they have done in advancing awareness of just how important this industry is. I've met with them on a number of occasions. As a matter of fact, Mr. Speaker, I happen to be a member of that association, along with a number of my colleagues who as well realize the importance of forestry in our economy.

I would like to say . . . just make a couple of comments, Mr. Speaker, with respect to this announcement today. And I would like to comment with respect to the sincerity of this government. I know it's fine to make proclamations and it's an acceptable thing, but the people of Saskatchewan will want to believe that this government is truly committed to forestry. And there are a couple of issues that are outstanding right now and are happening at this very time.

And the one, sir, that I would like to bring to your attention with respect to this, is the Canada-Saskatchewan Forestry Agreement that this cabinet minister and members of his cabinet are sitting on that could go a long way to advancing and enhancing that industry.

And the second is, sir, at a time when they are talking about expanding this industry, they're shutting jobs down at the Spruce Home forest nursery in Prince Albert. Mr. Speaker, I challenge their sincerity.

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

(1445)

## ORDERS OF THE DAY

### GOVERNMENT ORDERS

## COMMITTEE OF FINANCE

### Motions for Interim Supply (continued)

**Mr. Chairman:** — The question before the committee is that of interim supply, moved by the Minister of Finance:

Resolved that a sum not exceeding \$834,933,100 be granted to Her Majesty on account of the 12 months ending March 31, 1992.

**Ms. Simard:** — Thank you, Mr. Chairperson. Mr. Chairperson, I want to raise several questions on the matter of interim supply. And the first point I wish to make is the fact that this government consistently says that its priorities are health and education, but what we see is something quite different.

And with respect to the health-care area, the minister has touted an increase in budget for the health-care area this particular fiscal year when the facts are that we're actually looking at a decrease or a cut-back to the health-care area. And I say this when one takes into consideration the extra supplementary expenditures from last year and the rate of inflation. We are then looking at really a decrease or a cut-back to the health-care area.

As a result of this, we are witnessing across this province, Mr. Chairperson, the closure of hospital beds. We have noticed the loss of some 400 jobs, I believe, amongst health-care professionals since the beginning of the new year. Many of these jobs are in rural Saskatchewan.

In the past we've seen some 400 dental workers fired in rural Saskatchewan, many of whom live in rural Saskatchewan — some 338 communities across the province I understand, Mr. Chairperson. So there has been a steady erosion of jobs in Saskatchewan, many of these jobs being lost in rural communities.

Now this is also rather interesting in light of the fact that this government has a policy to decentralize and take jobs out of Regina and put them in rural Saskatchewan. And this is very inconsistent considering the fact they are shutting jobs down in rural Saskatchewan, Mr. Chairperson. Therefore one has to ask oneself, what is the motivation for the so-called decentralization, this ill-conceived decentralization plan of the PC Party. And obviously, Mr. Chairperson, it's a political, a pre-election gimmick of the PC Party.

We find that it is very divisive to communities who are bartering for some of these jobs. We find that it is destructive to families. Families who may be facing a break-up as a result of the Tory policies are under a great deal of stress anticipating what may happen to them and what may not happen to them.

Although, Mr. Chairperson, decentralization, if it is well planned and is sensible, can be a good thing in an overall provincial strategy for Saskatchewan, this particular plan which was hastily conceived — we're not even sure there is a plan, Mr. Chairperson — but the concept which was hastily conceived in months leading up to an election is not the way to proceed with respect to decentralization.

While they are shutting jobs down in rural Saskatchewan, they're claiming they're going to create jobs there by taking them away from Regina. Does that make any sense? I say no, Mr. Chairperson.

We have seen . . . and I was talking a few minutes ago about cuts to the health-care area. We have seen a number of other cut-backs to health care, Mr. Chairperson, a number of cut-backs that were not announced in the budget in an upright, straightforward manner.

And that is cuts to the prescription drug plan, for example, effective March 8, 1991. And as I understand, this was done by press release prior to the budget going out. For residents covered under the deductible program, for each post-deductible drug-plan prescription, the patient co-payment share will rise from 20 per cent to 25 per cent.

We see also residents of licensed special-care homes who now pay a maximum contribution of 3.95 per formulary prescription, will be brought into the basic deductible plan — in other words, Mr. Chairperson, increased prices for prescription drugs for people living in special-care homes.

We have seen other things that will have a substantial impact on people. For example, long-acting dosage forms will be de-listed from the benefit eligibility. That means that seniors who are dependent on long-acting drugs will now have to pay for them out of their own pocket, Mr. Chairperson.

The public is not fully aware of many of these changes yet because the government has sought to relay this information in a very quiet fashion without coming forward with all the details in the budget.

And I want to refer to what the government has said on home-care fees, increases in home-care fees — some 15 per cent. This was not announced in the budget. This was announced two or three days after the budget was released, Mr. Chairperson, in an attempt, I say, to down-play the home-care increases and in an attempt to put them out publicly without having to formally notify the public and take the consequences that come with that.

The chiropody fees, a \$10 fee to visit a chiropodist — well, Mr. Chairperson, this also was announced outside the budget. The details of this proposal, as I understand, were first announced to the public several days after the budget was released.

And the Minister of Health says he had consultation with respect to the home-care fees, for example, but the information I have been getting from home-care districts throughout the province is that this is not the case. There has not been adequate consultation with the people involved in the field.

We see this government cutting back on funding to hospital institutions and to nursing homes — something in the range of a \$40 million shortfall. They have put an extra \$1.8 million into home care in an attempt to make

up the \$40 million shortfall but the 1.8 million in home care does not, Mr. Chairperson, make up for the shortfall. In fact, the Minister of Health has indicated that there will be a struggle to try and deal with people who are being released from hospital early because of cut-backs in funding to hospitals. He has acknowledged that home care will have difficulty in dealing with this shortfall.

Well that's simply not adequate, Mr. Chairperson, for the people of Saskatchewan. For sick people who are leaving the hospital, it's not adequate to say that home care will pick up the shortfall but we as a government recognize this is going to be very difficult. In other words we're not too sure whether they will be able to cope with the increased work and therefore you may be short of services because we're not too sure whether or not they'll be able to cope with the shortfall. That's not adequate and I know the people of Saskatchewan will be opposed to that initiative on the part of the government.

We see as well and I just want to go back to the . . . I was talking about job cuts to health-care professionals and the government's inconsistency with respect to decentralization. We see also that there are more than 300 teachers losing their jobs, and more than 2,800 highway construction and related workers losing their job; more than 200 public service employees losing their jobs. And many of these jobs, Mr. Chairperson, are located in smaller communities. And this illustrates the inconsistency and the short-sightedness of the government's policies, and the falseness of its . . . the lack of genuineness with respect to its decentralization initiative.

Mr. Minister, my question to you is with respect to the cut-backs in home care and the fees — the \$10 fee for a chiropody visit and your cut-backs to hospitals and nursing homes. I want to know what consultation you as a government and Minister of Finance have had with seniors' groups and health-care professionals throughout the province to justify this initiative or these initiatives on your part.

**Hon. Mr. Hepworth:** — Mr. Chairman, what we are doing in this budget is recognizing that health and education are indeed priorities. Even in this time where we're looking to stabilize and revitalize our economy, control the debt and the deficit, health and education — of the major third party grants, the operating grants — got a three and a half per cent increase. In some other areas like cancer commission and home care, the increase was substantially higher than that.

I think certainly health is an area where you can always use more money, but we've got to look at making those expenditures and getting maximum effectiveness and efficiency and maximum value from the dollars that are spent. I've been particularly impressed by the way administrators and the professionals that work in these institutions have rolled up their sleeves and got the job done of managing even with this very modest increase.

And I would just ask all members of the committee to speedily pass these resolutions that we've been debating — now I guess it's the fourth day — so that indeed we can send the cheques to the nursing homes and the hospitals and



those who operate our home-care system, so that they do have the money to operate with and they don't have to go to the bank and borrow it. Indeed some of them may well not even have an operating line of credit. So I would ask all members of the committee to pass this interim supply.

We can certainly get into the detailed debate on impact and specific areas, as the hon. member has raised in her very lengthy opening remarks, when we get into detailed examination of the Health estimates, Mr. Chairman.

**Ms. Simard:** — Mr. Minister, you keep stating that health is a priority. Health is obviously not a priority when you are cutting back to hospitals such that some 400 or more jobs are lost in rural and urban Saskatchewan in the health-care area — amongst nurses and other health-care professionals working in hospitals — when beds are being closed at an unprecedented rate, Mr. Minister. And meanwhile, you are indiscriminately building health-care facilities throughout this province.

Health and the health of Saskatchewan people is not a priority of this government, Mr. Minister. If health was a priority, what you would be doing is looking at health promotion and disease-prevention initiatives — in other words, employing more health-care professionals, particularly in rural Saskatchewan, working with people to improve their quality of life and to promote health amongst themselves and amongst their family. That's what you should be doing.

Mr. Minister, you should have also in the last nine years reviewed the concept of community health centres which you have consistently, over a period of several years, refused to look at. The studies that have been done with respect to community health centres have showed an enormous saving to the health-care system, as well as a very high quality of health-care services being delivered through those centres.

But your government has refused to adequately fund the community health centres that are now in existence in this province, Mr. Minister. You have refused to encourage this concept in the development of these centres throughout the province when they have shown you can save the taxpayer dollars and still deliver a quality of health care. I say, Mr. Minister, that health is not your priority. It is not your priority.

Now, Mr. Minister, how can you justify closing hospital beds and firing health-care professionals and releasing highway construction workers and teachers, Mr. Minister, if at the same time you are saying you're going to be creating jobs in rural Saskatchewan through decentralization?

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

**Hon. Mr. Hepworth:** — The hon. member disagrees with our priorities, Mr. Chairman. As I said earlier, I think the fact we've been able to allow for modest increases in health and education speaks precisely to our priorities even in these difficult times.

And in that area that had been identified by the Murray Commission and others across Saskatchewan as an

important area that needed more attention even within the health budget — areas like mental health and home care — there was significant increase in resources, both dollar-wise and in terms of human resources in those areas.

I suspect that's why, Mr. Chairman, the day after the budget we had headlines in the *Star-Phoenix* that went like this: "Home care association 'feels fortunate' with budget". And just to quote from that article on April 23 in the *Star-Phoenix*, just to quote Chris Bailey, Executive Director of the Saskatchewan Home Care Association:

Given everything that's going on in the health-care system right now, we feel fortunate. (Bailey said).

They did see that as a fair and reasonable increase in their area, Mr. Chairman. And another headline in the same paper, April 23, "Home care, mental health among budget winners". And that is because we do view health as a priority, Mr. Chairman. We have in the past, we will in the future.

I think the budget document that was released on budget day . . . I would recommend to the hon. member to look through the section particularly on health in Saskatchewan, because it lays out not only what this budget is doing relative to health, it brings out what has gone on in the past and more importantly, it identifies some future challenges that the Murray Commission and others have identified.

(1500)

What it shows, among other things, Mr. Chairman, if you look at the cost of operating hospitals in this province, and you look at the last 10 years and you say, well has it kept pace with inflation, the answer is clearly yes, because it shows that budget for hospitals having gone from something below \$350 million in the '82 fiscal year, year ending March 31, '82, to this year, this budget year close to \$700 million in expenditures in operating our hospitals, Mr. Chairman.

Now I say to you that's speaks for the priority that we have in terms of operating our hospitals.

