

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

Hon. Mr. Schmidt: — Thank you, Mr. Speaker. I'd like to introduce to you and through you to this Assembly 40 guests who are seated in your gallery. They are a business delegation from Vancouver. They are on tour. They have stopped in Regina to look at business possibilities and also learn more about how our government functions in this province. And I would ask all members to welcome these people to the legislature today.

Hon. Members: Hear, hear!

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, allow me to introduce to you and through you to this Assembly five grade 12 students from the community of Kipling. And they are accompanied by their teacher, Mr. Rod Hallawatey. I'd like to welcome them to the Assembly this afternoon, trust they enjoy their time here. I look forward to meeting with them later this afternoon for . . . just to answer a few questions and hear some of their observations. They are seated in the west gallery. I'd ask members to join me in welcoming them.

Hon. Members: Hear, hear!

Mr. Lyons: — Thank you very much, Mr. Speaker. Mr. Speaker, I'd like to introduce to you and to all members of the Assembly a young lady seated in the east gallery. Her name is Lisa Lesonko and she's formerly of the Radisson area and I know that she's known to the member from Redberry.

Miss Lesonko has taken recently a very great interest in politics. She comes from a political family — the Tkachuk family — well-known to members on the other side, are involved in the relationship. And fortunately for us she's reached alternative political conclusions. And I'd ask all members of the Assembly today to welcome Miss Lesonko to the proceedings. And Lisa, I hope you enjoy them well.

Hon. Members: Hear, hear!

ORAL QUESTIONS

Impact Studies on the PST

Mr. Shillington: — Thank you, Mr. Speaker. My question is to the Minister of Finance and it concerns your government's decision to use closure to stamp out public opposition to the PST (provincial sales tax). The simple fact is, Mr. Minister, that you have not presented a single, solitary study which would show what the impact of the PST is upon the Saskatchewan economy.

Mr. Minister, what is it? Do the studies which have been done not support your position or did you never do them in the first place?

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — Mr. Speaker, I think we've addressed this question many times in question period, in interim supply, Mr. Speaker. The analysis has been done. The difficulty is the opposition do not want to accept it. They do not want to accept that by making this change, as difficult as making tax changes always are, they do not want to accept the fact that overall our economy will expand with this harmonization because businesses will be more competitive, because businesses' input costs are decreased, Mr. Speaker.

For the first time in the history of our province, our businesses will be on the same footing as Alberta business people, and they'll be more competitive than the people in Manitoba and in a more competitive situation than they are today, relative to the U.S.

The bottom line on the numbers, Mr. Speaker, is 5,000 new jobs, 1.6 per cent real growth in the economy, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Shillington: — New question. Mr. Minister, it's not just the members of the opposition who don't accept that proposition. It's also business people. It's also consumers throughout Saskatchewan. It's also natives living in northern Saskatchewan. It's also seniors. It is people from one end of this province to the other who don't accept the proposition that you just enunciated.

Some Hon. Members: Hear, hear!

Mr. Shillington: — My question, Mr. Speaker, is: Mr. Minister, if fair play plays no part in your operation, don't you think, just for the sake of appearances at least, you ought to file these impact studies before you use the gag order?

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — Mr. Speaker, when he makes general comments about businesses across the province and whether they support or do not support harmonization, I would just repeat again that there are a couple of sectors — there's no question — in this transitional period that do not enjoy 1 or 2 per cent growth in . . . or that don't experience massive economic expansion. I have recognized that; we recognize that; we have suggested that and stated that up front, Mr. Speaker.

But if one checks the documents which we have sent across to them on more than one occasion, and you look at the entire province, Mr. Speaker, and all the businesses in our province, and you look at the impact on agriculture or mining or forestry or manufacturing or construction or transportation utilities . . .

An Hon. Member: — Potash.

Hon. Mr. Hepworth: — The potash mining area, the gold mining area, the uranium mining, the forestry, the oil industry, the service industry, Mr. Speaker, there is real economic expansion, real new jobs, Mr. Speaker. And

what I want the opposition to tell us, is they're against giving businesses a \$260 million decrease in their operating expenses. That's what . . .

The Speaker: — Order, order.

Some Hon. Members: Hear, hear!

Mr. Shillington: — New question, Mr. Minister. Mr. Minister, the document which you hold up is not a study, it is a superficial PR document.

Mr. Minister, restaurateurs, booksellers, retailers in the south and western part of the province, they say you've put their businesses at risk. If you have some contrary proof, why don't you at least give them the comfort of seeing that, if it exists.

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — Well, Mr. Speaker, we've never tried to suggest that somehow that the restaurant industry, now being faced with collecting two taxes that they didn't collect previously, within a three-month period — we've never tried to suggest that that somehow is easy or that in fact somehow they aren't going to meet consumer resistance. We've never tried to suggest that. That's one of the areas that we've said in the transitional period — no question — faces some challenges.

I would point out, Mr. Speaker, that other provinces, every other province, in fact, other than B.C. and Alberta, there are taxes on restaurant meals, Mr. Speaker. So some would argue that Saskatchewan has just drawn even with some of those other provinces. But I can tell you, other than Quebec and P.E.I., no other province will be providing a business input tax credit to those businesses, whether they be restaurateurs, booksellers, people involved in any of these other sectors I've talked about earlier, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Shillington: — Further supplementary, Mr. Speaker. Mr. Minister, will you admit what is becoming obvious, and that is the reason why you're trying to choke off debate is that the longer the debate goes on, the more obvious it is going to become that the people are completely opposed to this tax?

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — You see, Mr. Speaker, as I've said in this House earlier, if he won't accept our analysis on the harmonization and whether it makes sense for Saskatchewan, then I ask him this question. Why then, when the GST (goods and services tax) advisory committee, the expert committee that was put together to advise our government that was made up of . . . And I just want to go through these experts. You won't accept the government's advice and recommendations; what about this committee?

Canadian Federation of Independent Business, Society of Management Accountants, Consumers' Association of Canada, Ipsco Inc., Institute of Chartered Accountants,

Producers Pipeline, Regina Chamber of Commerce, Saskatchewan Chamber of Commerce, Saskatchewan Home Builders', Saskatchewan Wheat Pool, Sask Sport Inc., Western Canadian Wheat Growers Association, IBEW (International Brotherhood of Electrical Workers), the Government of Saskatchewan chairing, Mr. Speaker.

Some Hon. Members: Hear, hear!

Crown Corporation Dividend Payments

Mr. Solomon: — Thank you, Mr. Speaker. Mr. Speaker, my question is to the minister responsible of the Crown Investments Corporation. Mr. Minister, the annual report of the Crown Management Board shows that your government has continued its policy of scorched-earth finances.

In 1990 you stripped the Crown Management Board of \$485 million and put it into the general fund for operation purposes. That's almost half a billion dollars, Mr. Minister, when the Crowns only made \$117 million last year. The people of Saskatchewan don't only want to know where the money's going, they want to know where it's coming from, Mr. Minister.

My question is this: is this stripping of the Crown corporations your government's idea of good business?

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — Well the hon. member's allegations of stripping the Crowns, Mr. Speaker, simply do not hold up. First of all, these Crowns are profitable. They are in a position to pay dividends. I know that's foreign territory for the hon. members.

To back that up, Mr. Speaker, I would make the following observations that we can all read in the annual report. First of all, their cash provided for . . . by operating activities rose, Mr. Speaker, by nearly \$200 million in 1990 over '89, so there's no question there was the cash there to . . . in far in excess of what dividends were paid; so the cash was clearly there to make the dividend payments, Mr. Speaker.

Secondly, how would he square that observation, Mr. Speaker — square his observation about stripping the Crowns — how would he square that observation with the fact that SaskPower, for example, has one of the best debt/equity ratios, if not the best debt/equity ratio, of any electrical utility all across the country, Mr. Speaker? And I think SaskTel is not in a dissimilar position. So how would he square that kind of solid performance under this administration, Mr. Speaker, compared to that administration, Mr. Speaker?

Some Hon. Members: Hear, hear!

Mr. Solomon: — Mr. Speaker, a new question to the minister. The minister knows that's utter nonsense. Mr. Minister, the report shows that in 1990 your privatization mania earned \$77 million. That's about one-sixth of the loss that you experienced when you privatized the Potash Corporation. If you privatize at the same rate for the next five years, you might make back what you lost on that PCS

(Potash Corporation of Saskatchewan Inc.) deal. The only problem with that logic, Mr. Minister, is there aren't enough assets left to sell off in the Crown Management Board. And that's the story of the PC (Progressive Conservative) privatization program — rack and ruin for the people of this province.

Mr. Minister, my question is this: how in the world can you defend this kind of business mismanagement and how can you defend running up massive, hidden Crown corporation deficits and jeopardizing their future liability?

Hon. Mr. Hepworth: — Mr. Speaker, the record of management under this government compared to the previous administration . . . Their recipe for success apparently was have Crown investments or investments of the taxpayers' dollars into enterprises that were losing \$91,000 a day, Mr. Speaker — pay too much for mines that already existed and didn't add one new job.

And on the contrary, this report details, Mr. Speaker, in the first few pages the very successful privatization and management of the several companies that are under the umbrella of Crown Investments Corporation.

For example, it talks about Saskoil, where we had an asset there of 285 million; today, \$1.3 billion. One of the largest companies, oil companies in Canada, Mr. Speaker, have gone from employing 205 people to something in excess of 600 people, two-thirds or three-quarters of them right here in Regina, right here in downtown Regina, Mr. Speaker — a very successful privatization.

Now you ask the taxpayers whether we're better off with that approach than under their approach where they were losing money, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Solomon: — Mr. Speaker, a new question to the same minister. Mr. Minister, as a result of privatization, debt . . .

The Speaker: — Order. Order, order. The member from Cut Knife-Lloydminster is directing a remark to the Chair. If he has something to say to the Chair, let him rise and say it and I'll recognize him.

Mr. Solomon: — Thank you, Mr. Speaker. As a result of your privatization, Mr. Minister, debt has sky-rocketed, taxes have sky-rocketed, utility rates have increased at alarming rates. Services and equity, in terms of the Crown corporations by the people of this province, have declined. That's the record of privatization.

In 1990 you stripped the Crowns of nearly half a billion dollars to feed your government waste machine, Mr. Minister. You increased current liabilities by \$1.3 billion or 130 per cent; you increased long-term debt by more than 300, and you decreased the province's equity by over \$300 million. It's quite a showing, Mr. Minister, for the sharp minds on your side of the House.

In the private sector, you wouldn't be fired, Mr. Minister. My question is this — you wouldn't be fired; you'd be

laughed out of business — where in the world has all the money gone?

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — I just . . .

The Speaker: — Order, order.

Hon. Mr. Hepworth: — Perhaps it would be useful for me to review what these numbers say here, Mr. Speaker. On page 11 of the report the hon. member has, it shows a \$485 million dividend to Saskatchewan Heritage Fund and in '89, a hundred.

Now I think what . . . why I raise this, Mr. Speaker, is to put these in perspective. It has to do with the year-ends and when dividends are declared and paid. If you add up the two years, the dividend totals 585 million. Now why I raise this is because to look at the 485 out of context could lead you to the wrong conclusions, Mr. Speaker.

Because of the offset years, Mr. Speaker, the situation is this: two years ago, Crown Investments, CMB (Crown Management Board of Saskatchewan) paid over to the Consolidated Fund a dividend of 275; last year, 310. But with the timing, part of it, 100 million, was paid in '89; 485 million in 1990; total, 585 million. So you ought to be careful with your arithmetic there.

Secondly, as it relates to debt, what is the story on long-term debt, Mr. Speaker? Well in 1989 it was over 4 billion. Guess what? In 1990, Mr. Speaker, down to 3.2 billion. Once again, I'll stack up our record of diversification and stability against their money-losing ways any day, Mr. Speaker.

Sale of SaskPower Building in Saskatoon

Mr. Lyons: — Thank you very much, Mr. Speaker. Mr. Speaker, my question today, in the absence of the minister responsible for Saskatchewan Power Corporation, is to the Minister for Economic Diversification and unemployment or the acting minister, if that would be a different person.

Mr. Minister, I notice that this past winter, by order in council — and I note by order in council — that your government has sold the SaskPower building in Saskatoon to Victory Construction Ltd. for the sum of \$850,000. I wonder, Mr. Minister, could you confirm today whether or not that in fact that that sale has been completed, and that the principal behind Victory Construction is one Karim Nasser, a former candidate for the Progressive Conservative Party.

Some Hon. Members: Hear, hear!

Hon. Mr. Schmidt: — Mr. Speaker, I do know that Karim Nasser was my landlord when I was a university student but I will take notice of the question and will have the minister report back.

Mr. Lyons: — Mr. Speaker, a new question to the minister. Mr. Minister, while you're taking notice, I wonder, of this particular question — and I want to assure

you, sir, that we will be back at it again very shortly — can you, while you're taking notice, find out whether in fact that bid was tendered. Was it open for public tender or was it made by solely by cabinet decision? And if it was tendered, whether or not that bid was the high tender?

Some Hon. Members: Hear, hear!

Hon. Mr. Schmidt: — Mr. Speaker, there's a procedure to be followed. I'll take notice and will report back.

Mr. Lyons: — A new question, Mr. Speaker. Mr. Minister, the reason why we're raising this question is because of the experience that we've had previously — the people of Saskatchewan have had — in the sale of the Moose Jaw Power building where in fact you sold the building at undervalued price, leased it back to pay the mortgage, and left the people of Saskatchewan holding the bag.

I wonder, Mr. Minister, will you give your assurance today that you will bring the answers back to the House tomorrow or, in case you do not, can we then presume that this is nothing more than another one of your corrupt patronage deals such as the Moose Jaw Power building sale? Will you give your assurance that you'll bring those answers back tomorrow, Mr. Minister?

Some Hon. Members: Hear, hear!

Hon. Mr. Schmidt: — Mr. Speaker, the allegation of corruption is something the member opposite would not make outside of this Assembly in reflecting on the characters of members on this side.

I have indicated that we will take notice and he can ask as many questions as he wants. He can make as many allegations as he wants. We will take notice; we will advise in due course.

Renovations to Humboldt Hospital

Mr. Upshall: — Thank you, Mr. Speaker. Mr. Speaker, in the absence of the Minister of Health I'll direct my question to the associate minister.

Mr. Minister, several years ago through negotiations, and ending in 1989 with approval to proceed on a \$3 million upgrade at the Humboldt Queen Elizabeth's Hospital, a loan for \$2.2 million was received from Property Management Corporation.

Now the hospital needs the go-ahead to proceed with a small part of this renovation project to upgrade the radiographic and fluoroscopic X-ray equipment. It has a quarter of a million dollars of equipment sitting in a shed outside the hospital.

The board has a meeting tomorrow morning, Mr. Minister, to make a decision on this equipment. As of this morning they had not heard word of approval from your department.

My question, Mr. Minister, is: why are you delaying the approval to proceed on a project that you have already approved?

Some Hon. Members: Hear, hear!

Hon. Mr. Wolfe: — Mr. Speaker, I find it very interesting that one member opposite asks questions about buildings and approvals and the process leading up to approval, while the member that sits opposite to that member condemns those moves.

Mr. Speaker, I'll take notice of the question and report back to the legislature.

Mr. Upshall: — New question, Mr. Minister. Mr. Minister, the board and the people of Humboldt have spent countless hours trying to put together a health-care facility, a facility that's needed and was given approval for a \$3 million upgrade. Now they need approval to proceed on a small portion of this. You're the associate minister. The board is making a decision tomorrow. They have written a letter as of May 11 to the minister asking what's going on. I find it ludicrous that you do not know what's happening in that department.

Mr. Minister, I ask you again. Maybe you should look through your memory bag again if you have one, and give the people on the board of Humboldt an answer that they need today.

Some Hon. Members: Hear, hear!

Hon. Mr. Wolfe: — Mr. Speaker, this truly speaks to the hypocrisy of the members opposite. On one hand they oppose the building of new facilities. On one hand the opposition Health critic opposes new construction. She opposes new construction. She opposes construction across Saskatchewan. And there's been facilities built across this province in small centres, in large centres, across this province, Mr. Speaker. She opposes buildings. She opposes the bricks and mortar. She . . .

The Speaker: — Order, order, order. We're having great difficulty hearing the hon. member. It seems that there are a good number of members who have the answer, but the associate minister has been asked to respond. Let's allow the associate minister of Health to respond . . . or not the associate minister of Health.

Hon. Mr. Wolfe: — Thank you, Mr. Speaker. But I really must repeat for the benefit of the members opposite that the hypocrisy of the members opposite is almost unbearable. On one hand the opposition Health critic condemns the building of new facilities across the province, in rural centres and in urban centres. She does that, Mr. Speaker. She does that.

But on the other hand . . .

The Speaker: — Order, order, order. Order now. Order, order. Here's an excellent example of how question period unravels. Now here the member has been asked to answer. He has been not given the opportunity to answer. On two occasions he tried to answer. He's not given the opportunity. We're going to go on to the next question for the best interests of question period. But the next member I expect to be given the opportunity to answer the question properly.

We're going to go to the next question and I expect . . . Order, order. Member for Regina Elphinstone, I'm afraid you're one of those that weren't allowing him to answer. The member for Humboldt, allow the member for Humboldt to put his question.

Some Hon. Members: Hear, hear!

Mr. Upshall: — Thank you, Mr. Speaker. Mr. Speaker, a new question for the member. And I want to just ask the minister if he will stop his political rhetoric for a minute. This is an upgrade facility. This is an upgrade to make sure that there is a facility that meets the necessary standards in the town of Humboldt. It's a very important issue in the town of Humboldt.

We have seen this government have a Murray Commission and shelve it. We've seen them going into nurses' disputes, firing nurses, closing beds, and pulling back services.

My question, Mr. Minister, is this: will the minister, immediately after question period, proceed to find out something he should already know, what the situation is in Humboldt; get hold of the hospital board in Humboldt before they have their meeting tomorrow morning; and give them an answer as to whether or not they can proceed with this?

Some Hon. Members: Hear, hear!

Hon. Mr. Wolfe: — Well, Mr. Speaker, which way is it? I mean really which way is it? Do they want us to build them or not? I mean that's the question that I have; I think it's the question of the public.

The public asks the question: what's their plan, what's their policy? Is it moratoriums, is it moratoriums not only for agriculture but also for the construction of health-care facilities, Mr. Speaker? What's their policy; what's their plan? Let us know. I'll take notice of the question, Mr. Speaker.

Some Hon. Members: Hear, hear!

Federal Throne Speech

Mr. Mitchell: — Thank you, Mr. Speaker. In the absence of the Premier and the Deputy Premier, I'm not certain to whom this question is addressed, but it concerns the throne speech yesterday by your Tory cousins. We all listened with interest to that throne speech hoping to hear a commitment from Ottawa regarding decentralizing, regarding decentralizing federal jobs in Saskatchewan. We were disappointed. We listened for news of a real third line of defence to help our farmers this spring, and again we were disappointed.

Now to whoever the responsible minister is, these are things you told us you were going to get from Ottawa. How do you explain your failure? And please don't take notice of that question.

Some Hon. Members: Hear, hear!

Hon. Mr. Klein: — Mr. Speaker, it's a well-known fact

that myself and my colleague, the Minister of the Family, have formed a task force in the city of Regina.

An Hon. Member: — So what?

Hon. Mr. Klein: — There's another comment — so what? They ask a question and they say, so what. If you pay attention, I'll give you the answer.

So we have this task force in Regina, Mr. Speaker, that's composed of the Regina Economic Development Authority, the home builders, and other interest groups that are involved.

We told them that what we were going to try to do was encourage Ottawa to decentralize. Decentralization is going on all over the world; it's nothing new. We saw Ottawa recently decentralize the Energy Board into Calgary. Now they know — they, the members of the task force, and we've been meeting regularly — they know that we are going to be making an honest presentation to Ottawa once this presentation is rounded and ready to go. There is no use going hodgepodge. And I know, Mr. Speaker, that when we get to Ottawa with our plan, it will be acceptable.

Some Hon. Members: Hear, hear!

The Speaker: — . . . Before orders of the day. I've recognized him. This is the way we usually call routine proceedings, orders of the day, and then the hon. members rise. And he rose as I called order of the day. So it'll be before orders of the day.

Hon. Mr. Hodgins: — Thank you very much, Mr. Speaker. Prior to orders of the day and in order to provide opposition members additional time to debate Bill 61, I would ask the Assembly leave to move to government business today.

Leave not granted.

MOTIONS FOR RETURNS (Debatable) WITHDRAWN

Mr. Kowalsky: — Before orders of the day, Mr. Speaker, I wish to drop notice for an order of return, item number 1 for return no. 11 which is standing in my name.

The Speaker: — Dropped.

Mr. Trew: — Thank you, Mr. Speaker. Before orders of the day I wish to drop notice for an order for return item number 2 for return no. 20 standing in my name.

The Speaker: — Dropped.