I could go on, Mr. Chairman, I could talk . . . the hon. members talked about lay-offs in the health sector. As I said earlier, I think they've done a good job of managing with a modest increase and even with that in the last eight years, '82-83 to '90-91, the number of hospital staff funded by the government, by Health department, has risen 16 per cent to nearly 15,000, Mr. Chairman. So I think the facts once again belie the hon. member's observations, but then we ought not be surprised that the facts are quite different when they're thoroughly researched rather than what we get from the opposition.

Once again, Mr. Chairman, I just say we're now in the fourth day of debate on this — the fifth session — making it one of the longest interim supply debates in the history of the province.

I say, Mr. Chairman, it's these hospital boards, it's these

hospitals and home-care boards that need the money. If we don't get this interim supply passed . . . that's why we have interim supply.

We can put all the detailed questions forward during the estimates examination of the individual departments. I say would all members of the committee make it possible for us to get those cheques out as soon as possible. I think we've had now four sessions, four days on this, Mr. Chairman, and we ought to be moving along.

**Ms. Simard:** — Mr. Chairperson, with respect to health-care professionals, particularly home-care people, there have also been statements from people working in the field in home care that they are going to have a great amount of difficulty making up the shortfall of 40 million with 1.8 million. And those are on record as well, Mr. Chairperson.

The fact of the matter is that people are pleased to have some increase. But they recognize, and the Minister of Health recognizes, that when you take \$40 million away from health-care institutions, 1.8 million for home care is going to leave them short and make it difficult for them to deal with the problem.

The minister did not answer my question, which was why the funding to health care has resulted in the job losses to the tune of at least 400 — perhaps more, because I understand that there are job cuts in Canora now as well, Mr. Chairperson — job loss of at least 400 health-care workers, when this government is decentralizing, Mr. Chairperson . . .

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

**Mr. Chairman:** — What is your point of order?

**Hon. Mr. Hepworth:** — Mr. Chairman, the hon. member is raising details about lay-offs or potential lay-offs at hospitals like Canora, etc., Mr. Chairman. My understanding of interim supply is to advance some funds until the details of the budget can be gone through with each department. We're getting far beyond the scope of interim supply.

I am prepared, Mr. Chairman, to answer questions about how much interim supply we're asking for, what it would mean — are they going to get two-twelfths or three-twelfths for individual hospital boards or home care — but the details are supposed to be left to detailed examination of individual ministry's estimates. And I would ask, Mr. Chairman, that you make a ruling on that so we can expedite interim supply.

**Mr. Lingenfelter:** — Mr. Chairman, I'd just like to speak to the point of order and indicate clearly to the Chairperson and to the government members that we intend to ask the minister questions as long as it takes to get answers from him on issues such as the spending priorities of the government on health care, home care, keeping hospital beds open in rural Saskatchewan, and juxtaposing that position of closing hospital beds and cutting funding, to using that funding to decentralize jobs out of Regina. And I think that's a fair argument.

And I would make the argument as well to the minister, who last day was indicating that he was not going to be able to pay cheques out to people who depend on government for money, that that is very much a misleading statement by the minister. He knows full well that this debate is not holding up anyone's cheques, and in fact to that end I give him the guarantee that we will have this passed by the end of the month when you need the money to pay out cheques. There's no question about that.

But, Mr. Chairman, we intend to not only raise these questions on health; we intend to ask whether or not the moneys that are being paid out here and asked for, whether any of it is involved in the Joytec scandal, whether any of it is still being paid out to Guy Montpetit, whether any of it is being paid out to Sean Quinlan. And we intend to ask those questions over the next while until we get answers, because we're not getting answers from the minister. He's the one holding up this debate, not the members of the opposition.

**Mr. Chairman:** — Order, please. Order. I believe a similar issue came to the committee just a few days ago and was ruled upon by the Chair at that time. And at the present time we are not dealing with the estimates *per se*, we are dealing with the general question of the interim supply Bill.

And with that I would find the member's point of order taken in good taste and I would ask the members to return to their . . . Order, please. Would you please let the Chair rule on this. You can have your turn to speak whenever you choose. So I'd ask the member to return to her questions and return back to the general principle of the questions before the House.

**Ms. Simard:** — Mr. Chairperson, my question is: in light of the fact that jobs are being shut down and taken away from people throughout rural Saskatchewan, how can the minister justify his policy of decentralization?

**Hon. Mr. Hepworth:** — Mr. Chairman, this budget aims to revitalize and stabilize the economy of rural Saskatchewan — in so doing, the entire provincial economy. There's no question, even with the modest increase of three and a half per cent for hospitals, for example, that it is a challenging situation for them. They have rolled up their sleeves and done the job well, and I commend them all for doing it.

I would ask now that the members of the committee advance this interim supply so that we can send the cheques to them so that they don't have to draw on credit lines, pay interest and further erode the cash available to them for maintaining jobs on the front lines, Mr. Chairman.

**Ms. Simard:** — Mr. Chairperson, I've also asked the minister, and he has not answered the question, what discussions his government has had with health-care professionals in institutions and nursing homes and home-care groups and so on throughout this province with respect to the budget cuts.

**Hon. Mr. Hepworth:** — Mr. Chairman, we had numerous

meetings with the health-care association professionals individually and informally, with myself and some of my top officials, deputy ministers and others. Many health-care professionals showed up at the pre-budget meetings. The day of the announcement, I think the Minister of Health and his officials met with chairmen of the boards and administrators from all across the province.

As I said earlier, I've been particularly impressed by the approach they've taken to managing. Even within this modest increase, as they themselves and others have reported to have said, they've rolled up their sleeves and got on with the job and we're not about to see quality health care be deteriorated in this province, Mr. Chairman.

**Ms. Simard:** — Mr. Minister, the other thing that has caused some concern is the fact that there is a fairly substantial increase over '89-90 with respect to the capital expenditures in health.

Now, Mr. Minister, the fact of the matter is, is that you're shutting down hospital beds. You're capping a floor in your new construction of City Hospital in Saskatoon as we understand, Mr. Minister. Meanwhile you're indiscriminately building health-care facilities throughout the province. You're indiscriminately building health-care facilities when you can't afford to keep open, Mr. Minister, the health-care facilities that now exist.

Now, Mr. Minister, would you please provide us with your needs assessment study, your overall needs assessment study with respect to provincial facilities throughout the province . . . not provincial facilities but facilities throughout the province, and justifying the health-care facilities that you are building. Would you please provide us with your needs assessment study that has been done on a provincial-wide basis as well as a local basis that justify the health-care facilities you are building throughout Saskatchewan.

**Hon. Mr. Hepworth:** — Mr. Chairman, as it relates to that kind of detail, I'm sure the Minister of Health will be happy to answer that question in the detailed examination of his estimates. Perhaps to facilitate that discussion at a later time, the hon. member could provide the legislature — she could perhaps when she stands up again, when I sit down — maybe she could just provide us with the details, what communities she's specifically referring to when she says health facilities are being built indiscriminately. Perhaps we could get that information in advance so the Minister of Health could have that and respond when his estimates come forward, Mr. Chairman.

**Ms. Simard:** — Mr. Minister, they are the government; they have to justify what they're doing. And we want to see a plan that justifies what they're doing, Mr. Chairperson. It's up to the government to justify the huge expenditures in capital expenditures in the health-care budget.

**An Hon. Member:** — No plan.

**Ms. Simard:** — Now . . . no plan, that's right. The PC government has no plan with respect to its health-care facilities, none whatsoever. And they cannot table their document that shows on a province-wide basis what their rationale is.

Now, Mr. Minister, my question is: how can you justify not keeping open the hospitals that we have and not completing the construction in Saskatoon when you are building hospital facilities in other places? How can you justify shutting down hospital beds when you're building other facilities?

**Hon. Mr. Hepworth:** — Mr. Chairman, as I said earlier, details I will leave to the Hon. Minister of Health. The hon. member says we have to justify — and justify we have and justify we will — somehow implying that the opposition doesn't have to, that they can get up in this legislature and make wild, irresponsible statements. And certainly we've seen a fair share of those statements come from that hon. member, in terms of so-called facts as they relate to health care. You can't trust anything they say in this legislature. They'll say anything to get elected, anything to get a vote, Mr. Chairman. We've seen that as recently as last week. We see it again this week, Mr. Chairman.

Decimal points and facts mean nothing to the opposition. They do not have, Mr. Chairman, they do not have a plan as the hon. member herself said, when it comes to the NDP policy. And this is the NDP Health critic, Mr. Chairman, the NDP Health critic, who is not saying, why don't you follow our plan, Mr. Chairman. She is not saying that. Do you know why? Because they do not have a plan as it relates to health into the '90s and the year 2000. They do not have a plan as the Minister of Health has had for our government under the Murray Commission's tutelage, put forward our blueprint for the next 25 years. They don't have that plan.

As she said — and I think she has said it as clear as anybody could say it — April 25 of this year, Mr. Chairman, on CBK Radio she said in relation to health care and the health plan from the NDP, and I quote: there's no plan as it sits now. Now you can't say it much simpler and much more straightforward than the member herself said — we are bankrupt of ideas, we can criticize, criticize, criticize, but we have no plan.

They can stand in their place and say, spend more than three and half per cent. What is she suggesting? Stand in her place and say if the NDP were elected, we would spend 25 per cent more in health care.

Now quite frankly, Mr. Chairman, I think we got a glimpse last week in the Ontario budget about the approach the NDP would take. We got a glimpse, Mr. Chairman, of what they would do. The Ontario budget saw spending — when every other province is trying to hold the reins in — escalate massively. That's the NDP approach, Mr. Chairman.

(1515)

**Ms. Simard:** — Well, Mr. Chairperson, the minister can misquote as much as he wants, but I'll tell you, our plan is

to clean up the mess the PC government has left in health care. That's our plan. Our plan is to clean up their mess.

Now, Mr. Chairperson, with respect to transfer payments, this government has, as I understand . . . the Premier has in effect some time ago supported Brian Mulroney with respect to cut-backs in transfer payments. In fact at one time he's quoted as saying with respect to transfer payments: keep up the good work, Brian.

The information I have is that the five-year shortfall in payments to Saskatchewan resulting from the freeze on the growth of transfer payments will total some \$360 million.

Now in 1985 when the Mulroney government imposed the current transfer payment scheme, the Premier sympathized with the Prime Minister's desire to reduce transfer payments in order to attack the federal deficit.

Well, Mr. Chairperson, this has a very severe effect on health-care funding, as well as other aspects of services in Saskatchewan. My question to the Minister of Finance is: how his government can justify allowing these cut-backs in transfer payments when we are facing a crisis in Saskatchewan with respect to health care and education and also when this government is facing such a huge deficit. How can they justify waltzing along with Brian Mulroney with respect to cut-backs and transfer payments to the province?

**Hon. Mr. Hepworth:** — Mr. Chairman, either the hon. member does a very poor job of researching her case here, which surprises me for a lawyer, quite frankly, or she has no interest in being open, honest, and forthright with the legislature. So you have to wonder, which is it, Mr. Chairman? Is she not interested in being open, honest, and forthright with the legislature, or does she just do a bad job of putting her case together?

What did she say, and why do I ask that question, Mr. Chairman? She said that we haven't been against the federal cut-backs as it relates to transfer payments; that we've somehow been in cahoots or whatever with the federal government.

Well, Mr. Chairman, and members of the committee, where has she been? We've been very vocal in our opposition to the federal off-loading, and I think that's a well-known fact to the point where we've detailed it in this year's budget document, Mr. Chairman. In fact I said in the budget speech on budget night, if they hadn't off-loaded \$200 million this year in the budget, we might have been very close to balancing. And of course that scares the dickens out of the NDP.