Mr. Lautermilch: — Mr. Speaker, before orders of the day I wish to drop notice for an order for return item number 3 for return no. 21 standing in my name.

The Speaker: — Dropped.

Mr. Calvert: — Thank you, Mr. Speaker. I wish to drop notice for an order for return item number 4 for return no. 22 standing in my name.

The Speaker: — Dropped.

Ms. Smart: — Before orders of the day, Mr. Speaker, I wish to drop notice for an order for return item number 5 for return no. 23 standing in my name.

The Speaker: — Dropped.

Mr. Shillington: — Thank you very much, Mr. Speaker. I wish to drop the motion for an order of the Assembly for return no. 24.

The Speaker: — Dropped.

Mr. Lyons: — Mr. Speaker, I also would like to drop notice for an order for return item number 7 for return no. 25 standing in my name.

The Speaker: — Dropped.

Mr. Anguish: — Thank you, Mr. Speaker. I also have a question under the notice of orders for return. And it's been so long since it's been on the paper I think the government must have forgotten about it. I don't see any use in at this time leaving it on there any longer. And I would also like to drop my notice for order for return under my name on page 12, number 9. It's return no. 27.

The Speaker: — Dropped.

Mr. Koenker: — Mr. Speaker, I wish to drop an order for return item number 10 for return no. 28 standing in my name.

The Speaker: — Dropped.

Mr. Brockelbank: — Mr. Speaker, I wish to drop notice for an order for return item no. 11, return no. 29 which is standing in my name on the order paper.

The Speaker: — Dropped.

Mr. Upshall: — Thank you, Mr. Speaker. Before orders of the day I wish to drop notice for an order for return item no. 12, for return no. 30 standing in my name.

The Speaker: — Dropped.

Hon. Mr. Martens: — Mr. Speaker, with leave of the Assembly I'd like to introduce some guests.

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Martens: — Mr. Speaker, seated in the west gallery, I have the pleasure to introduce the school division for Prairie West, the rural school division around the city of Swift Current. And they are there today: Mrs. Joan Horvey, Kirk Forsberg, Dan Olmsted, James Burton, Peter Neufeld and my brother Gordon Martens and Larry Caswell who's the chairman of the board. And I'd like to have the Assembly welcome them here today.

Hon. Members: Hear, hear!

ORDERS OF THE DAY

MOTIONS

Resolution No. 10 — Implementation of Goods and Services Tax

Mr. Shillington: — Mr. Speaker, this motion deserves to be read. I will at the conclusion of my comments be moving this. It deserves to be read now. It illustrates among other things how long these motions have stood without this legislature having had an opportunity to deal with them. And this stands I think as some sort of a condemnation of the conduct of the legislative business by members opposite.

The resolution which I'm going to move says:

That this Assembly urge the Parliament of Canada to reverse its decision to implement the goods and services tax, which will impose the costly and completely unfair burden of collecting this poorly designed, complex, multi-stage sales tax on the Saskatchewan small-business sector, and furthermore will have a proportionately greater impact on low- and middle-income households and seniors on fixed incomes, who are forced to spend more of their income on direct purchase of basic goods and services which will be subject to the GST.

Mr. Speaker, the motion deals strictly with the goods and services tax. At the time this was moved, which I would judge to have been probably a year ago — I suspect it was at least 12 months ago and probably more like 13 or 14 — at the time this motion was moved, it was never contemplated that the problems caused by the goods and services tax, and I want to deal with those, would be compounded by the action of the provincial government in effect providing a parallel problem — the provincial sales tax, which is I think universally called the PST.

Mr. Speaker, it's worthwhile for a moment to reflect back and ask ourselves, why were people concerned about the goods and services tax, and whether or not the problems which they envisioned with the goods and services tax actually materialized. It's worthwhile, Mr. Speaker, to ask myself whether or not our worst fears were realized, or whether or not they might have, in the scheme of things, been overdone.

One of the things that was . . . When I review these problems, they are in no particular order, Mr. Speaker. One of the things that the public contemplated was that the cost of living to Saskatchewan people would go up, and to Canadian people would go up. In fact, Mr. Speaker, it has done so and done so quite dramatically — measured not only in inflation, which has gone up, but in addition, Mr. Speaker, the rise in inflation at a level which is above that of other countries has meant that our interest rates are higher than they would otherwise need be and that we have suffered economically.

Mr. Speaker, this government now proposes to add to that problem the provincial sales tax. They intend to compound the problem in Saskatchewan by adding

another 7 per cent on top of that.

Mr. Speaker, I am going to . . . I was going to say I will be moving an amendment. I will not. In order that this motion might in fact deal not just with the goods and services tax but with the provincial sales tax, the two problems which are now intertwined irrevocably, in order that we can deal with that, I will be moving my motion, Mr. Speaker. It will be seconded by the member from Saskatoon Fairview in due course. And thereafter, Mr. Speaker, another member of our caucus will be moving the following amendment. We will be moving an amendment which will add to this:

And this House further implores the additional taxation burden imposed by this government's April 1 imposition of provincial sales tax into unprecedented areas of taxation.

So we will, Mr. Speaker, be in due course broadening this on our third speaker, because we will be broadening this to include the PST.

That makes sense, Mr. Speaker. The two, the goods and services tax and the PS tax have become intertwined and will continue to be intertwined until this government comes to its senses with respect to its February 20 tax increases — which is I suppose one way to describe them — until it comes to its senses with respect to the PST.

Mr. Speaker, the public of Canada, when they contemplated the GST, feared an increase in inflation that in fact occurred. Our inflation rate has been higher than that of other countries. As a result, our interest rate has been higher than that of other countries. The consequence is that our recession began sooner and appears to be slower in its recovery. Therefore, Mr. Speaker, to that extent the public fears about the goods and services tax with respect to inflation have been realized.

One has to wonder, Mr. Speaker, what the current tax increase, the PST, is going to do. It's almost certainly in Saskatchewan going to exacerbate that problem. It won't of course, Mr. Speaker, result in an increase in the interest rate because those are set nationally, and Saskatchewan is, in the scheme of things, not a major player in the Canadian economy. We have one million out of 25 million people. We therefore don't affect in a major way inflation in Canada or in interest rates. So in the area of interest, interest rates and inflation were not a major player.

Mr. Speaker, the public of Canada had other fears with respect to the goods and services tax. Mr. Speaker, it was feared that business would decline, that people would stop buying. Particularly retailers felt that there would be a drop in business as the goods and services tax came on. And of course, Mr. Speaker, that occurred. That occurred in spades.

Mr. Speaker, the retail business actually increased in the dying months of 1990 as one would expect. People were buying things before the tax came on. Afterwards, Mr. Speaker, retail sales are off. And they have to be off dramatically. I have not had an opportunity to review the

Statistics Canada figures for retail sales in Saskatchewan. They must, however, be down very significantly, very, very significantly.

The minister will no doubt want to make a contribution to this debate. We'll look forward to your explanation as to what you think the problems with the goods and services tax have been and how you think the provincial sales tax interplays in that.

An Hon. Member: — You sit down and I'll get up.

(1445)

Mr. Shillington: — I can assure the member opposite that I will sit down and we will look forward to your contribution. We really will look forward to your defence of the PST. To date I have to say, Mr. Minister, there's been precious little of that.

We have said to members opposite, we think the effect of the goods and services tax has been bad. We think it has been debilitating on the Saskatchewan economy, and we think it ought not to have been done. We think we were right.

We've also gone on to say that the PST is simply going to compound those problems in every respect. The minister opposite has said as little as possible. His speech on the provincial sales tax, Mr. Speaker, his speech on the provincial sales tax took about 10 minutes and no more. I have heard routine Bills get more attention and more explanation from ministers than this PST.

It is painfully apparent to members opposite, and I think painfully apparent to the public that the members opposite . . .

The Speaker: — Why is the hon. member on his feet?

Hon. Mr. Hepworth: — Would the opposition Finance critic entertain a question, Mr. Speaker?

The Speaker: — Would the member entertain a question?

Mr. Shillington: — I will answer it without it being asked. The minister opposite wants to ask, as he has asked so many times with respect to the statement which I made about a year and a half ago on the GST . . . So I'll ask the question myself before you get a chance. I'll answer the question before you get a chance to ask — and isn't a new one.

I say to members opposite and to others, that with this government in the driver's seat, harmonization has come to mean higher taxes, and that is simply not acceptable in Saskatchewan. The public have said that time and time again.

Members opposite want to know how we would do it. Well I'm going to tell them how we would do it. But I say, Mr. Minister, with respect to harmonization, harmonization means higher taxes, and higher taxes at this point in time are not acceptable to us. They're not acceptable to retailers. They're not acceptable to consumers. They're not acceptable to seniors. So I say to

members opposite, Mr. Speaker, that the harmonization is not acceptable and it's not part of the NDP (New Democratic Party) program now or in the future.

So if the minister has any other questions, just raise your hand and I'll answer your questions. You don't need to ask them.

Hon. Mr. Hepworth: — The hon. member, the opposition Finance critic, asked if I had any other questions and I do have another question, Mr. Speaker. And that would be, how does he square this position . . .

The Speaker: — Order, order. Has the hon. member agreed to answer a question?

Mr. Shillington: — I'll answer it without it being asked. The minister is as obvious as a child's book. Anyone could read the minister opposite. He doesn't need to grandstand, he doesn't need to get up and grandstand with respect to what he thinks is his solid gold defence of his. I'm going to answer it.

If the member opposite, the minister opposite, which I guess the rules prohibit me from naming you, but you really deserve to be named, behaving as you do — the member opposite wants to know how we know. We know because you people haven't had a new thought on this tax for a very long period of time. You're saying the same thing over and over and over again to the Saskatchewan public who say this is simply not acceptable. We are not going to put up with these higher taxes. We are not going to elect anybody who is going to do it. To that, members opposite drag out and misconstrue a statement that was made a long time ago.

I say to members opposite, I say to members opposite what you should be concentrating on is what you're going to say in the next election. Because when the day of reckoning comes, it is truly going to be a day of reckoning for members opposite. If members opposite think they can sail through an election and sell this higher tax increase, then all I can say, then all I can say to members opposite is you better get on with the job just because you're ready for the election. So if you people think that this thing will sell, then get on with it and sell it, and stop . . .

The Speaker: — Order, order. Order, order. Order. We're having a simultaneous debate and I know that when a member is on his feet, there are many reasons one could interject. However that doesn't make it right to be continually interjecting. So let us allow the minister to — or rather the member from Regina Centre — to present his remarks in a reasonable manner.

Some Hon. Members: Hear, hear!

Mr. Shillington: — To the goods and services tax we now have the compounding problem of the provincial sales tax. We say to members opposite: it is going to compound the problem. That is obvious. How can you deny it?

If members opposite believe it isn't, then you ought to go out and talk to someone in this province besides your own colleagues. Because I can't imagine you can find

anyone in this province except your own colleagues who agree with you with respect to the provincial sales tax. I can't believe members opposite can go back to their ridings, meet and talk in a civilized fashion with any of their constituents without their constituents expressing their anger over the provincial sales tax. I simply can't believe that you could be that isolated.

One of the members opposite asked me what we were going to do. What we're going to do is do what you should have done. We're going to begin by cutting waste and mismanagement and that was what was said on the goods and services tax, Mr. Speaker. On the goods and services tax, it was said that you ought to cut waste and mismanagement and you ought to do that first.

And that's what people said to the Government of Canada. From one end of this country to the other people said we want you to run a more efficient government. And if you'll run a more efficient government, then and only then will it be time to engage us in any discussion with respect to higher taxes. That was said about the federal government and it was said by virtually everyone.

Last year, Mr. Speaker, I attended . . . last year at this time I attended meetings throughout this province. I want to say almost all of them . . . I shouldn't say almost all of them but the great majority of them in ridings held by members opposite. The public in those ridings, be it Weyburn or Assiniboia or Rosetown or Canora, and one in Regina and Saskatoon, but the majority of those meetings were in the ridings of members opposite. They said and they said clearly, we want waste and mismanagement dealt with first.

And they said it often enough and loud enough that federal Conservative members stopped attending the meetings. The first one or two meetings I was at, they were organized by the axe the tax committee. There was a Liberal member there most of the time, always a Reform Party member there. In the beginning Conservative federal members began to come, then they quit. Why? Because they simply didn't want to face the truth. They simply did not want to face the truth that the public of Saskatchewan and indeed the public of Canada did not want the goods and services tax until waste and mismanagement had been dealt with.

How on earth now does this government say we're going to impose another one? We're going to impose the PST without having dealt with waste and mismanagement. It was, Mr. Speaker, illustrative of a problem that these people have.

But their budget talked a long time about the tax structure and said virtually nothing about running a more efficient government. I say virtually nothing because I'm sure if I say they said absolutely nothing they could find the word efficient in there somewhere. But certainly, Mr. Speaker, there was no blueprint, there was no blueprint in the . . . When I say the budget, I mean the budget of February 20 as well the budget of April 19. There was nothing in that document which provided a blueprint for running a more efficient government. That was never provided.

And the public of Saskatchewan say now, as they said last

year with respect to the goods and services tax, we aren't going to stomach this. We aren't going to stand for this until you start using our tax dollars more efficiently.

Farmers, consumers, seniors, northern people all say we're having a tough time making it. We can't afford to pay any more taxes, and we're not prepared to stand by and see you take more taxes and go on wasting them. They said that to the federal government; they say that now. It is all one issue.

At least, Mr. Speaker, with respect to people in other provinces, in Alberta, in B.C., at least with respect to those provinces, the issue is at least in abeyance. The GST is in effect. It is apparent that only an election is going to change that, and so they are silently standing by, waiting for the election, in other provinces.

Saskatchewan is different. In Saskatchewan the issue never really went into abeyance. Why? Because this meant this government, not content to see the federal government pull off the worst outrage of the decade, decided they'd one-up them by bringing in their own tax, equally unacceptable, all for the same reasons — all for the same reasons, Mr. Speaker.

The sentiments which the public expressed about the GST, they are expressing about the PST for the same reasons except more vehemently so — much, much more vehemently so. If they were angry with respect to the GST a year ago, they are infuriated about the PST. It is the same tax, it's the same issue, and it indeed is the same party doing it to them . . .

An Hon. Member: — Same problem.

Mr. Shillington: — And it's the same problem. And you people haven't learned anything. A year has passed since the goods and services tax went into effect, you've learned nothing, and you've repeated the mistake.

And I ask what members opposite expect the public to do. They have said to the government opposite, huge tax increases at a time when you're wasting money on the various things that Ottawa wastes money in . . . they said last year, Mr. Speaker, that the goods and services tax . . .

Mr. Speaker, I don't mind a bit of heckling but when I have to try to out shout the member from Weyburn, then you really have to wonder why he doesn't make his contribution at a more appropriate time. I don't mind a bit of heckling every now and then, but when I have to try and out shout him, I think it's gone beyond anything that's humorous, Mr. Speaker.

Mr. Speaker, the Saskatchewan public said a year ago that we find the goods and services tax unacceptable. We find it unacceptable because you haven't dealt with waste and mismanagement first. We want you to deal with that first. The federal government didn't do it. This government waffled. First Devine's in favour of it; then Gary Lane is against it. I'm sorry. I apologize for using the member's name. First the Premier is in favour of it; the then minister of Finance says he's against it. I don't recall the current Minister of Finance saying anything definitive with respect to it.

Now the public are having salt rubbed into their wounds. They said it last year and nobody listened. It came in. Now the provincial government is doing exactly the same thing a second time. It is the same. For the same reasons they opposed the goods and services tax, they oppose the provincial sales tax.

Mr. Speaker, it was apparent at border crossings with the goods and services tax that we had a problem with the GST. It was apparent that in the era of free trade that one cannot have consumption taxes which are sharply different. It is apparent that our consumption taxes, in a day when people are as mobile as they are, when they can go to Minot, I say to members opposite, for a golf game, when they go often enough to buy a membership, when they're that mobile, then we can't have consumption taxes, sales taxes, which are sharply different. They must be roughly the same.

If members opposite feel it worthwhile to buy a golf membership in North Dakota, why do they think people are not going to go there to shop?

Mr. Speaker, it was apparent after January 1 that we had a problem with the trans-border shopping. I have in fact here *The Globe and Mail*, April 17, 1991. Headline is, "Same-day trips to U.S. up 27.3%". The story is from Ottawa, Canadian Press. I'll just read a paragraph:

Same-day car trips to the United States from Canada shot up . . .

This in the business section of *The Globe and Mail*. This is not a paper that's generally accused of yellow journalism.

Same-day car trips to the United States from Canada shot up 27.3 per cent in February, compared with the same month last year — further evidence that retailers lost sales over the border.

(1500)

Mr. Speaker, if that's a problem at the border crossings in Ontario, imagine how much worse it is in Saskatchewan where we have a double whammy in effect. Imagine how much worse it is here.

Is it any wonder that retailers in Saskatchewan — in Regina, in Coronach, in Estevan, Big Beaver, Shaunavon, Rosetown, Kindersley, and Lloydminster's a slightly different problem — is it any wonder that retailers in those communities are saying to this government, for Heaven's sake, stop and think about what you're doing. The goods and services tax imperilled our businesses. And many of them are saying that. Many of them are saying, our businesses are at risk — our businesses are at risk.

You can pick virtually any restaurant in Regina on any other day but Mother's Day, you can pick virtually any business in Regina, you can go in, and if you talk to the owner, that restaurant will tell you that he's a worried person. He's worried because he's losing money.

People aren't coming in. The place is virtually empty. What those people are saying to this government is, for

Heaven's sake, stop, stop it now, you can't do it. So are all sorts of other retailers. Retailers throughout this province are saying to this government, you can't do it, and so are their organizations.

Mr. Speaker, I listened to a presentation on the CBC (Canadian Broadcasting Corporation) program, the Journal, about a week ago, I believe, in which the hostess of the program, Barbara Frum, was interviewing the director from British Columbia of the Canadian Federation of Independent Business. I think it's fair to say, Mr. Speaker, that the CFIB (Canadian Federation of Independent Business) probably has as much credibility as any of the organizations which speak on behalf of businesses. Some of the organizations have been tempted to, shall we say, dip a toe into the political field. That's never been true of the CFIB. They have credibility with us and I think they have credibility with the members opposite.

What did the CFIB representative say on the Journal? What she said is that businesses are going broke. We simply can't have a tax differential which is this sharp. We can't live with it.

One of the effects of free trade is that there must be a harmonization, but a harmonization of a different sort. There must be a harmonization of our tax structure with the tax structure of neighbouring jurisdictions. When people are free to go down and shop in the era of free trade, then our tax structures must, must be roughly the same. A sharp differential is just going to have them buying their goods in Minot.

Look at it, Mr. Speaker, from the point of view of the people in Estevan. They're closer to Minot than they are to Regina, by quite a distance actually, quite a distance.

Look at it from the point of the retailers in Estevan. They charge 14 per cent, I guess, when you add the two of them up. You can go north and pay probably higher base prices to begin with because the retailers and the manufactures are dealing with a smaller market so the base price tends to be higher to begin with. And you can pay all the 14 per cent tax on top. Or the consumers can go south, pay a lower base price but also a lower sales tax.

What are the people going to do? Even people with the stoutest conscience will be tempted to drive south and not north.

Mr. Speaker, well one of the members opposite, one of the members opposite raises the problem of the exchange. The exchange is not the factor it used to be with free trade. I attempt to make this point to members opposite. The exchange rate, the tariff, excise tariff . . . When I said that, I meant the tariff. The excise tariff which you pay on goods you import, there is a small excise tariff but it is not what it used to be before free trade. The member opposite asked in the strictest sense about exchange. The exchange of course has not changed very much since free trade came in.

Even after you factor out — almost anyone who shops is capable of factoring out the exchange — when you factor out the exchange there's often a relatively small

differential in favour of the American business people because they're dealing with a larger market. Their manufacturers deal with a larger market. They have some advantages we don't.

It's a differential which would not be fatal if you didn't add a much higher sales tax to it. But when you add a much higher sales tax to it — a higher goods and services tax, now a higher provincial sales tax — when you add all that to it, the difference does become very, very serious.

Members opposite like to describe themselves as a party of business people. Actually I think there are very few people opposite who have been in business. But the one or two who are might ask yourself, you're selling autos — say you're selling cars — in Estevan the cars are a little cheaper. There's no sales tax. Saskatoon, cars are a little more expensive and you got a much higher sales tax to pay in Saskatoon. I ask the member opposite: where you going to buy the vehicle? Most consumers would probably head south.

Now there is the argument to be made, well you can with used cars, and the tariff on cars is coming off. The very problem that the members opposite have is, that the tariffs, excise tariffs are coming off. They are on cars. I used autos intentionally because the tariff is coming off and as each year goes by, you can buy newer and newer cars which are free of tariffs. So I used the example intentionally, partially because one or two members opposite have had some experience with respect to the auto business and I thought the argument might mean something to them. But also because in fact it is an item which is becoming . . . which is on it's way to being tax free.