And the hon. member from the far reaches of the opposition benches, Mr. Chairman, says why would you want to balance a budget, he says; the NDP in Ontario, they know the right strategy, and in a difficult economy it's spend, spend, spend. Never mind if you drive up interest rates that will hurt small business and farmers and drive up inflation — he says spend, spend, spend. He says that's the Ontario way, and that's the NDP way in Saskatchewan, Mr. Chairman.

Well we have detailed . . . and I would refer the hon. member to page 9 of the budget document *CHOICES* to detail precisely what federal transfer payment drops there have meant to us.

What else did she say? This is why I say, Mr. Chairman, either she doesn't do her research or she's not interested in being open and honest and straightforward with the public of Saskatchewan. I don't know what other conclusions you can draw — point number one.

Point number two, why do I ask that question? Why do I say it's got to be one or the other, Mr. Chairman? Because the other word she used is crisis — crisis, she described the health system in.

Now is anybody else, any other reason thinking person in society today trying to suggest the crisis out there? No, they all recognize it's a difficult economy and they're all looking to manage as well as they can. But it's the overbloated, overstated rhetoric of that member who likes to use words like crisis. She's not interested in good government. She's not interested in a reasoned debate in this legislature. She's just interested in that typical NDP head-in-the-sand rhetoric.

And I know why, Mr. Chairman. Because she has no plan, their party has no plan, their leader has no plan, and the public know it, Mr. Chairman. One of the major elements of our plan, because we recognize the importance of good federal-provincial relations, is indeed to approach this new round of talks with the federal government as it relates to what we're calling new fiscal federalism. That is one of the six points in our plan, Mr. Chairman, because we know that a) there has to be the commitment there in a predictable sort of way for health and education, agriculture, and as well, equalization, another very important part of the transfer payments. And we will be pushing them as hard as we can.

And I would say to you, Mr. Chairman, that when it comes to negotiating with the federal government, the track record of this Premier and this government stands far above the track record of the doom mongers and the naysayers opposite, Mr. Chairman.

**Ms. Simard:** — Mr. Chairperson, we are on the brink of a nurses' strike. We have 400 health-care professionals that have lost their jobs and that minister says it's not a crisis. Well I say it's a crisis and so do the people of Saskatchewan. Where is he living? In wonderland, Mr. Chairperson? Is this minister in wonderland? The brink of a nurses' strike and employees being laid off left, right, and centre, and he's got the gall to say it's not a crisis. Well obviously it's not his job that's on the line, Mr. Minister. But not for long, Mr. Chairperson.

And with respect to federal off-loading, Mr. Minister, it is not sufficient for you to come in at the last minute and say that you're against federal off-loading and say that you've been fighting it for the last nine years because you haven't, Mr. Minister. You've been in bed with Brian Mulroney for the last nine years, and it's too late for you to stand up now and say that you are against Brian Mulroney and his federal off-loading. That's just not credible, Mr. Minister. It's too little, too late, Mr. Minister.

You supported the de-indexing of senior pensions in effect. You supported the elimination of two-price wheat. You supported the cuts to EPF (established programs financing) funding initially. You supported that, Mr. Minister. And you enthusiastically supported Brian Mulroney's free trade deal. That's how hard you fight the Ottawa government, Mr. Minister. That's how hard you fight Ottawa.

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

**Ms. Simard:** — You don't stand up for Saskatchewan interests with respect to Ottawa one single bit, Mr. Minister, and the people of Saskatchewan don't believe you. You have no credibility on that issue.

Now with respect to the provincial GST that this government is imposing, Mr. Chairperson, the biggest single tax increase in the history of this province, I want to just put on record this government's record with respect to taxes.

In 1982 the PC government said it would lower personal income tax by 10 per cent. Today we have the highest rate in Canada. They told you that as long as there's a PC government you won't pay gas tax, and we all know the story of gas tax. You now pay some 46 cents a gallon compared to 29 cents a gallon, I believe it was, when they made the promise.

They told us they would eliminate the sales tax. First they increased it to 7 per cent, and now they've expanded it to a provincial GST. In last year's budget this minister said quite simply that the people have said no more to taxes. He said the goods and services tax is unacceptable and enough is enough. Well that's the biggest flip-flop in the history of this province, Mr. Chairperson.

Enough is enough, he said. No more to taxes. And what we see this year is the biggest single tax increase in the history of this province, and this minister has the gall to say that there'll be no more taxes for three years. No credibility at all, Mr. Chairperson, and the people of Saskatchewan are saying no way to their way.

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

**Ms. Simard:** — Mr. Minister, with respect to the provincial GST, my question to you is: how can you justify nine years of spending spree, nine years of GigaText and waste and mismanagement and now sock it to the taxpayers with an unfair, unprecedented provincial GST?

**Hon. Mr. Hepworth:** — The basis for the tax changes in this budget, Mr. Chairman, are two-fold: number one, to revitalize and stabilize the rural economy, and in so doing the entire provincial economy; and secondly, if we're going to have . . . not have the deficit run up by another \$125 million, which I don't think any of us want; to find the money to make our share of the payments for GRIP and NISA, and in so doing, stabilize the economy, revitalize the economy, and control the debt and the deficit at the same time, Mr. Chairman.

**Ms. Simard:** — Mr. Minister, what you're asking

Saskatchewan families to do is pay through the nose for your waste and mismanagement and your incompetence. After nine years of a spending spree, taking this province to the verge of bankruptcy, you're asking families out there and individuals to pay for your waste and mismanagement. How can you justify the hardship that you're inflicting on families as a result of your waste and mismanagement, Mr. Minister?

**Hon. Mr. Hepworth:** — Mr. Chairman, we've laid out what I think is a fair, reasonable, responsible, and sensible plan to balance the books in three years, and what we're asking the committee to approve is some interim funding until we can examine that and other issues in the budget in detail. And I think, quite frankly, Mr. Chairman, this is not a question of having this debate here on interim supply go on for an entire month. Indeed there are welfare payments, for example, that have to go out shortly for those on assistance. Hospital boards need the payments, etc., etc., Mr. Chairman.

**Ms. Simard:** — Mr. Chairperson, let's talk about the PC (Progressive Conservative) plan for a minute, the plan they say they have, which is in effect no plan, Mr. Chairperson.

In his pre-election budget speech in 1986 the Minister of Justice — he was then minister of Finance — said he had a plan, a plan to eliminate the deficit in five years. Well in the first year he was only out some 217 per cent or \$800 million, and since he announced his plan, the deficit has increased by more than \$3 billion, Mr. Chairperson — by more than \$3 billion. That's a PC plan.

He also said he had an economic plan, and in 1986 when he announced his budget's plan to create jobs, there were 452,000 jobs in Saskatchewan. After his plan, the PC plan, had been in place for five years, by 1990 there were only 449,000 jobs. And some 2,300 Saskatchewan businesses have gone bankrupt. That's the PC plan, Mr. Chairperson.

Last May, I understand the member from Melville announced that the government had a brand-new economic plan, a brand-new strategy that the Premier just thought of a few months ago. Now I would like to ask the Minister of Finance today just what that plan was and how it's working.

**Hon. Mr. Hepworth:** — Mr. Chairman, the details of our economic diversification are detailed in the budget document and more details than that she can certainly raise with the Premier and other ministers in detailed examination of their estimates. It revolves around diversifying our economy, building on our strengths, using very popular tools like community bonds, for example, and other mechanisms — decentralization to ensure a stable and revitalized rural economy and in so doing our entire provincial economy.

**Ms. Simard:** — All rhetoric, Mr. Chairperson. The minister obviously doesn't know what that plan was. In last year's budget speech the minister mentioned his plan for the Austrak tractor plant in Weyburn. Did he also plan to close it down, Mr. Minister? And when do you plan to reopen it?

**Hon. Mr. Hepworth:** — Mr. Chairman, as it relates to detailed expenditures, I would have to recommend the hon. member ask the appropriate minister in their detailed examination of the estimates. What I can tell the hon. member is our plan has been and will continue to be to diversify our economy so that we can see more jobs created, so that we're not so held ransom to the weather or low wheat prices, so that we can stabilize and revitalize our entire economy, Mr. Chairman.

**Ms. Simard:** — Obviously that plan's down the tubes, Mr. Chairperson. In last year's budget speech, Mr. Minister, you laid out pretty clearly your plan for taxes. You said that the goods and services tax is unacceptable. You said that enough is enough and Saskatchewan people don't want to pay further taxes. When did you change that plan, Mr. Minister? When did you do your flip-flop on last year's budget speech?

**Hon. Mr. Hepworth:** — Yes, Mr. Chairman, we did view the GST as unacceptable for the reasons I outlined in last year's budget speech. It was too complicated and too complex. However, the reality is we do have the GST. We never argued against it for economic or fiscal reasons because to do so would have been intellectually dishonest.

I guess we made the same observations as many members of the opposition did. If we're going to have a GST, if it's a reality, which it is, as the Finance critic said, if we're going to have one, let's have one tax. We've moved forward with that. Your party has supported it when you weren't facing an election — and now flip-flop, there's the heat of an election.

In fact, quite frankly that's why this debate is being held up. That's why we've got a record length of time being spent on this interim funding. It's nothing to do with this Bill, Mr. Chairman. It's a delaying tactic by the opposition — nothing more, nothing less, Mr. Chairman.

**Ms. Simard:** — Mr. Chairperson, did the government have a plan for GigaText, Mr. Minister? And what happened to that plan and, more importantly, where did the money go?

**An Hon. Member:** — Point of order, Mr. Chairman.

**Mr. Chairman:** — What is your point of order?

**Hon. Mr. Hepworth:** — The details as it relates to a specific business venture are beyond the scope of interim supply, are best handled by detailed examination of estimates of the appropriate department or agency. And, Mr. Chairman, after five sessions here, I think we ought to confine ourselves to the intended scope of interim supply and the resolutions therewith, Mr. Chairman.

**Mr. Chairman:** — I think with all due respect, the member from Lakeview, we've ruled on this previously, and I would ask you to refer your comments closer to the Bill at hand. Thank you.

**Ms. Simard:** — Mr. Chairperson, my question is: is there any money being paid out under this interim supply Bill

for left-over expenditures with respect to GigaText?

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

**Hon. Mr. Hepworth:** — Not that we're aware of, Mr. Chairman.

**Ms. Simard:** — Mr. Chairperson, does the government have a plan for getting Weyerhaeuser to repay the 236 million it owes the province within this period, with respect to the interim supply, or for the rest of the year, as a matter of fact, if the minister wants to answer that question.

(1530)

**Hon. Mr. Hepworth:** — Mr. Chairman, my understanding is that Weyerhaeuser is meeting in every which way, the terms and conditions of the agreements that were signed with them, Mr. Chairman.

**Ms. Simard:** — Would the minister confirm that to date Weyerhaeuser has not repaid one penny of that money?

**Hon. Mr. Hepworth:** — Mr. Chairman, I can't provide that kind of detailed information here in this committee, but I can tell you that as far as I understand, that the agreements are being lived up to.

I think the NDP clearly here . . . It's another example of their ideological dogma is blinding their better judgement. They're against diversification. I'll tell you why they're against that project. Because Weyerhaeuser happens to be an American company. And if you're an American company and you're a multinational, in the NDP's books that's just like major swear words, Mr. Chairman.

**Ms. Simard:** — One would think, Mr. Chairperson, the Minister of Finance would know, when we're talking in terms of millions of dollars, whether or not obligations are being upheld and what the situation actually is. One would think the Minister of Finance would know that, Mr. Chairperson.

I don't accept the fact that it's too detailed for the Minister of Finance to answer the question. He is there to answer these questions and he should be prepared and ready to do it. When he fails to answer them, I can only assume that the answer is not in his favour which is why he doesn't answer the question, or that he doesn't have this information which he should have. And either way, Mr. Chairperson, it's totally unacceptable for the Minister of Finance.

Now, Mr. Minister, in 1989 as I understand, the Premier said that privatization would get rid of the deficit, which we now see is what? — \$5 billion in your budget? Perhaps it's more than that. I'm not sure exactly what the figure is, but in that vicinity, which is why we've got into this mess to begin with. They refuse to answer any questions, Mr. Chairperson. We have a huge deficit. They stand there and refuse to answer questions and refuse to deal with and account for multi-million dollar sweetheart deals.

Now the Premier had said that privatization would get rid

of the deficit. We see that that's not true. The deficit has steadily gone up after privatization, after privatization by this government. Now does your government, Mr. Minister, plan to privatize SaskEnergy and SGI (Saskatchewan Government Insurance), and what is that plan?

**Hon. Mr. Hepworth:** — Mr. Chairman, as it relates to plans particularly for SaskEnergy or any other particular Crown or agency, I would recommend that she put those to either ministers responsible in Crown corporations or in the detailed examination of estimates. But as I recall from a question period here not that long ago, that any plans relative to the SaskEnergy would be brought to this legislature and before the people before any action is taken one way or the other, Mr. Chairman.

**Mr. Shillington:** — Thank you very much. Mr. Minister, I just want to make a comment about these general proceedings. It is true that the proceedings have carried on somewhat longer than has often been the case for interim supply in the past. The problem has been, Mr. Minister, that you regard this as an exercise in seeing how many questions you can dodge. We began the first day with your speeches going on for 20 minutes, half an hour, and carefully avoiding giving any information while you did it.

Mr. Minister, we have a right to have some questions answered before we vote supply. We have a right to have some information. You have gone out of your way to avoid giving it. You have given long, windy speeches which begin off the mark and end even further off the mark. Mr. Minister . . .

**An Hon. Member:** — This is filibustering.

**Mr. Shillington:** — Well that would be a good term if it made any sense at all. The minister appears to be filibustering his own interim supply. Though I may not be able to sell the notion that the minister is filibustering his own interim supply because it wouldn't make any sense. But I'll tell you, neither does the minister's behaviour in this interim supply. The minister's behaviour suggests that he's enjoying this and thinks this ought to go on indefinitely. That's the way you've behaved.

If you would answer some questions — and most of the questions, Mr. Minister, have been . . . some of the questions may have been detailed, most of the questions have been general, and they are deserving of answers, and you have gone out of your way to avoid it.

My colleague from Regina Lakeview has been asking you for an hour and 10 minutes for some general information. You have — part of the time — spent your time avoiding the issue and part of the time, Mr. Minister, you've spent complaining about the fact that we're still here asking questions. If, Mr. Minister, you would stoop to answer the member's questions, perhaps these proceedings might get on.

Mr. Minister, I want to ask you about something that has been raised in the House before, but about which you have not responded. And, Mr. Minister, it has to do with the general question of waste and mismanagement. Mr.

Minister, if there is a single issue about which people from Meadow Lake to Carnduff, from Nipawin to Cadillac agree upon, it is that the hallmark of this government is waste and mismanagement. Mr. Minister, the phrase waste and mismanagement did not appear in your budget speech. Perhaps one could understand that. But neither was there any commitment to run a more efficient government.

Mr. Minister, if you read your budget speech, you would think that this government sees no problem with the efficiency with which you conduct your affairs. If that's the case, Mr. Minister, then you're the only people in Saskatchewan who think that this government is as efficient as it ought to be.

People in Saskatchewan from one end of Saskatchewan to the other are appalled — appalled by the way you treat public funds. What has been so galling about your tax increase is the tax increase, yes, but the fact, Mr. Minister, that you appear to be wasting money as if it were air or water — as if the resource were limitless.

**An Hon. Member:** — We don't waste that either.

**Mr. Shillington:** — Mr. Minister, no, we've noted . . . No, the member from Regina South says they don't waste water. You're certainly not wasting it filling up the Rafferty dam which you built at a cost of a billion dollars. There's no water being wasted filling up the dam, I must say.

**An Hon. Member:** — You got that right.

**Mr. Shillington:** — I got it right, and there isn't going to be for some time either.

Mr. Minister, I wonder if you would . . . if you'd care to tell us what you intend to do in a general sense to impose some degree of efficiency on this government. What are your plans to deal with the waste and mismanagement which has become an absolute hallmark of your government?

Mr. Minister, as I've said to you before, in most governments it is regarded as the role of the Finance minister to also be the watch-dog to ensure that money isn't wasted, that money is spent efficiently and efficaciously. Mr. Minister, would you tell us what you are going to do to clean up the appalling mess that this government has created and the appalling reputation which you have with the taxpayers of this province?

**Hon. Mr. Hepworth:** — Mr. Chairman, the hon. member suggests that I didn't address the question of government being effective and efficient as possible with the taxpayers' dollar in the budget. Quite frankly, I did. This is another example of where the NDP can't get their facts right.

I would refer the hon. member to Roman numeral X and XI in the budget *Estimates* document that he was given an advance copy of even before I started to deliver this speech on budget night. I know the Opposition Leader didn't allow their critic to respond that night but I did take the opportunity to send a copy over to him.

To briefly — not to get into the same thing as I outlined that night — we've made many significant steps forward over the past couple of years. We will continue to work at this area.

We've gone from something — internal government operations — something in the order of 24, 25 per cent of spending on internal government operating costs, now down to something like 17 or 18 per cent in the last five years, Mr. Chairman. We're going to continue to work at it. I think it's not something that we want our managers to ever stop in terms of looking for ways, as I described in the budget speech, to make government leaner, more effective, and more efficient.

I talked in the budget speech about the fact that since '82 we've reduced the size of government by 2,330 jobs — nearly 20 per cent smaller government. You see the opposition don't like to hear that, Mr. Chairman, because their idea of good government is bigger government. That's but one example of what we've done, Mr. Chairman, to make government more effective and more efficient — frozen salaries, put in place wage guide-lines.

Have we heard the opposition give us any commentary about that part of the financial plan? Where do they sit on wage guide-lines and decreasing the size of the civil service by 600 over this two-year period, Mr. Chairman?

**Mr. Koenker:** — Mr. Minister, you've just talked about your pronouncements in the budget speech in terms of more effective and more efficient government. I'm wondering if you could illuminate me on your . . .

**An Hon. Member:** — Not likely.

**Mr. Koenker:** — Well you say it's not likely. I wish and I hope that you could, Mr. Minister, with respect to your initiatives or your endeavours in terms of recovering venture capital tax credits that had been advanced to firms. I'm wondering if you could tell me what kinds of efficiencies and effective structures you have to recoup venture capital tax credits for provincial taxpayers.

**Hon. Mr. Hepworth:** — That kind of detailed question he'd have to put to the minister in charge, Mr. Chairman.

(1545)

**Mr. Koenker:** — Mr. Minister, this question is not detailed at all. We're talking about voting on an interim supply motion to supply money for you to spend for government purposes, and I think it behoves you to give some general indication of what steps you take to preserve and protect taxpayers' investments in venture capital funds. I'd dearly love to talk about particular venture capital funds. And maybe I don't need to do that, if you could give me an idea of what mechanisms you have in place to take care of venture capital tax credits.

I think, for example, of the 1.125 million that you have in Joytec corporation, Joytec Equities, a venture capital corporation. That was \$1.125 million worth of taxpayers' money that you've had two years now to recover. And I think it behoves you to give the public some general

understanding of what steps, if any, you take to protect venture capital tax credits that have been extended to companies.

**Mr. Chairman:** — Before the minister responds, I would just like to bring to the member's attention that he has in his comments — which I have just carefully listened to — he has admitted and suggested he doesn't want to ask particular questions, and has then followed up with a particular question. And I would read the following ruling into the record.

At the present time we are not dealing with estimates. We are debating a resolution as it pertains to an interim supply Bill. We are not voting individual departmental estimates. Interim supply Bills are to issue money required in advance of complete parliamentary sanction. Debate should focus on the need to grant, reduce, or refuse supply in respect to the resolution before the committee. I would invite the members to discuss departmental policies and details of programs under the appropriate departmental estimates.

The question before the committee is: resolved that the sum not exceeding \$834,933,100 be granted to Her Majesty on account for the 12 months ending March 31, 1992.

So I would like members to address their comments to the question before the committee. I repeat, this is not item number 1 of a departmental estimate where that type of question would be completely in order.

**Mr. Koenker:** — Thank you, Mr. Deputy Speaker. I'm not asking a particular question regarding a departmental budget. I'm talking to the chief bean-counter of the province, the Minister of Finance, and I'm simply asking him what provision he has in place in terms of supplying money for public expenditures, what provision he has in place to secure venture capital tax credits that have been extended to companies when the company has outlived its qualification for venture capital.

Do you have . . . Let's just put it in the most general question of all. Does your government still have provision to recoup venture capital tax credits?

**Hon. Mr. Hepworth:** — Yes, and it falls within the appropriate department or agency's mandate, Mr. Chairman.

**Mr. Koenker:** — Well now, Mr. Deputy Speaker, we do know that they have some provision for recouping public funds. And without getting into particulars of a Joytec, let's just talk about the general principle of securing those venture capital funds.

What steps in general, in broad brush stroke — I'm not looking for a paint-by-number description of what steps you take to protect taxpayers' investments in that regard — but could the minister give us the broad brush strokes of what kinds of actions you initiate to protect the public purse.

**Hon. Mr. Hepworth:** — The details of the policies may even vary from department to department and from



agency to agency, Mr. Chairman. And I would just recommend that the hon. member put those questions in terms of the details to the appropriate minister responsible for the given department or agency.

**Mr. Koenker:** — Is the Minister of Finance telling us that there is no common policy in the Government of Saskatchewan with respect to recovery of venture capital tax credits, that it's simply at the discretion of various agencies and departments?

**Hon. Mr. Hepworth:** — I would suspect, Mr. Chairman, if you put the question to the minister responsible for Diversification and Trade, for example, that they'd find out that there is one common policy that they administer.

**Mr. Koenker:** — Mr. Minister, is it your . . . are you surmising that there might be one common policy or is there one common policy? Do you know? Because we certainly don't know on this side of the House. Do you know?

**Hon. Mr. Hepworth:** — I would recommend he put that question to the hon. minister during the detailed examination of his estimates.

**Mr. Koenker:** — Mr. Deputy Speaker, here we have just a ridiculous scenario where the Minister of Finance wants spending authority to spend two-twelfths of the provincial budget, and he says, just trust me. You can ask the departmental . . . the minister responsible for Economic Development regarding venture capital regulations, whether there's any consistency to the Government of Saskatchewan. I say, Mr. Deputy Speaker, that the Minister of Finance . . . and this probably points to why we have the kinds of colossal financial problems that we do. Because the man in that government who's responsible for counting the beans and keeping the public purse can't even tell us whether there's a consistent policy for recovery of venture capital funds.

And I'm scarcely going to be able to get an answer from the Minister of Economic Development as to whether there is a consistent policy on behalf of the Government of Saskatchewan with regard to venture capital funds if I can't get an answer from the Minister of Finance, who's the chief bean counter.