Mr. Speaker, I ask members opposite to think about it, to think about the GST on top of the price differential which exists. And I don't think for a moment that Canadian manufacturers are necessarily less efficient; some are less efficient than Americans, but some are more efficient. We can hold . . . our business people can hold our own in the world market. There are some industries in which we are not competitive, but there are some industries in which we are very competitive. By and large we can hold our own.

But when you're selling in a market of 200 million people you've got an advantage over a manufacturer selling into a market of 25 million people. So there is a small price differential. When you add to that the sales tax, the goods and services tax, you got a problem. And they got a problem in Ontario and they got a problem in Vancouver and they got a problem elsewhere. But when you add to that a provincial services tax, you've got a real big problem. And it is time that members opposite stopped trying to wish it away.

I say to members opposite, I'm not going to get into the issue of closure extensively because that's a subject for another day — and we are going to have a spirited discussion about that, a very, very spirited discussion about closure — but your problem with the goods and services tax and the provincial sales tax aren't going to go away when you move closure. They're not going to go away at all. They're going to be there. And it's going to be

festering like the sore it is. And members opposite have to deal with the problem; closure isn't going to do it. You can't wish it away and you can't ignore it.

I don't want to overstate this, but you are really putting at risk a lot of businesses in this province in which people have invested their lives. This is in a way a business to a business person — and I've been self-employed all my life — a business to a business person is different. A business to a business person is . . . it's even more important than our constituencies. This isn't what we started out in life doing and most of us have something we can go back to if we're defeated. And after a term or two it isn't the end of our lives if we're defeated. But for a business person it is. They put their whole lives in those businesses.

And when a government adopts a policy which puts those businesses at risk as it's done, then that is a very, very serious matter. It isn't solved by closure and it isn't solved by wishing it away and it isn't solved by the windy answers in question period which avoid the question, as they do. You owe it to the business community in Saskatchewan, if you owe them nothing else, you owe them to study the problem and to provide those studies to the public so that they may make up their mind themselves. You've done nothing except implement.

And I say to members opposite the day is finished, at least until a Free Trade Agreement is revoked, the day is finished when we can set our sales tax independently of that of other jurisdictions. That day is gone. It disappeared two years ago when the Free Trade Agreement came into effect and you're living in the past.

And that's why when you go to your businesses on Main Street you find them a little frosty. Because those businesses don't have the luxury of living in the past as members opposite are. They have to live in the present. At the end of May, on May 31 they've got a payroll to meet. And they've got to pay the bills. And if you're self-employed you get paid last; yours is the last cheque out of the bank account. And for a lot of those businesses there's no cheque, there's no last cheque, the last cheque is missing. And that's true of a lot of businesses — they're not getting paid.

You can't wish the problem away. You can't change it with closure. You've got to deal with it. And you've got to deal with it before you ruin a number of long-established businesses in this province. These heretofore considered themselves allies of this government. They are now just in a white-hot rage with you — in a white-hot rage over this thing.

So I'm not going to carry on, Mr. Speaker. Other members will want to speak on this. But this is the central issue of this session. It is the central issue of this session. It is the issue about which the public are concerned, and we are concerned. And I say to members opposite you'd better pay heed before you do permanent damage to a number of businesses and before the times of sand entirely run out in this government if they haven't already.

Mr. Speaker, I move:

That this Assembly urge the Parliament of Canada to reverse its decision to implement the goods and services tax, which will impose the costly and completely unfair burden of collecting this poorly designed, complex, multi-stage sales tax on the Saskatchewan small-business sector, and furthermore will have a proportionately greater impact on low- and middle-income households and seniors on fixed incomes, who are forced to spend more of their income on direct purchase of basic goods and services which will be subject to the GST.

I so move, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Thank you very much, Mr. Speaker. Mr. Speaker, I'd like to pick up on a few comments from the hon. member from Regina, the mover of this motion. And he had been discussing the impact of the federal goods and services tax, but this government is about to, or has already, retroactively, embarked on what adds to another problem for the business community, that being another 7 per cent provincial goods and services tax, which clearly is going to chase a number of businesses out of existence in this province.

Mr. Speaker, I just happen to today, I've looked through the Saskatoon *Star-Phoenix* and I saw a headline that really caught my eye. It said: "Earthworms face cruel dilemma after rainstorm."

Now I wondered what this story may be with such a headline. And I read the column by Mr. MacPherson in the *Star-Phoenix* and I want to quote from that because it does really relate to what this government is doing and what their federal counterparts are doing with the provincial and federal goods and services tax.

(1515)

And under the headline, "Earthworms face cruel dilemma after rainstorm," it reads:

Rain presents earthworms with a cruel dilemma. They can drown in the saturated soil. Or they can evacuate to high ground and be sautéed on the sidewalk.

And he goes on.

Of course, these refugee worms can't comprehend the horrible fate that awaits them. They think they've got it made, at least until the rain lets up and the sun comes out . . .

And you see, Mr. Speaker, that's very much what's happening to the business community in Saskatchewan, very much what's happening to the business community throughout this province. The Tory rains have come down both federally and provincially in the forms of goods and services tax. And, Mr. Speaker, there is no option. It's either drown in the ground or fry on the sidewalk.

Because you see, Mr. Speaker, these taxes are imposing impossible burdens on business men and women throughout this province. You can go sector by sector, and if you talk to the people involved in these different businesses they'll tell you the same story. And the story is that because of the federal goods and services tax and the removal of the federal sales tax, in actual fact prices really haven't gone down. But what they will tell you is that their customers don't have the money to spend in their stores that they once had.

And, Mr. Speaker, it's not only a problem of consumer dollars drying up. It's a matter of out-pricing ourselves with other markets, with the United States, as an example.

In the Premier's own riding, I've talked with a number of business men and women who have indicated to me that they don't know how long they can continue because of cross-border shopping. And they're saying that there was a problem prior to the implementation of the federal goods and services tax. But now with the provincial goods and services tax, it's made it virtually impossible to exist and to survive.

And they're not sure how long they're going to be writing cheques for their employees, the employees that they hire. They're not sure how long they're going to be in business themselves, or what they're going to do after they've closed the doors on their business. Because you see, Mr. Speaker, they don't see an end in sight. They see tax after tax being thrust upon them and their customers, and they know full well without some consumer dollars in their community and without some consumer spending in their community, they won't be around long.

Now, Mr. Speaker, I've talked with a number of business people throughout this province, not only in the Estevan area but in my home community in Prince Albert. And I've talked with business men and women here in Regina who've told me that their gross sales decreased dramatically as soon as the federal goods and services tax was implemented. And after April 1, when this government decided to introduce their own provincial goods and services tax, there was yet another drop to the point where they're not sure how long they're going to keep their doors open.

And, Mr. Speaker, that's the fabric of our province. Saskatchewan men and women starting their own businesses, operating their own little enterprises, creating employment and creating services for other people in our province. But the fact is, Mr. Speaker, this PC government and their federal counterparts are raining taxes down on them to the point where they can no longer survive in their businesses.

I thought it was interesting on the weekend when I was home last Saturday — headline in the *Prince Albert Daily Herald*: 269 jobs gone since January.

Mr. Speaker, 269 jobs in a community the size of Prince Albert represents an awfully big payroll. And it represents an awful lot of opportunities lost for families who live in that city.

And, Mr. Speaker, the results of these job losses have

resulted in a number of things, one of those being no housing starts in this province, which is crippling the construction industry. And I say, Mr. Speaker, shame on this government for not recognizing the fact that instead of looking internally at ways to generate an end to waste and mismanagement, they choose to go to the consumers and to the business people of this province and attack them yet with another tax increase.

And I find it strange — when we've had the experience of the results of the federal GST, that we're asking through this motion that this government ask their federal counterparts to rescind this tax, with the results of this tax quite clear and quite evident — that this government would move ahead to introduce that very same tax to the people of this province.

You read headlines all over this country, from one end of the country to the other, from Toronto to Winnipeg to Vancouver, and I just want to share one with you: GST delivers upper-cut to the economy. Well, Mr. Speaker, it likens the economy to being in a boxing ring and the goods and services tax taking a vicious swipe at it.

And that's what's happened, Mr. Speaker. I want to quote from that particular article where it talks about how our economy has shrunk and how retail sales have dropped off. And I say to you, Mr. Speaker, that I believe this article to be true and I believe that this is going to be a continuing trend in this province. It says in that article: seasonally adjusted figures released by StatsCanada yesterday showed that the economy has been contracting since last April. It shrank by another further .9 per cent in January.

Well, Mr. Speaker, as I recall, it was shortly after January that this Finance minister in this province introduced to the people of Saskatchewan the provincial goods and services tax. And I ask what they're thinking. I ask what goes on in the minds of members opposite when they know full well people like Dale Botting of the Saskatchewan Federation of Independent Business indicates that it's going to deal a blow to the retail sector in Saskatchewan. What are they thinking when they introduce a tax that's going to put businesses down in this province? Where are their priorities? What future do they see for this province?

I hear on almost a daily basis in this legislature that they've got a plan. Well that leads me to question two — what's the plan? How many people do you plan to chase out of business in this province? How many restaurateurs do you expect to be closing their doors? How many retail sales outlets do you expect to be closing their doors? How many used-car salesmen are going to be shutting their operations down? And how many jobs are going to be lost?

But you know, this Finance minister stands up in this House, and irrespective of all of the studies and all of the information that comes with respect to the Canadian economy and the effects of the goods and services tax, this financial wizard stands in his place and tells the people ... and asks the people of Saskatchewan to believe that in fact this new tax is going to create new jobs, 5,000 new jobs for the people in Saskatchewan.

Well, Mr. Speaker, that brings us to another question. How in fact will these jobs be created? Where are the detailed studies to show that in fact we're going to have 5,000 new jobs? And I tell you, Mr. Speaker, we've been in this legislature for three weeks now, as I recall. This minister has been asked on a daily basis to table those studies. And, Mr. Speaker, he doesn't, and I want to tell you why he doesn't.

Because he reads the same columns that I read, that indicate that the Canadian economy is shrinking as a result of the goods and services tax. And he knows that the effects of the provincial goods and services tax are going to be identical, and there aren't going to be 5,000 jobs created, but in fact there are going to be dozens of jobs or hundreds or thousands of jobs lost in this province, because he's chasing business men and women and he's taxing them out of this province.

Mr. Speaker, there's more to this than just businesses closing their doors. I look at the projections for corporate income tax this year, that this Minister of Finance is projecting. He's projecting a pretty stable amount of corporate income tax.

Well I say to you, it can't happen, Mr. Speaker, and I don't believe that that's going to be the case. Because you see small businesses and small corporations don't pay income tax on income they don't earn. And the way they earn income is by people walking through their doors and buying their wares. And what this government has clearly done is taken money out of the hands of the consumers of this province, and the end result is going to mean lower corporate income tax.

Mr. Speaker, I want to dwell for a minute on housing starts in Saskatchewan. And I say to you that you can talk to the home builders' association in Saskatchewan, you can talk to contractors, you can talk to people who work or used to work for contractors, people who made their living building housing for Saskatchewan families, and you ask them what they're doing. And I tell you, Mr. Speaker, if they're building houses, there's very few of them that are doing it in this province because the housing starts in Saskatchewan are the lowest in decades.

And I say, Mr. Speaker, if this new form of taxation that the federal government has imposed upon us and the one that this Finance minister and this Premier intend to impose upon us is going to work, it's going to have to create jobs. But I say to you, the record is that it can't create jobs and it won't. What it's going to do is put working people out on the streets and cause businesses to close their doors.

Mr. Speaker, the Tory agenda, the free-trade agenda, the increased taxes on middle- and lower-income people agenda, both by the Mulroney government and by this PC regime, is chasing people and allowing people — chasing people, I would say — out of our province to purchase goods and services. You can talk to whoever you want and there's always someone who knows someone who just came back from Minot or from places in Montana where they've done their shopping. And what does this government say, Mr. Speaker?

An Hon. Member: — So what?

Mr. Lautermilch: — The Minister of the Family says, so what? That's the response and that's the reaction. I say it's a sad commentary.

I was just downtown at lunch today and in front of the Delta hotel — a bus advertising all over the sides, all over the front, advertising North Dakota. And I'm told, Mr. Speaker, that that bus runs five times a day, or five times a week taking people down to the States to do their shopping. And why, Mr. Speaker? It's because of the actions of the Tory government in Ottawa and it's because of the actions of the Tory government in Saskatchewan.

And yet this Finance Minister has the audacity to stand in his place and ask business men and women who are struggling, ask working men and women who are struggling, to believe him that this new tax that he's imposing is going to create 5,000 jobs. Well I say to you, Mr. Speaker, the federal goods and services and the provincial goods and services tax have never created a job in this country, and I say to you they never will. But they're going to destroy a lot of them.

And weeks before an election, weeks before an election this government that's run out of ideas follows their federal counterparts on the same slippery slope of an unfair tax, introducing the biggest tax grab that this province has ever seen, similar to what their counterparts in Ottawa have done. Sadly enough, Mr. Speaker, that they would see fit to introduce this tax, but just the same as their federal counterparts in Ottawa, they embark on closure to limit the debate, a debate that the vast majority of the people in this province want to happen because they want these people to come to their senses, the same as they wanted the Brian Mulroney government to come to their senses when they were introducing the federal goods and services tax.

So I say to you, Mr. Speaker, and I ask the members on that side of the House on behalf of the people of Saskatchewan, come to your senses. We're not only asking them to drop this foolish idea of the provincial GST, we're asking them to ask the federal government to rescind what is the most unfair tax that the people of this province and this country have ever seen.

But, Mr. Speaker, after watching this government operate since 1982, I'm afraid that that's not about to happen. Because you see, Mr. Speaker, we're looking at a government provincially and we're looking at a government nationally that are so far out of touch with reality that they can't see what's going on around them.

And I want to say, Mr. Speaker, through this motion, and through other actions that the members of the opposition will be taking in this legislature, that we intend to do all that we can to ensure that the government members on that side of the House understand what they're doing to the people of Saskatchewan. I've seen occasion after occasion, and time after time, when this Premier will stand up and defend the actions of his friend in Ottawa, Brian Mulroney, who sits at somewhere around 14 per cent in the public opinion polls. And the goods and services tax is one of the reasons.

(1530)

And I say to you, Mr. Speaker, that the lack of credibility that Mr. Mulroney, the Prime Minister of this country, has gained for himself, has rubbed off on this Premier. And I say, Mr. Deputy Speaker, that's why we've not seen an election in this province when it's far past the time that we should have.

Mr. Speaker, we're asking the members and the opposition to join with us in telling the Prime Minister of this country that an unfair tax is an unfair tax and shouldn't be around. It's not only an unpopular tax, it doesn't make any economic sense. The spenders in this province are the middle income families. Those are the people that buy fridges and stoves and cars and washers and dryers and furniture for their homes. And those are the people that keep small businesses alive — small business being the backbone of our economy.

But what happens with this Premier and his campaign manager, Eric Berntson? This Premier sends his campaign manager down to the Senate with a pat on the back and tells him to support the goods and services tax. That's what happens, Mr. Speaker. On one day he says no, he doesn't support the federal goods and service tax, this Premier of ours. But what does he do? He sends his second in command who resigns his seat, sends him down to the Senate on a handsome pension to ensure that that vote passes the Senate.

Now I say to you, Mr. Speaker, if there's ever been a flip-flop and if there's ever been a misrepresentation of any politician's position, it was that of this Premier of this province when one day he tells the people of Saskatchewan he opposes the goods and services tax, and short days later sends his Deputy Premier, tells his Deputy Premier to resign, get appointed to the Senate, and support the goods and services tax in the Senate. And I say to you, Mr. Speaker, that that is a hypocritic act and it shouldn't be allowed.

Mr. Speaker, I said before, you can go through sector by sector and you can go area by area and you can see what's happening to people. You ask people in the retail sector about the shopping habits and the shopping patterns of their clients most of whom they know very well, a lot of them on a first name basis. And I want to say to you if you go to small town rural Saskatchewan, Mr. Speaker, the owners of those businesses for the most part are friends with their customers and they know them and they know their families and they know their needs.

And when I talk with those people and they tell me about the difference in how families are shopping, it tells me that this tax is unfair. It tells me that this tax needs to be rescinded. And it tells me that this provincial government should drop their idea to go ahead with the provincial goods and services tax.

Mr. Speaker, I quoted from the article of the *Star-Phoenix* a little earlier and I want to quote it again because I want to draw the parallel one more time. Headline: "Earthworms face cruel dilemma after rainstorm." And here's what it says, Mr. Speaker:

Rain presents earthworms with a cruel dilemma. They can drown in the saturated soil. Or they can evacuate to high ground and be sautéed on the sidewalk.

Of course, these refugee worms can't comprehend the horrible fate that awaits them. They think they've got it made, at least until the rain lets up and the sun comes out:

You see, Mr. Speaker, what you've done is like the earthworms. You've put the people of Saskatchewan in the position where if they stay in the ground they get drowned by your federal counterparts. And if they come out in the sun and sit on the sidewalk, they get fried by this Premier and his new goods and services tax.

Mr. Speaker, you're leaving the people of Saskatchewan no option. This government is leaving Saskatchewan people no option. There's no place they can go to avoid this tax in this province. There's nowhere they can go in this country to avoid the federal goods and services tax.

But I tell you what, they're innovative people, Saskatchewan people are. And they found a way to get out of the frying and the searing sun of your provincial goods and services tax and they found a way to avoid being drowned by the federal Tory goods and services tax. They choose to go to Minot and do their shopping. That's how they get rid of your taxes, Mr. Speaker.

And what happens as a result? I have a headline here: GST hurting hotel businesses. We're losing convention business, Mr. Speaker. And you mark my words, this summer you're going to see a drop-off in tourism dollars in this province like we have never seen before. And that's going to affect communities that many of us in these areas know very well.

Northern Saskatchewan, I suggest to you, is going to see a drop in the number of Americans coming to this province. Let me give you some reasons why. Mr. Speaker, it's the federal goods and services tax, but there's more than that. There's more than that. It's the rain the Tories pour on people — increased taxes, increased camping fees, increased licence fees, fishing licence fees, increased gas tax, tax on hotel rooms, tax on meals.

And, Mr. Speaker, I tell you that the people of the United States who would choose to come and share our tourism destination points know a way to avoid your Tory reign, the Tory reign of this government. They know how to avoid that Tory reign. They'll choose to go somewhere else where there's a decent and a fair level of taxation.

Mr. Speaker, the reason I'm supporting this is not only a selfish motive because of the business friends that I have throughout this province and I know the hurt that the goods and services tax both provincially and federal are imposing upon them. It's more than that, Mr. Speaker. I chose to second this motion because I care about the future of this province.

And I want to say to you that members of this legislature who fear for the future are looking forward to an election.

The people of this province in overwhelming majorities are waiting for an election anxiously. They're not only waiting, sir, for a provincial election to turf this administration from power because of the unfairness of it, they're waiting for the opportunity as well to pass judgement on Brian Mulroney and his wrecking crew that has rained down extra taxes on the people of this country.

And I say to you, Mr. Speaker, in Saskatchewan we've exceeded the four-year term that is normal for elections in this province and we're rapidly coming to the fifth year, the end of the fifth year. And the people of this province know that time is running out on this government. They know that this government is without ideas other than to rain yet more taxes on them. They know that this government has no direction for the future of this province. And they know, sir, that this government will not be around long soon after they have a chance to pack their bags after an election and move from the Legislative Building and back into areas where they can do less damage to the province.

And I say, Mr. Speaker, that's why we're asking members on the other side of this House, members of this Tory government, to support us in asking the Mulroney government to rescind the unfair federal goods and service tax. If there's one decent thing that this government could do — well two actually, sir; three, now that I think about it — the first one would be to ask Mulroney to get rid of the federal goods and services tax.

The second thing, if they wanted to show some decency in this province before they retire or before they're fired by the people, would be to pull the Bill that's going to introduce the provincial 7 per cent goods and services tax.

And the third thing they should do, if they want to show any decency, is to put the people of this province out of their misery and call an election, sir.

Mr. Speaker, I've said before, it doesn't matter which corner of this province you go to or which sector of our retail industry you talk to or of the wholesale industry, they've all got the same message — we don't think we can continue doing business in Saskatchewan any longer.

Just a few weeks ago Macdonalds Consolidated announces that it's consolidating. It's closing down the Saskatoon and the Prince Albert branch and they're centralizing to Regina. Lots of jobs are going to be gone. They're down-sizing.

And I say to you, Mr. Speaker, the reason they're down-sizing is because they know the effects of the goods and services tax federally and they know the effects of the provincial goods and services tax. And they've had a look at the future and they've said, in Saskatchewan we don't have a future, Mr. Premier, and we're leaving.

And they're not the only ones, sir. In Prince Albert there's a list of wholesalers who have closed their doors, that I wouldn't have believed if someone had told me in 1982 would be a reality.

Mr. Speaker, Western Grocers has closed down and said,

you can't tax us any longer, Mr. Mulroney, and Mr. Premier. They closed their doors in Prince Albert.