Well I'll give him another opportunity to illuminate us and maybe elaborate as to whether he has his hands on the reins of the money machine in this government, whether he has his finger in the till counting the money and co-ordinating economic policy, financial fiscal policy with respect to venture capital to ensure that the taxpayer . . .

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

**Mr. Chairman:** — Order, please. What is the member's point of order?

**Hon. Mr. Hepworth:** — The terms, as I have already suggested, the details . . . and I'm sure that the hon. minister's response will not have any problem in getting into the details as it relates to tax credits and appropriations for them. In this resolution and Bill that's

before the legislature, the committee of the legislature, there are no . . . we are not asking for any appropriation relative to tax credits.

The only one that was an expenditure that we needed an appropriation for, at least on an interim basis, was the family tax credit and that was covered off during the special warrant in April, Mr. Chairman. So if it would put the hon. member at ease, we're not asking for any appropriation here relative to certainly those specific tax credits he's referred to, Mr. Chairman.

**Mr. Shillington:** — Thank you very much. First of all, Mr. Chairman, it wasn't a point of order at all. It was a response, however lame, to the member.

If the minister is intending to suggest that the question is off limits because the money somehow or other is going to be used for something different, then the documents which Mr. Chairman has before him simply don't bear that out. Each department is getting almost exactly, as he himself said, one-sixth of their annual allotment. The minister has no way of knowing what the money is going to be used for.

I also want to speak to the broader issue which has concerned the Chair on more than one occasion about the detailed nature of these questions because I think it's important.

**An Hon. Member:** — Oh sit down.

**Mr. Shillington:** — Well I will sit down and allow the member from Moosomin to speak in due course.

But I want for a moment, Mr. Chairman, to . . . I want for just a moment to address the Chair with respect to the nature of these questions. This is interim supply. The government is asking for money. We have the right to ask questions with respect to the expenditure of that money, and . . .

**An Hon. Member:** — By the departments.

**Mr. Shillington:** — By the departments, and it's been done in the past . . .

**Mr. Chairman:** — Order. Order, please. With respect to the comments that the member from Regina Centre is presently making, the Chair has just recently ruled as to what type of questions would come under item 1 of the estimates and what type of questions would be specific or not specific.

By the member's own admission, that is the member . . . Order, please. The member from Regina Sutherland . . . or from Saskatoon Sutherland, he has by his own admission said that he has repeatedly asked the question. By that self-admission, I would ask him . . . Order, please. I would ask the member to get back to the question that is before the committee, that being the one of interim supply.

**Mr. Koenker:** — Mr. Deputy Speaker, your ruling . . .

**An Hon. Member:** — You can't . . . (inaudible) . . . on his ruling.

**Mr. Koenker:** — Mr. Deputy Speaker, I understand that we are talking about money being supplied to the government. And I want to find out whether the venture capital tax credits which are used to fund . . . that have been used in the past to fund public expenditure have any mechanism for recovery that would allow the government to supply funding for any number of public purposes: health, education, social services, more economic development and diversification projects.

And I think we're talking about a very fundamental principle here. Before the government can be supplied with fiscal resources, it has to have those fiscal resources. We've asked questions about taxation policy, and what is venture capital tax credit but taxation policy?

This is of a very general nature. I'm not asking questions of a specific nature. And I simply want to know . . . Basically to conclude this, I think the minister could handle it quite simply by indicating whether or not he understands there to be a consistent policy on the part of the government with respect to the recovery of venture capital tax credits or really whether it's a hodgepodge departmental policy.

Surely, as Minister of Finance, you ought to know whether you have a consistent, firm policy with respect to the recovery of venture capital tax credits. That's all I'm asking.

**Hon. Mr. Hepworth:** — Mr. Chairman, yes, we do have a consistent policy, and I would ask him to put the specific questions to the given minister responsible for any department or agency that he wants to get details on.

**Mr. Van Mulligen:** — Mr. Chairman, I rise on a point of order. I'd like the chairman to rule whether given the unusual nature of this year's . . . or this current interim supply Bill, whether a greater latitude might be allowed in the way of questions.

I point out, Mr. Chairman, that the interim supply at this point is not for one month, as is usually the case, but is for two months. This is a highly unusual situation. So the government is not voting one-twelfth of its expenditures but is asking for one-sixth of its expenditures. This is unusual in the case of Saskatchewan.

There is also every likelihood that we may not in fact be able to complete estimates prior to an election campaign. Yet members I think are desirous of asking questions about where money is being spent and where it's going to.

Thirdly, I would ask you to rule or review the record. We have, I think, have submitted a number of legitimate questions in the past, legitimate questions which is engendered while tirades and a great deal of political rhetoric which have nothing to do with the interim supply on the part of the Minister of Finance. So I guess I'm saying, he can't have his cake and eat it too.

Finally, Mr. Chairman, I would make the point, I would make the point — if you'd just bear me out — make the point that it's the obligation, the duty, the responsibility of members of the Legislative Assembly to hold the

government accountable for its funds. And if there's any question, any question of judgement as to what leeway should be accorded members of the Legislative Assembly, I think you should err, you should always err and give doubt to . . . the benefit of the doubt to members of the Legislative Assembly asking more questions rather than fewer questions about how the government spends its money.

Thank you, Mr. Chairman.

(1600)

**Hon. Mr. Neudorf:** — Thank you, Mr. Chairman. If I might, I would want to say a few words on the point of order raised by the member from Regina Victoria. I think I must agree with him that the interim supply Bill this year is something certainly out of the ordinary. And the fact he says two months, the fact that it is a two-month interim supply Bill is nothing out of the ordinary. In fact it has happened on numerous occasions in this House. So that is certainly not out of the ordinary.

I would suggest to you, Mr. Chairman, that the out-of-ordinary situation is the obstructionism that the opposition has been embarked upon over the last number of four or five days.

Normally these interim supplies last 10 minutes. Out of the last 12 interim supplies we've had, only two lasted for more than one day. And certainly I think this is very, very evident of the filibustering techniques, the obstructionism, and the avowed intention of members of opposite to make this place an ungovernable place. And I believe we have an excellent example of those situations being experienced in the legislature right now.

And furthermore, Mr. Deputy Chairman, I would suggest to you that I will read some previous decisions handed down by previous deputy chairmen in this particular legislature on this very particular topic so that hopefully we will be able to avoid the shambles that the legislature has gotten itself into by the obstructionism of the members opposite — and indeed bringing this House into the reputation of the house of ill repute. And I think that all members should be trying to avoid that type of a situation.

I would like to, for your benefit, Mr. Chairman, review some past rulings to support my argument in opposition to the member from Regina Victoria. And I relate you specifically to Regina, Thursday, May 10, 1990, where in the interim supply Consolidated Fund under the main estimates, there was a ruling made by Mr. Chairman at that time. And I would like to quote some of the reasons given by Mr. Chairman at that time:

. . . members must realize that this is not an appropriate place (this is not the appropriate place) to get into detailed questions on the operation of specific departments' programs.

And that is exactly, Mr. Chairman, the point that the Minister of Finance was trying to make. But I would like to read further, and I quote:

The purpose of interim supply is to grant money

for the operation of the government departments and programs on an interim basis while reserving to the Legislative Assembly the right to complete the detailed review of estimates at a later time.

There's a time and place for everything, Mr. Chairman. For this reason, members must reserve their detailed questions and estimates and government financial policy for the regular review of the main estimates which are coming up as we all know, Mr. Chairman.

And finally, one further quote I would like to give in substantiation of my argument against the point of order made by the member from Regina Victoria which is a continuation of that ruling:

... questions regarding government accountability for past expenditures and financial policies may be asked in several other forums, such as the Public Accounts Committee, Crown Corporations Committee, the Committee of Finance on the estimates from the Department of Finance, or in the House in debate on the budget.

These are all forums that we have available to us as members to make our points in legitimate debate. Quoting further, Mr. Chairman:

This type of question is out of order in the interim supply proceedings.

The appropriate place to ask this question is under the estimates for the Department of Finance or the Crown Investment Corporation.

Now, Mr. Chairman, end quote. I could inform you at the same time that the chairman's ruling at that time was challenged by members opposite. And Mr. Speaker returned to the chair and thereupon the question being asked, Mr. Chairman's ruling was sustained at that time.

So I would suggest to you, Mr. Chairman, that there's many, many reasons and precedents that have been set to sustain the fact that the point of order from the member of Regina Victoria is indeed not well taken.

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

**Mr. Shillington:** — In responding, I wonder if the Chair would like to respond as well to the description of the member from Rosthern when he described this House as a house of ill repute. I wonder if the chairman would like to respond on the appropriateness of that sort of language.

**Mr. Chairman:** — All right. Order, order. Order, please. I've listened to the member's point of order and to the comments both for and against. And I would simply state that it is not the chairman's prerogative to decide whether the nature of the debate or the issue at hand is or is not usual. And I would also point out that the chairman on more than one occasion today, has been put in a situation of being forced to interpret what is or is not relevant.

And with that, I would rule that the member's point of order is not well taken, and would ask that the debate continue on the Bill at hand.

**Mr. Koenker:** — Thank you, Mr. Chairperson. Before we had this point of order, the minister had graciously answered my question and said that there is a consistent policy for venture tax credit recovery. And I'd simply like to pursue that in a general vein by asking which department then is responsible for venture capital tax credit recovery such that when the appropriate time comes, we may ask questions of that minister?

**Hon. Mr. Hepworth:** — Mr. Chairman, the minister responsible for that Act and that credit is the minister in charge of Economic Diversification and Trade.

**Mr. Koenker:** — Mr. Chairperson, I just want to conclude by commenting that we could have saved a lot of time if the minister would have answered the question initially when I asked it some 20 minutes ago. Thank you.

**Mr. Shillington:** — Thank you, Mr. Chairman. Mr. Minister, we have done interim supply much later than May 1. In fact the government has brought interim supply into this House a great deal later than May 1. I suggest, Mr. Minister, that there's only one reason why you want interim supply through and it has nothing to do with the proper conduct of public affairs.

The only reason you want interim ... you want interim supply through because you want to get on with your own election agenda. Your rush to get through this has nothing to do with the proper conduct of public affairs and has everything to do with your desire to get this House shut down so you can begin to prepare for an election. That is evident, Mr. Chairman.

Mr. Chairman, I haven't had a single solitary soul apart from yourself say, for goodness' sakes, get off interim supply or anything to that effect. I've had an endless number of people who have said to me, what on earth are they doing with the money? Where has all the money gone? We are being asked daily, Mr. Chairman, by the public, we are being asked to call this government to account to try to get some handle on the waste, the mismanagement which has gone on, Mr. Minister.

Mr. Minister, so I say to you, Mr. Minister, that your unseemly rush, and it is an unseemly rush to get all this finished, has nothing to do with the proper conduct of public affairs. It is just simply related to your own election agenda.

Mr. Minister, I suggest to you that since you came here in mid-April, the whole bent of this government is to keep this session as short as possible. That was what lay behind not calling a throne speech and not paying consequential per diems. It was an attempt to discourage us from asking these embarrassing questions.

I can tell you, Mr. Minister, the embarrassing questions are going to go on. And this session is going to be as detailed as any other has been. Mr. Minister, we're not going to be discouraged by the way you people play fast and loose with the rules, and I'm referring to the failure to have a throne speech. We're not going to be discouraged by that and we are certainly not going to be discouraged by the kind of comments which the minister is making.

We are going to be in this Assembly asking the hard questions which the public of Saskatchewan want answers to.