Grosser and Glass, a wholesaler of long-time standing in Prince Albert, respected people in our community worked there and they said, Mr. Mulroney, and Mr. Premier, we can't afford to do business under your administration and we're leaving town.

Theirman Brothers closed their doors. Buckwold's closed their doors. And, Mr. Speaker, the list goes on and on and on.

I referred to a newspaper article. Last Saturday when I went home I read the local paper, the *Herald*, and I want to say to you it saddens me when all this government can muster for a headline in the *Prince Albert Daily Herald* on a Saturday just weeks before an election: 236 jobs gone since January.

That's the record, sir, of this government. That's the record of this Premier and of his cabinet. That's the record of a head in the sand government who either doesn't care or chooses not to see what's going on around them.

Mr. Speaker, I say it's a disgrace. It's a disgrace what this government has done to this province in a few short years. There isn't one licence fee that they haven't increased. They've cut back on inspections, sir. And I tell you . . .

An Hon. Member: — Well what do you want? More spending? One day they say we're spending too much . . .

Mr. Lautermilch: — And the Minister of Finance says: what do you want? More spending?

I'll tell you what we want, Mr. Finance Minister. If you would do just one decent thing before you leave, just one decent thing before you're defeated — if you would look inside your internal budget. And I gave you an offer just the other day where you could find \$80,000 that you wouldn't have to go after in GST. If you got rid of your legislative secretaries, you'd have 80,000 bucks — like right quick, right fast, snap of a finger.

But no, no. Not you, sir. Not you, sir. You, outside of this legislature . . . He doesn't have the guts to come to the House. He goes outside of the legislature to announce the biggest tax grab in the history of this province. That's what this government's about, Mr. Speaker.

And I say to you, Mr. Speaker, I'm going to outline the four questions. There were a few questions that I would like this minister to . . .

The Deputy Speaker: — Order. I'd ask the Minister of Finance to allow the member from Prince Albert-Duck Lake to make his comments.

Mr. Lautermilch: — Thank you, Mr. Speaker. I appreciate your intervention. It's very difficult to speak when the Finance minister continues his yelling from the other side of the House.

But so I say to you, Mr. Speaker, if this Finance minister wants to do a couple of decent things, let me give him

some examples of what he might do before he retires or before he's fired by the people of the province.

He can get a hold of the federal Finance minister and tell him that he now understands the goods and services tax has got to go federally. And the second thing he can do is say: I'm not introducing it. And the third thing he can do is come clean with the people of this province and admit that he can't table economic papers that will prove in fact that he can create 5,000 jobs through this goods and services tax.

And he'll admit that there isn't going to be a positive growth factor in the service sector in this province, because there isn't, Mr. Minister. And you know it and you haven't got the courage to stand up and defend it. And if you have, I'd like to hear from you this afternoon. I'll take my place shortly and you can stand up here and share with the people exact documents that can prove that there's going to be a positive economic impact with this massive tax grab.

And I tell you, we've waited for days, Mr. Speaker, for this same minister to do it. We've debated in interim supply. We've asked the questions. We're asking the question now while the Bill is introduced. And I tell that what's been going on since we got into this session. And not one time has this Finance minister been able to stand in his place and tell us where he got the figures from.

(1545)

And the reason is, sir, because he reads the headlines — GST, upper-cut to the economy — the same as I do, and he knows what he's about to do to the people of this province. And I say, Mr. Speaker, shame on him. Shame on him.

Mr. Speaker, I want to say to you . . . (inaudible interjection) . . . the member from Thunder Creek asks if there were sales taxes before, and the answer — I have to agree with you, Mr. Member — the answer is yes.

But I want to tell you what wasn't around. There wasn't a massive 7 per cent goods and services tax. There wasn't a 7 per cent E&H (education and health) tax, that you guys promised to eliminate. There wasn't a flat tax. There wasn't increased property taxes at a municipal level. Those are the kinds of things that weren't around before you birds took over. And I tell you, Mr. Speaker, the people of this province are waiting to pass judgement on him, on his Premier, and on his federal counterpart.

And I say to you, Mr. Speaker, it can be none to soon before that happens because the people are sick of being taxed to death. They're sick of being misled by members on that side of the House. They're sick of that member, the Finance minister, standing before the people of Saskatchewan unable to explain how these 5,000 jobs are going to be created because, Mr. Speaker, they know they can't be created and the members opposite know they can't be created as well.

Mr. Speaker, the question here is not how many jobs the goods and services tax provincially would create. The question is: how many hundreds of jobs are going to be

lost? And how many more families have to move out of this province to find employment in other jurisdictions? Those are the questions.

And the question is whether or not members on that side of House will support this motion and ask Brian Mulroney to get rid of the goods and services tax, the most hated tax that's ever been introduced in this country. Those are the questions and those are the issues.

And I say, Mr. Speaker, if the members on that side of the House are so confident that they're on the right track, why don't they go to the people? Why don't you go to the people in an election? Why don't you call an election and go out there and find out how warm it is for you? I'll tell you why you won't do it. Because you've got no more confidence that you can be re-elected than your counterpart Brian Mulroney in Ottawa. That's why. Because you're on the same slippery slope that he's on. And one of these days, when the election has to happen, you're going to find yourself at the bottom with nowhere to go, Mr. Member.

And I say to you, Mr. Speaker, the arrogance that they display in this House, Brian Mulroney and this Premier are cut from the same cloth. Closure in Ottawa 24 times — 24 times, Mr. Speaker, closure. Shunting the democratic process. That's the arrogance and the audacity of these people. Shunting the legislative process. And he picks up on it, this Premier. And they introduce a closure motion. Twice we've had in the history of this province. Now the third time introduced — every one by a Tory government. And I say to you, Mr. Speaker, the people are waiting to pass judgement.

An Hon. Member: — Tory tax twins. That's what they are.

Mr. Lautermilch: — My colleague from the riding of Prince Albert refers to them as Tory tax twins.

Well, Mr. Speaker, I say to you that the reaction of the people of Saskatchewan is going to be same federally as it's going to be provincially. And we've asked them to do just one decent thing before they are turfed out of office, and that's to ensure the people of Saskatchewan that there will be no provincial goods and services tax, and secondly, that they will ask the Prime Minister of this country to get rid of the unfair tax that he thrust upon them just over a year ago.

Mr. Speaker, it's been said that figures don't lie. And when you talk to business people throughout this province who tell you that their gross has decreased by 30 per cent and that their net income has dropped to near nil and they're laying people off, and when they attributed that to the fact that their customers have cut back on spending because of increased taxation and because they've got no disposable income — what does it say about members who sit and yet try to follow the folly of their federal counterparts by introducing a provincial goods and services tax?

Mr. Speaker, this is a government that I assumed at one time governed by polls. And if the polls said, go over here, they'd go over here. And if they said, go over here, then they'd go over here. But you know, Mr. Speaker, I think

it's beyond that. I think it's beyond the point where this government even bothers with the polls.

Because you know what I think, Mr. Speaker, and you know a lot of people in this province think, that it's the bond companies who threatened to kill their bond rating and to decrease their bond rating yet again if they didn't find some way to get control of their deficit budgeting. That's what I think's happened, Mr. Speaker. I think what has happened is the bond dealers have taken the control of government out of the hands of this incompetent government here. That's what I think's happened.

And I want to say to you, Mr. Speaker, that they can wave and they can smile all they want, but I would like to have the opportunity to have a look at these people the day after election day when the people of Saskatchewan have had the chance to clearly indicate their feeling of betrayal, the feeling that they've been misled by the Premier of Saskatchewan when he promised there's so much more we can be — betrayed when this Premier told them that he opposed the federal goods and services tax and then sent his deputy down to support it.

I'd like to see the looks on the faces of these members when they finally come to the realization that they've made a terrible, terrible mistake and they thought the people of Saskatchewan could be tricked once again. But clearly they won't be, Mr. Speaker.

The people are ready to pass judgement. And I say the sooner that this Premier calls an election and allows the people of Saskatchewan to indicate what it is they want and what kind of men and women they want to represent them in this legislature, it can be none too soon.

Mr. Speaker, there is an awful lot more that could be said. As this Premier said, there's so much more we can be. Well I tell you I believe there's so much more we can be. And the people on this side of the House, the members of the NDP caucus, believe there's much more we can be.

But I tell you, in order for that to happen, what we've got to have is some fairness restored to this province. We've got to put an end to taxes like the federal and the provincial goods and services tax, and we've got to reinstate some feeling that governments care for the people they're representing.

And I want to say, Mr. Speaker, that that's an element that's sadly lacking with this government, and the people of the province know it. The people of the province know they've been betrayed when their Premier stood before them and told them that he opposes the federal goods and services tax. They know that, and they all understand that. And they all understand that it was his friend Brian Mulroney who appointed his second in command, this Premier's second in command to the Senate to go down and help ram through the federal goods and services tax. The people know that and they understand that.

And I want to say, Mr. Speaker, that normally the people of Saskatchewan are a forgiving lot. But I think in this case, in this instance, that will not be the case, sir, because the people have said enough is enough, we want an election, and we want to restore some decency and

fairness in government in this province.

And, Mr. Speaker, when I look at this motion moved by the member from Regina Centre, asking the Assembly, the Legislative Assembly to urge the Parliament of Canada to reverse its decision with respect to the goods and services tax, that I feel very comfortable to support that motion, sir, knowing that not only my constituents, the majority of my constituents, vehemently oppose the federal goods and services tax, but the people of Saskatchewan as a whole oppose the good and services tax that was imposed on us by the Mulroney government.

And as well, sir, I feel comfortable supporting this motion because I know that the majority of the people of Saskatchewan want this government to stop this unfair tax, this provincial goods and services tax that they're trying to ram through this legislature with closure.

Thank you very much, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Hopfner: — Thank you, Mr. Speaker. Mr. Speaker, I've listened fairly closely to the members of the opposition in moving their motion here in this Assembly this afternoon. And I want to indicate to you, sir, that I guess probably if we were to add up what was all being said, is I guess . . . probably it was a point that if we were so sure in what we're doing we ought to call an election.

Mr. Speaker, I guess probably what I'd like to indicate to you, members very well know, that we could probably have been into an election today if it wasn't for their NDP lawyers in contesting the Boundaries Commission and taking the fight on in challenging the boundaries commissions in the way they have.

So I would like to say, Mr. Speaker, that it's got nothing to do with the fact that we may not want to call an election . . . or would like to call an election or not. I'd just like to say is that it has actually no . . . we have no other alternative but to wait for some decisions that will come down from the courts.