And, Mr. Minister, if you were a little more forthcoming in providing answers, you might not be buried as deep as you are in the polls. It might have occurred to the minister . . . Well the minister is assisting me. The minister is assisting me from his seat. Mr. Minister, if you were listening rather than trying to shout me down, if you were listening, Mr. Minister, you might give some thought, Mr. Minister, to what has gone wrong and what the public are asking of you. It's never irrelevant in any democratic government. It is never irrelevant to ask what do the public want and why are the public pleased or displeased with a particular government, a particular party, a particular action. It is always relevant.

Mr. Minister, everybody in this province is asking where has the money gone? Everybody wonders, Mr. Minister, how on earth it can be that you can have taxes going through the ceiling, you can have the debt going through the ceiling, and at the same time a noticeable deterioration in public services. Everybody is struck by that paradox.

Your taxes have gone up, Mr. Minister. Your debt has gone up . . . (inaudible interjection) . . . Well I wonder, perhaps we should just recess while the minister finds something to amuse himself with. I wonder if the chairman would like to invite the minister to make his comments from his feet. I was addressing some comments to the minister. He seems to think this is some sort of a play-pen.

The minister may think this is a play-pen, but I'll tell you, Mr. Minister, these are serious issues. If you think, Mr. Minister, that the question of waste and mismanagement and where has the money gone are not serious questions, then, Mr. Minister, call an election and you'll soon see how serious the questions are. You'll find out, Mr. Minister, the questions are very serious. They're very serious . . . (inaudible interjection) . . . Well the member from Milestone-Bengough attempts to assist the minister by saying, you don't have any boundaries, therefore you can't call an election. If this government did not continually play fast and loose with the rules, if you weren't continually trying to rewrite all rules to benefit yourself, then, Mr. Minister, you might not have a problem with boundaries.

And I say with respect to that subject, since the member from Milestone-Bengough invites me to get into it, let me say with respect, Mr. Minister, any time this government can say, when the Supreme Court decision comes we'll deal with it but in the meantime we're going to draw up the boundaries which comply with the Court of Appeal decision, you could do that today. You choose not to because you don't want an election. You choose to postpone that because you want to postpone the election past June or July. You want to postpone it to the last possible moment.

The reason, Mr. Minister, that you want to postpone it until the last possible moment has a great deal to do with what is before this House today. What is before this

House today is the proper calling of this government to account for its expenditures.

I may say, Mr. Minister, that we have been in this . . . I have been in opposition now for nine years, Mr. Minister. I may say that we have not succeeded in calling the government to account. We have never succeeded in getting this government to account to this legislature for its expenditures.

Year after year, Mr. Minister, this government has sailed on, given as little information as you can, avoided answering questions, all in an effort, Mr. Minister, to avoid accountability.

These interim supplies have everything to do with accountability. And I'll tell you, Mr. Minister, we have the full backing of the public of Saskatchewan in our efforts to bring this government to account for its expenditures. There isn't anybody in this province who doesn't think that should be done. The only reason, Mr. Minister, that you and your colleagues are resisting this process is because you don't want to be called to account.

I say, Mr. Minister, that's what this legislature is all about. It is all about the right of members to call . . . I am not sure why that amuses the minister. I am really not sure why that amuses the minister. The chairman, Mr. Minister . . . the minister finds something amusing about swinging a string in front of his face.

Perhaps, Mr. Minister, you might try to deal with some of the things which the public of Saskatchewan are asking from you. The public of Saskatchewan are asking that you run a more efficient, effective government. And what's your response? Your response is to laugh and play games. Well I say, Mr. Minister, whatever this may mean, it is not an adequate response to the question of where has all the money gone. That is not a very adequate response.

Mr. Minister, you have been telling this House that you need the estimates through because you've got to make payments. I wonder, Mr. Minister, if you'd like to be specific about what payments there are that have to be made tomorrow.

**Hon. Mr. Hepworth:** — Well, for example, there's the mid-month payment for those clients on social assistance, the welfare payments. There's as I understand it, mid-month payments that would go to hospitals, nursing homes, home care; I suspect doctors would be in there. Those would be a couple of categories particularly, Mr. Chairman.

**Mr. Shillington:** — I wonder if the minister would agree that today is May 6 and we are still nine days from mid-month.

**Hon. Mr. Hepworth:** — As my colleague says, that just about doesn't require . . . isn't deserving of an answer. It's just so typical of the flippant approach that they take to this process here in the House.

You know, Mr. Chairman, we've heard a lot in the last day or so here, last few hours, about rights, about their right. And I agree with every member's right in this House to

have grievance before supply. We saw them shout down the member from Cut Knife-Lloydminster when he wanted to ask a question. That's their idea of democracy in this House.

But we hear precious little, Mr. Chairman, about the responsibility of the opposition as well to good and efficient operation of this House. We hear precious little. And we have to ask ourselves, why is it that interim supply any other year, with two exceptions I think, took more than one day. And this is what? — the fourth day in the fifth session.

The mid-month payments, as I said, those will be particularly put in jeopardy with this Bill being further held up. He says well, by the calendar it's May 6, nine days away from mid-month. Well he's right, and that's always the case. And the administration and computers need that kind of lead time to get the cheques out in the hands of those recipients by mid-month, Mr. Chairman. So anybody who's under the illusion that you somehow don't have to have authority until May 15 to make a May 15 payment — that might be the way the NDP operate, that's not the way we operate in here.

And are we somehow departing from past practice, Mr. Chairman? The answer there is no. Let's go back to '78-79 when the level of funding asked for in interim supply was two-twelfths; April 25 was the day passed. '79-80, two-twelfths asked for again; April 25, 24. And I might point out these were the second interim supplies, Mr. Chairman, so we're not comparing apples to apples or apples to coconuts. We're comparing the same thing. '80-81, April 29, two-twelfths; '81-82, April 27, two-twelfths; '83-84, April 20; '84-85, May 1, Mr. Chairman.

That time it was debated more than one day. April 26 the next year; May 5, '86-87, very close to this time, Mr. Chairman. So one could make the observation that historically we're somewhat later than we have been, although it has gone as late as May 17 in '88-89, Mr. Chairman.

**Mr. Shillington:** — I wonder if the minister would give us a schedule of the payments which you think are likely to be held up by these interim supply.

**Hon. Mr. Hepworth:** — Mr. Chairman, as I said earlier, the ones that would particularly be put in jeopardy would be the mid-month payments to social assistance clients, those on welfare. I'm also of the understanding that some mid-month payments to hospital boards, nursing home boards, home care, doctors as well, I understand — we need the payments approved shortly for those. Government payroll you would want as well; that would be another issue that is arising very quickly on us. So those would be an example, Mr. Chairman, of some of the kinds of payments, particularly the mid-month ones, that are put in jeopardy, Mr. Chairman.

(1615)

**Mr. Shillington:** — The minister's answer is fortuitous. There's more descriptive language but it's less parliamentary. The minister's answer is just absolute

nonsense.

In one sense, the minister is right. The first payments are probably the mid-month welfare payments. That's probably right. And there is no reason, Mr. Minister, why this interim supply has to be passed before mid-month.

Mr. Minister, as you well know, the proceedings here do not . . . It's not as if we are writing you a cheque which you then go off and spend. The government has the money to make all the payments; this process simply provides you with the authority. And as long as you get the authority, the day beforehand, Mr. Minister, those cheques will go out, and you very well know it. This process has nothing to do with your ability to write a cheque which a bank will honour. It has nothing to do with that at all. It has simply . . . Mr. Minister, this process has to do with your authority to spend the money; not your ability to raise it. And the minister knows that full well.

So, Mr. Minister, I want to give you my solemn assurance the interim supply will pass by the 15th of May. I give you solemn assurance on behalf of my colleagues and I.

Mr. Minister, do you have any better defence or is that it? Can you make a better defence of your position that this interim supply has to pass or is that rather pathetic effort the best you're going to do?

**Hon. Mr. Hepworth:** — Well, Mr. Chairman, the opposition's saying that they will hold this up till mid-month and that somehow approval of an interim funding supply on May 15th . . . that somehow nobody will be hurt. Clearly they don't understand the system. We can't have approval and the next day have the cheques in their hands. Electronic transfer, for example, requires at least three clear days, and obviously that's how . . . we're not handling all of these at all by electronic transfer. There's preparation time, there's cheques have to be drawn up, there's the administrative end of it.

Simply, Mr. Chairman, the practice that's been part of interim supply for a decade and more . . . Somehow now because we're facing an election and it suits the NDP's timetable — not the welfare clients' timetable but the NDP's timetable — they're saying that the fact that we've always done this in either late April or the early part of May that somehow, and the kind of administrative requirements then, somehow . . . no, forget all of that, it's our political agenda, our interests are more important than the public's interest and so we're going to hold it up, Mr. Chairman. That's what they're saying, Mr. Chairman. Their interests, they're going to put ahead their interests, their political interests, ahead of the interests of the client on welfare. That's what they're saying to the public, Mr. Chairman.

**Mr. Shillington:** — Mr. Minister, that's complete nonsense. That is complete nonsense. The minister talks about three days needed to clear a cheque — I think that's what he said — three days needed for electronic transfer. Mr. Minister, we're not handing you a cheque which you then take down to the bank to deposit and as soon as it's in your account then you spend it. That's not the process. We're not giving you money; we're authorizing the expenditure of money, and there's all the difference in the

world.

Although this government is in sorry financial condition, it still has enough money to meet its payroll. And we don't give you the money to meet a payroll; we authorize its expenditure, and that has been the process, Mr. Minister, for some centuries. Parliament never gave the executive branch . . . In the days of the Tudor kings, parliament did not give royalty the money. They didn't give them a cheque. They authorized the expenditure, and that's what we're doing.

Mr. Minister, I've asked you for a schedule of any payments you think might be held up. What we get instead is a long lot of blether about how our political interests are being put ahead of the public welfare. I wonder, Mr. Minister, if you'd care to save the blether and give us the schedule.

**Hon. Mr. Hepworth:** — Well I can just repeat what I said earlier, that the most pressing ones would be any of the mid-month payments, particularly the social assistance clients. I talked as well earlier about the nursing homes, the hospitals, and home care. There would also be I think payments to doctors that would fall in that category; there would be the government's own payroll; there would be legal aid; there would be grants to the schools; there would be payments out of Social Service as it relates to Family Income Plan; as well, the end-of-the-month payments, Mr. Chairman — those are all the kinds of things that we're talking about and asking for interim supply.

I find it strange that on occasion when I've been in here in this role before, and in previous roles as the Minister of Education, that the opposition was always wanting us to advance sooner and more so that the school boards wouldn't have to borrow money. Now in the heat of an election, when it suits their political interests, it's okay to hold it up. It's okay for these people to have to draw on their operating lines of credit and pay interest — interest that doesn't buy . . . that would otherwise be used to buy textbooks, Mr. Chairman, operate the school buses, or whatever else.

Clearly, yes, the members of the legislature have a right as it relates to grievance before interim supply. They have that right, but they also have a responsibility, Mr. Chairman.

**Mr. Shillington:** — I asked the minister a simple question: would you send across the schedule? What I get instead is a long tirade about how irresponsible the opposition are. Mr. Minister, there is nothing irresponsible about the opposition asking you to account for the money you're expending.

The minister says the most pressing payments are the mid-May. I therefore think we can assume that there isn't any problem until then. I assure you, Mr. Minister, this will be finished by mid-May.

Mr. Minister, would you admit that in 1988, or in 1989 perhaps it was, when the interim supply was dealt with in May 17, and all the welfare recipients got their cheques on time? Would you admit that?

**Hon. Mr. Hepworth:** — Mr. Chairman, what I can tell you is that that is the . . . as I understand it going back 10 or 15 years, that was the latest that interim supply had ever been passed. The precise details of clients not having those cheques in their hands is . . . obviously it was some time after mid-month, so it would be late if that's the bench-mark.

How late or whether they would have liked to have had them sooner, obviously I can't give you details. But I can tell the legislature and the members of the committee that you can't put the cheque in the people's hands for May 15 if you're still working on this Bill on May 15. I can tell you that.

I can tell you that it requires three clear days for electronic transfer. I can tell you that it requires two and three and four days for preparation at the administrative end to get payments out to hospitals and school boards and others. It doesn't happen overnight, Mr. Chairman. That's obviously why for decades, I would observe, that this has always been done in an expeditious fashion but effectively scrutinized by the opposition. It has always been done in late April or early May.

Now when it suits the interest of the opposition for their own political reasons to hold up this resolution and this Bill, when it suits their political purposes, they're prepared to put their political interest above the larger public interest and above the interest of those who might be waiting for those cheques mid-April, specifically those on welfare, Mr. Chairman. Is that responsible opposition? That's the question we have to ask ourselves. Why is it, this year, because there's an election, they're trying to score political points. They're trying to score political points at the expense of the welfare client. I say that's shameful, Mr. Chairman.

**Mr. Shillington:** — Mr. Minister, there wasn't a single welfare recipient got their cheque five minutes late in 1989 because the estimates were passed on May 17. If the minister's suggesting that, then the minister's either mistaken or he's leading the House — one of the two. It simply is not the fact. It is not the fact this year, Mr. Minister, that any payment is endangered by these proceedings.

Mr. Minister, the interim supply has taken longer because of the somewhat unusual nature of the session. You announced . . . well the members opposite have always had a certain impatience with the democratic process. They've always found it inconvenient that people want to ask them questions about why they're doing what they're doing.

**An Hon. Member:** — And where did all the money go.

**Mr. Shillington:** — And where did all the money go, my colleague says. Members opposite have always found these sort of questions inconvenient and whenever possible they've avoided answering them.

We are waiting for . . . The Government House Leader will know full well we are waiting on some responses for orders for return which are three years old. Why are we

waiting that long? Because the government finds it inconvenient and uncomfortable to provide the information.

Mr. Minister, part of the reason why interim supply has taken a little longer than it normally does is because of the bizarre nature that you have proceeded in this session. You began by announcing your budget outside the House on February 20, when there was no opportunity to ask the minister . . . to ask this government questions with respect to those expenditures. You did it by press release. In my mind, clearly flouting the privileges of this Assembly when you announced the budget outside the House — clearly flouting the privileges of this House.

(1630)

Mr. Minister, that is in effect . . . you're now picking up a tax, Mr. Minister, and you're saying, Mr. Minister, that we need the money. We say, Mr. Minister, you don't need the additional revenue. All you need to do is run a more efficient government. And that's why we have spent more . . . we have spent longer on interim supply, Mr. Minister, than we would normally spend, because you have hit this province with the largest tax increase in the history of the province. You did it outside the legislature. And we have a number of questions, Mr. Minister, with respect to your entire fiscal approach.

**An Hon. Member:** — Well let's hear them.

**Mr. Shillington:** — Well the member from Milestone is impatient. I'll tell you, I share that. With that at least, I share the member's impatience. We have been asking questions for now this is going on the third or fourth day. It began . . .

**An Hon. Member:** — Fourth, fourth.

**Mr. Shillington:** — Government has apparently been keeping close track. It's the fourth day.

The first day, Mr. Minister, we asked you questions. What we got was very long responses. One of them lasted almost an hour.

Then, Mr. Minister, you've reacted . . . I wasn't in . . . I didn't have the privilege of being in the House Friday. But you were here, Mr. Minister. I gather, Mr. Minister, you began to get a little testy. I gather, Mr. Minister, you began to get a bit testy Friday.

Today we haven't been getting any answers at all. All we've been getting, Mr. Minister, is pedantic lectures about our responsibility as members. Well, Mr. Minister, the public are telling us that we have a responsibility to try to do something about the horrific mess in which you people have put this province.

We say, Mr. Minister, that the financial problems of this province have everything to do with your waste and mismanagement; that there is, Mr. Minister, enough revenue flowing into the treasury to provide a basic level of public services, but this government is so wasteful and so inefficient that you can't provide a decent level of public services with revenues which are much higher.

In cost of dollars, Mr. Minister, your revenues are much higher than they used to be. It's a fact, Mr. Minister that since you people took office, inflation has gone up by 48 per cent but your revenue has gone up by 61 per cent. Your revenue has gone up faster than the rate of inflation.

Part of the additional expenditure, Mr. Minister, has to do with the interest. And there are some questions we want to ask you with respect to the debt and the interest. And we're going to get to those in due course, Mr. Minister.

But, Mr. Minister, there are also . . . we also have some basic questions with respect to waste and mismanagement. We believe, Mr. Minister, that your fiscal problems have nothing to do with the agricultural recession, the agricultural problems. Your revenue has gone up faster than the rate of inflation.

The fiscal problems with which you people are confronted has nothing to do, Mr. Minister, with the general economic malaise in which this province finds itself. It has everything to do with the fact that inflation has gone up by 46 per cent, revenue has gone up by 61 per cent, but your spending has gone up by 85 per cent.

And don't give us the song and dance, Mr. Minister, about spending so much more on agriculture. More has been spent on agriculture but that's largely been federal dollars. In fact it's been almost exclusively federal dollars.

**An Hon. Member:** — Which way is it? We aren't spending enough or we're spending too much?

**Mr. Shillington:** — Well, Mr. Minister, we'll get into that in due course. If the minister will exhibit some patience, we'll get into the question of what would be a proper level of expenditures for agriculture. The minister, a moment ago, was refusing to deal with that sort of a question.

Mr. Minister, we are here asking you questions with respect to your expenditures because it's what the public are asking us to do. They're asking us to get a grip on the government's waste and mismanagement. They're asking us to do what we can to stop it. But particularly, Mr. Minister, they are asking us to do what we can to stop the implementation of the PST. They are saying, can you stop it? We think, Mr. Minister, part of the answer to that lies in the fact that this government isn't running a very efficient government.

The minister mentioned earlier the fact that you are spending less on administration. Mr. Minister, I want to tell you one of the problems that you've got and one of the reasons why you're running such an inefficient government is patronage. It has permeated every conceivable area of this government. Everywhere, Mr. Minister, you have substituted professional, competent public servants for people whose only claim to having any ability or knowing anything about what they're doing is that they carry a Tory membership. That, Mr. Minister, has become the criteria upon which you hire and fire people, Mr. Minister. You hire and fire people according to whether or not they have a Tory membership.

There was a day, Mr. Minister, in which governments

operated like that; it was half a century ago. That used to be, Mr. Minister, the basis upon which governments were run. You hired your friends, you fired your enemies, but, Mr. Minister, that's a half a century old. Governments are too large, too complex to be run by anything but professional public servants.

And when, Mr. Minister, you fired all the professional public servants, when you fired some of them, when you frightened the others off, when you replaced them with people who didn't know anything about what they were doing, then, Mr. Minister, you have substituted patronage for professionalism in the public servant. By doing so you've created a public service which has very nearly ceased to function.

Well the members say I've given the speech before. That's true. But the problem didn't arise yesterday. It arose in 1982 with a witch-hunt and it has continued unabated throughout the entire nine years you people have been in office. Mr. Minister, if you want to look for some of the reasons why this government operates as inefficiently as it does, it has to do with patronage.

Mr. Minister, I have a question for you with respect to the May 17 passage of interim supply. Will the minister agree that all the cheques to the welfare recipients went out on time in mid-May and did not wait till after that was passed?

**Hon. Mr. Hepworth:** — I can only repeat what I said earlier, Mr. Chairman. As I understand it, that year the Bill was passed on May 17, its latest by a long ways as to what has been historic. If the bench-mark is and was then, these payments are to be in the hands of the payee — and that is to say the welfare client — by mid-month, May 15, then I suspect it was late then. But I'd have to confirm that kind of detail for the hon. member, Mr. Chairman.

**Mr. Shillington:** — Will the minister admit and stop avoiding the question. One of the reasons why these estimates take so long is because the minister is continually avoiding questions.

A simple question, Mr. Minister: were any welfare cheques held up in 1989? I say they weren't. It was a traumatic period in Saskatchewan history because it was during the SaskEnergy debate. And, Mr. Minister, if welfare recipients had had to wait on their cheques, I'm sure you'd remember it and I'm sure I'd remember it.

It is beyond belief, Mr. Minister. It was beyond belief, Mr. Minister, that during that period of time the government wasn't able to meet such routine payments. Of course it was. Of course all the payments which were supposed to be made in May of 1989 went out on time, and full well the minister knows it.

Mr. Minister, the reason why these estimates have taken so long is because you won't answer the question. You absolutely refuse to answer the question. You stand up, Mr. Minister, and give us this malarkey about how cheques are going to be held up. I say, Mr. Minister, that is an absolute untruth. As I say, there's much more descriptive language but I doubt that the chairman would find it parliamentary. But it would certainly, Mr. Minister,

describe your response, Mr. Minister. Your response is unmitigated nonsense. Will the minister . . .

**An Hon. Member:** — Call me a liar then. Get it on the record.

**Mr. Shillington:** — Well the minister invites me to call him a liar. It doesn't much matter, Mr. Minister, whether you're intentionally misrepresenting it or just plain stupid. We arrive at the same result, Mr. Minister — you're not providing decent government in Saskatchewan. So it is really irrelevant to call you a liar; it's irrelevant to say you don't know what you're talking about, it doesn't matter. The fact is, Mr. Minister, you're not fit to govern if you can't do any better than this.

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

**Mr. Shillington:** — Mr. Minister, I'd like to take you back to the question: will you admit in 1989 no cheques were held up by reason of the fact that . . . no welfare cheques were held up by reason of the fact that interim supply took place and was passed on May 17?

**Hon. Mr. Hepworth:** — Mr. Chairman, I can't say anything more, I think, additional on the details of the May '89. Once again, I'm not going to raise it as a point of order, but I thought the business before the House, Mr. Chairman, was a resolution as it relates to a Bill to provide some interim funding.

I've stated clearly, Mr. Chairman, we have some mid-month obligations. If we're going to be on time, they do require some lead time. That's why there is some urgency to interim supply. That's why you have interim supply to provide on an interim basis, until you've had detailed examination of the entire budget, for the paying of things like welfare, making the payments to the hospitals, school boards, and others, Mr. Chairman.

**Mr. Shillington:** — Well would the minister admit he's not raising a point of order because he doesn't have a point of order. There's nothing improper about me suggesting to you that interim supply does not have to be passed immediately because you don't need the money immediately. Will the minister admit there's only one reason you're not raising a point of order, because you don't have one?

I take your silence as an admission that you don't have any point of order and the questions we are putting to you are perfectly in order, as indeed they are, Mr. Minister. These questions are completely in order.

**An Hon. Member:** — You're not putting any questions, Ned, you're on the delay tactic. You know it.

**Mr. Shillington:** — Well the member from Meadow Lake is trying to come to the aid of the beleaguered Minister of Finance by suggesting we have no questions. We do have questions. I have asked the Minister of Finance now four times. He cited an inability to make welfare payments. Then in the same breath, apparently without thinking, as so often happens with this government, admitted that in 1989 interim supply was passed on May 17. I asked him to admit that no welfare payments were held up in 1989



and he's been skirting the issue and skating ever since, because he knows full well there were no such payments held up.

He knows full well that in 1989 in the SaskEnergy debate, if the government could have pointed to a single solitary payment which wasn't made, it would have been in neon lights on a billboard for everyone to see. There wasn't any such action taken because there was no such payment.

And certainly, Mr. Minister, there's no reason in 1991 on May 6 why this has to go through immediately. There's only one reason you want it through immediately, because you put your election agenda ahead of the proper conduct of public business. That is the only reason why you want this through. And that, Mr. Minister, I take your inability to respond to be an admission that that is the case. I take, Mr. Minister, your inability to respond in any more definite fashion than you have as an admission that you don't need the money for a good while yet.

Does the minister have any other fanciful problems you want to conjure up to try to defend your behaviour here which is not to answer questions but to insist this be dealt with immediately? Any other fanciful figments of your imagination you want to trot out? Are there payments to hospitals that can't be made? Are there schools closing down, Mr. Chairman? Any other fanciful figments of your imagination you want to trot before the Assembly at this time?

This is a new way to do interim supply with the minister behaving as if he for all the world were a pillar of salt and answering nothing. Mr. Minister, I take it your refusal to respond to my direct question about payments in 1989, I take it that there were no payments held up.

I think we've generally agreed, Mr. Minister, that the welfare recipients are going to get their cheques on time. Is there anyone else who won't get their cheque on time if this isn't dealt with immediately?

(1645)

**Hon. Mr. Hepworth:** — I can only reiterate for the third or fourth time, the ones that would be immediately put in jeopardy would be the mid-month payments. As I understand, those include mid-month payments to those on SAP (Saskatchewan Assistance Plan) or social assistance program. Some hospitals, nursing homes, home care, and as well payments to doctors, Mr. Chairman.

**Mr. Shillington:** — Will the minister admit — pick home care — will the minister admit that the home-care cheques go out at the end of the month, not on May 7?

**Hon. Mr. Hepworth:** — No, my understanding is that one of the funds we're asking the committee to approve, one of the payees that's due May 15, is home care, home-care boards. Legal aid I think would be another one that we have an obligation mid-month to, Mr. Chairman.

**Mr. Shillington:** — Mr. Chairman, Mr. Minister, were any of those held up in 1989, any of the ones you mentioned?

**Hon. Mr. Hepworth:** — I think the year that was referred to, May 17, was '88-89, and so that would have been in the spring, summer, early summer of '88 on that appropriation.

**Mr. Shillington:** — Mr. Minister, this is just absolute nonsense. You sit there, as I say, like a pillar of salt refusing to answer legitimate questions. You spent the first three days with long, bombastic speeches which touched every conceivable subject including the original sin I think on occasion, but never the question to which your attention was directed.

You would never stoop to answer a question for an opposition member. Today you are on the opposite kick. You won't answer anything. You just simply stand and say: ask the correct minister. Ask the correct minister.

Well, Mr. Minister, to some extent the buck stops with you. To some extent it is you who is supposed to be an overall watch-dog for this government, and it is something, Mr. Minister, that none of the ministers of Finance of this government have ever pretended, have ever pretended to fulfil.

The first minister of Finance took office and pretended there was no limit to the public well. There was no limit to the public well. Slashed taxes, increased expenditures. And that was Mr. Andrew's legacy — deficit Bob.

**An Hon. Member:** — Bob Rae.

**Mr. Shillington:** — Well the Premier of Ontario may be looking for some guidance from Mr. Andrew but I say to the . . .

**An Hon. Member:** — Let's hear your comments on that budget.

**Mr. Shillington:** — The minister wants some comment on the Ontario budget. Since you asked, let me make a brief comment on the Ontario budget.

I do not think that the . . . I'm not as wise and learned as the Minister of Finance. I do not know what is appropriate . . . I don't pretend to know what's appropriate for Ontario. I do not entirely understand their fiscal situation. I don't entirely, Mr. Minister, understand their financial strength or their economic problems. I know, Mr. Minister, that that sort of an approach is not appropriate in Saskatchewan, given the mess you have made, and that is a real tragedy.

The real tragedy in 1991 is that you squandered public money and ran up a deficit so quickly that when a true emergency arose, we are unable to deal with it. The real tragedy, Mr. Minister, is that back in the early '80s when this province's finances could have been managed properly by this government, you didn't. You went into office, cut taxes, and did not cut expenditures. The very first thing you did, Mr. Minister, you went into office, you cut taxes and you took no effort to cut expenditures and you wound up with a \$400 million deficit.

The then minister was asked: what do you intend to do? I asked the then minister, Mr. Andrew, when are you going

to balance the budget? His response was: in four years. In fact, Mr. Minister, no effort was made to balance the budget in four years or at any other time.

Perhaps, Mr. Chairman, we should allow the member from Meadow Lake to make his comments from his feet. I don't mind a person heckling. I do object when I have to try to out yell them, which has been the process with the member from Meadow Lake.

Mr. Minister . . . (inaudible interjection) . . . Well I thank the member from Meadow Lake for doing some . . .

**An Hon. Member:** — I might get into this.

**Mr. Shillington:** — Well please do, please do. I hope the member from Meadow Lake gets up and gives us . . .

**Mr. Chairman:** — Order. I would ask members on both sides of the House to come back to order and allow the member from Regina Centre to continue his comments to the Minister of Finance.

**Mr. Shillington:** — Is it appropriate, Mr. Minister . . . the Ontario approach is not appropriate in Saskatchewan, but you seem to think it is, because it's what you've done. You borrowed as much money as you could without any thought of what the future might bring.

All I can say, Mr. Minister, to the people of Ontario is, I don't know what's appropriate for you, but if you want to look at what happens to a province when deficits are run up with no thought of either balancing the budget or ever getting out of it, look at Saskatchewan.

So I say with respect to the Ontario budget, I don't know whether it's appropriate for Ontario or not; it's not appropriate for Saskatchewan. And it is a warning to the people of Ontario that if you don't have some game plan for getting out of a deficit, you're going to wind up like Saskatchewan — unable to maintain, unable to maintain a decent level of services.

Mr. Minister, I hope Ontario's not going to go the Saskatchewan way because it will be a much more serious problem than this province is because of Ontario's sheer size within Canada. I hope they're not going to do what you're going to do. I don't think they are. Well they're doing exactly what you did. They are going in, running up a deficit and caring not a wit for ever balancing it. They are . . . (inaudible interjection) . . . Well I hope they're not. I said they are. I said they are. That's incorrect. That's incorrect. They are not necessarily doing that, and I hope they're not. I hope the last thing that the government of Ontario does is do what you did — is run up a deficit and never give a second thought to how you're ever going to balance the budget or ever pay it back.

I recall asking Bob Andrew in the first set of estimates in 1982, when he was going to balance the budget. His response was, we'll have it balanced in four years. In fact, in each year that he was a minister, the deficit went up. In the last year of that government's term, he was removed as minister of Finance. We had rather hoped that a better day would dawn. What happened? The member from

Lumsden took over as minister of Finance and the deficit was \$1.2 billion — \$1.2 billion.

I say to the member from Yorkton that that deficit still stands and will probably always stand as the highest per capita deficit in the history of Canada. That will probably always . . . that will probably always stand . . . that will probably always stand as the highest per capita deficit in the history of Canada.

What's my comment on the Ontario budget? My comment on the Ontario budget is to take a look at Saskatchewan. And just be sure that you have a way out of the deficit and that you don't assume the future is going to take care of it. Because if you do, if you assume the deficits will take care of themselves and you don't have to worry about balancing it because something will come along . . . And after all, we're just politicians, so what does it matter if we're not very honest with the public? What does it matter?

I say to the people of Ontario, if that's your cavalier attitude, if you're that careless with the truth and that careless with your responsibility to the public, you're going to wind up like this government that has turned this government into a financial basket case. You have turned this government into a financial basket case. I tell you, Mr. Minister, there's only one real solution to this government's problems, and that is call an election. Let somebody else take over who is capable of providing some decent level of management — is capable of providing some decent level of management. Mr. Minister . . .

**An Hon. Member:** — The free-spending NDPers.

**Mr. Shillington:** — Well the minister says, the free-spending NDPers. You may say that. There's not a whit of a historical truth to that comment. The CCF (Co-operative Commonwealth Federation) took over in 1944 a government that was bankrupt. It wasn't Conservative, it wasn't the large "C" Conservative, but it was a small "c" conservative. They took over a bankrupt government in 1944, and in 1964 when they left office, after 20 years in office, they delivered a government which was in the pink of financial health.

You, Mr. Minister, took over a government that had 11 balanced budgets. You took over a government that had 11 balanced budgets and you've done the same thing. You have turned one of the best-managed governments in North America into a financial basket case.

And I say, Mr. Minister, that's what these financial . . . that's what this interim supply is about. It is, Mr. Minister, an attempt to bring this government to account. It's an attempt to get you to answer some questions about your wasteful spending.

Mr. Minister, the problem with your spending patterns has not been . . . the problem with your spending patterns, Mr. Minister, has not only been large megaprojects which should have played no place in this public's affairs, the problem with your spending, Mr. Minister, has been waste and mismanagement in smaller ways. And that's why when the member from Saskatoon Sutherland asked

the question about a specific item, it's specific, but it also goes to the basic problem which this government has had, and that is, you have not been able to manage public affairs. You have wasted it on GigaText; you have wasted it on Joytec; you have wasted it on High R Doors, and just an endless list of hare-brained schemes.

Mr. Minister, I wasn't surprised to see someone in the minister's office advertising in *The Globe and Mail* in the want ads — between the hemorrhoid ads and the massage parlour ads — an ad inviting people to come and invest in Saskatchewan. I wasn't surprised to see it, because Mr. Minister, that, Mr. Minister, is not an appropriate place to be advertising. That is not an appropriate place to be advertising. But that represents the level of sophistication which this government has approached economic development.

Mr. Minister, if you had had a more sophisticated approach to industrial development, you wouldn't have the fiscal problems you have . . . (inaudible interjection) . . . The member from Meadow Lake says he's going to get into it. I've no idea whether that's from his seat or from his feet. I hope it's from his feet. I hope we have some comments from the member from Meadow Lake about the abysmal fiscal condition of this province.

**An Hon. Member:** — Ned, why don't you sit down and give your brain a rest?

**Mr. Shillington:** — Well the member from Meadow Lake suggests I ought to give my brain a rest. I ought to take a lesson from the member from Meadow Lake. The member from Lloydminster has done nothing but give his brain a rest almost since the day he was born.

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

**Mr. Shillington:** — Someone asked, what brain? I'm not privy to knowing whether or not in fact there is anything there.

Mr. Minister, we're going to stay. We're going to be here, and we are going to ask you questions with respect to your waste and mismanagement until we start to get some answers. When you foisted upon the public of Saskatchewan a tax increase of this magnitude, you have the responsibility to answer questions with respect to the expenditure of funds.

It is apparent to everybody in this province, Mr. Minister, that waste and mismanagement is a single most serious problem you have. And it is apparent, Mr. Minister, that if you ran a more efficient government you wouldn't need a tax increase of this magnitude. So I say, Mr. Minister, that these questions are relevant. They're relevant to your expenditures. And we want some answers. We want to know . . .

**An Hon. Member:** — Well sit down.

**Mr. Shillington:** — Well the member from . . .

**An Hon. Member:** — Call it 5 o'clock.

**Mr. Shillington:** — I would be delighted. If I . . .

**Mr. Chairman:** — Order. It now being 5 o'clock, this committee stands recessed until 7 p.m. tonight.

The Assembly recessed until 7 p.m.