An Hon. Member: — There's going to be an election.

Mr. Hopfner: — There's going to be no doubt an election, as the member from Regina here has stated.

I'd like to say, Mr. Speaker, though that in talking with the particular Bill at hand is that when we're talking about the GST, I can remember very well that we had meetings across this province regarding the GST. In fact I sat at a meeting in Lloydminster, as so did the member from I believe it was Regina Centre, sat at the same meeting as I did in Lloydminster, and we'd both taken the very stand of opposing the GST in the community of Lloydminster.

I'd like to say that all parties were represented there and it was not that they were not . . . they were opposed to a tax change, it was the way this here particular GST, the goods and services tax, was implemented across this country. And I think really if the members opposite were to be honest with the public when they're deliberating in the debate here, I would suggest that that is really the

message that they ought to be portraying.

I'd like to take a moment though, Mr. Speaker, and get into the flip-flop of the NDP on harmonization. I think probably to better illustrate it, Mr. Speaker, I'd like to draw your attention to the *Prince Albert Daily Herald* where the editor had particularly . . . it was of April 18, '91 where the editor in his editorial of the *Prince Albert Herald* indicated what the NDP said about the harmonization of the GST and the provincial sales tax:

Again, we are treated to a round of flip-flops and evasive tactics that leave the voter confused.

On October 3, Roy Romanow in an NDP news release said that "A side-by-side tax is preferable to a tax on a tax." On October 4 in the *Regina Leader-Post* when asked his position on the GST and harmonization, he said, "I'm evading it." On the same day, Mr. Romanow said: "Applying the GST and the provincial sales tax side-by-side is a second-best option."

(1600)

Now I want to draw your attention to the second best option because it wasn't too long ago, Mr. Speaker, that the Society of Management Accountants gathered here in the city of Regina. Our Minister of Finance and as well the opposition critic, the member from Regina Centre, were being questioned on their particular stands regarding the PST, and if against the PST, what would the alternatives be.

What the member from Regina Centre had indicated to the people of Saskatchewan was that the NDP would be promising, Mr. Speaker, an increase in personal income tax as well as the gasoline tax.

And I want to draw that, Mr. Speaker, because I think the media have taken it too lightly as to reading into this particular quote or particular announcement from the member from Regina Centre — the NDP critic of Finance — when he said that they would revert to a personal income tax increase in the province of Saskatchewan.

I want to draw some parallels here, Mr. Speaker. I wanted to indicate to you first of all that for every 1 per cent in income tax — and I would hope that the members opposite could relate to this and then give us some of their answers and stand in regards to their plan — but for every 1 per cent of increase in personal income tax, Mr. Speaker, that raises approximately \$15 million. For every 1 cent increase in gas per litre in the province of Saskatchewan, Mr. Speaker, that raises approximately \$20 million.

So, Mr. Speaker, when I am giving you these figures, they are not fictitious. I want to indicate to you, sir, that 10 per cent income tax increase would bring us in approximately \$150 million; 1 cent gas tax which I had indicated earlier would bring in 20 million. We would therefore have to see that the NDP were going to be raising the gas tax at least 2 cents a litre because they would have to raise an additional \$40 million — that is to raise those taxes in both areas, to bring it up and

equivalent to what the harmonization of the PST through the GST here would mean in the province of Saskatchewan.

Now, Mr. Speaker, I will indicate to you that the members opposite don't want to talk about that. They don't want to talk about the member from Regina Centre indicating to the public, to the working person, the ordinary working person out there that they are now going to increase their personal income tax by 10 per cent. And you know, Mr. Speaker, what I find very ironic right now, this is the first time I've ever seen the NDP opposition as quiet in this Assembly as I see them now because they know we're right.

They know that every electrician and carpenter, they know that every restaurant owner, they know that every waitress and waiter across this country is now going to have a personal income tax increase in the province of Saskatchewan. That's what the NDP are promising the people in Saskatchewan, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Hopfner: — I want to indicate to you, Mr. Speaker, that we're finally getting out the truths of what the NDP are planning to do in the province of Saskatchewan. They are going to do what the Ontario government has done to Ontario, Mr. Speaker. It's a new NDP government in Ontario, and we all know the way, the direction, they've taken in that province in just a short six-month period.

But I want to come back to Saskatchewan here, Mr. Speaker, because I am now going to go to the point of what this means for small business in Saskatchewan. Mr. Speaker, I know for myself as a small-business man and a hotelier and restaurateur, as the members opposite so boldly stand up and pretend they're speaking on behalf of, well, Mr. Speaker, I will indicate to you now that they are absolutely wrong. I want to indicate to you, Mr. Speaker, that I am probably as close to a border as any small-business man is in the province of Saskatchewan. I live in Lashburn, Saskatchewan, and it borders Alberta. It's about 18 miles off of Alberta.

And I want to indicate to you, Mr. Speaker, that I have had to survive under the years of the NDP, under the years of the Tories up until this point now without a tax break. I have had that 7 per cent on my back ever since I lived in Lashburn, Saskatchewan, and the members well know that. The members well know that. The members well know it and they say it's not true. I tell them and they best stand in their place, Mr. Speaker, they must stand in their place then and tell them where I'm wrong, because they know I'm right.

Some Hon. Members: Hear, hear!

Mr. Hopfner: — I will tell you, sir, that now for the first time as a business man in Lashburn, Saskatchewan, I will now have the opportunity to write off 7 per cent of all my business input costs in the history of this province — in the history of this province as a small-business man.

And I'm going to tell you something, Mr. Speaker. Members opposite don't understand what that means to

small business. But I will tell you what that means to small business and I will tell you what it means to the employees of that small business. It means, Mr. Speaker, that now I'm able to take that 7 per cent and put it back into my business. I can put it back into my business whether I'm going to be renovating, expanding; I can put it back into my business if I want to give my employees . . . or we can agree to employee increases and things like this, and benefits and everything else.

Mr. Speaker, I'll tell you something. If I have to hire a carpenter, an electrician, a plumber, if I have to hire another waitress or waiter, if I have to do many other aspects of running a business, which I know members opposite know very little about, I will tell you, sir, that any little bit helps. Any little bit helps.

Some Hon. Members: Hear, hear!

Mr. Hopfner: — Mr. Speaker, I want to indicate to you that the Leader of the Opposition has rightfully stood in his place here with letters out of my constituency as though he was representing the business world in Maidstone, Saskatchewan, in my constituency.

Well I will tell you . . . (inaudible interjection) . . . And the member from Saskatoon South says I'm not. Well I'll tell you, Mr. Speaker, any one of those people that have written that letter have written that letter to myself as well. And the Minister of Finance well knows I've been in discussion with him. The Minister of Finance knows I've been in discussion with him over the years.

But, Mr. Speaker, I want to indicate to you, sir, that there is not one of those . . . Well, maybe . . . I shouldn't say not one. There might be. I would find it very hard to understand which one of them might support the NDP philosophy in this province.

Mr. Speaker, we all are upset with having to pay taxes. There is not one of us that enjoy paying taxes. I have said that in this House time and time again. But if we're going to have taxes . . . if we're going to have services, government services, we've got to have some sort of taxes. And everybody that have thought through that, Mr. Speaker, understand that if there is services, then there is going to have to be that kind of thing happen in this province.

What I am saying, Mr. Speaker, is we have not a hidden agenda here. Our agenda is out in the forefront. And I want to draw you some pictures as to what I mean. I want to say this, Mr. Speaker. I want to say that in the world of business, for instance, I could see that when it came down to the point of taxation under the NDP, they are one of the people that have taken this province from a 26 per cent tax increase right through to a 52 per cent tax increase, Mr. Speaker.

And you know what? There was never, never, ever once did the members opposite ever, ever inflict a tax upon the people prior to an election. Here's what I want to draw to your attention, Mr. Speaker. We are within days or weeks away from an election. We are going into an election this year. It's inevitable, it's going to happen, we all know that.

Mr. Speaker, the Minister of Finance has come down with a plan, and it's been a plan that we had taken consultation right across this province. The people of this province had had the right to speak. And I saw NDPers and Liberal and I seen Tories in the same consultation halls. And I want to indicate to you, sir, that they were almost speaking all of a unified tongue because I'll tell you, sir, there wasn't one that did not raise the concern of a deficit. There was not one that didn't want to maintain the health-care system and the education system.

There wasn't one that didn't want to back up agriculture except, Mr. Speaker, members of the opposition that hope to be governing in this province one day.

I want to indicate this, Mr. Speaker, that these people aren't against GST; they're not against PST; they're not against really anything. They're not really for anything, Mr. Speaker. Those people are caught up in such a kind of a vacuum, Mr. Speaker, that they don't know whether to move to the left or move to the right of any one issue. Mr. Speaker, I want to indicate to you that that is exactly what people, not myself, not any member of my side of the House, the Progressive Conservative government . . . but it's editors, editors from papers that cannot get answers from the Leader of the Opposition, let alone any member of the opposition.

I want you, Mr. Speaker, as well to understand this. That I don't believe for one moment that there were too many individuals of the NDP opposition, Mr. Speaker, that have ever had to meet a payroll. Mr. Speaker, I cannot imagine too many of those of the NDP opposition that have ever had to write a cheque as far as a payroll is concerned. They've never had to meet paying a business tax in this province. They've never had to worry about employee benefits. They've not had to worry about paying suppliers, Mr. Speaker, or having to let alone try and market anything, Mr. Speaker.

I look across the way and I've seen people there that have probably in most . . . or somewhere of a nature that have lived off of the system or else have lived off of the fact of somebody else's integrity and idea of keeping a business rolling in this province and living off of an employer. Because, Mr. Speaker, whenever I hear those members of the opposition get up and speak, they seem to know what's good for every one of us in this Assembly, and indeed, of all the province. And yet, Mr. Speaker, they've yet to have a plan. They've yet to have a plan.

And I want to say, Mr. Speaker, I want to say we get headlines like this where one day the NDP member from Regina Centre says, well we ought to have harmonization of the provincial sales tax side by side with the GST. And that was the same member that is moving the motion and is stonewalling here in the legislature. They're again fumbling around and wasting important time in the legislature, Mr. Speaker.

(1615)

But there is one man from Regina Centre that said, a tax side by side. Then he goes out and he says no, we're against the PST altogether. Then he goes to the Society of

Management Accountants in the city of Regina, and then he says we're to increase personal income tax in the province.

So he made the announcement, 10 per cent or plus, personal income tax in the province of Saskatchewan. The media have got to take him to task on that. The media have got to take him . . . (inaudible interjection) . . . Yes, the member from Regina Centre says, lack of interest from the media.

The Speaker: — Order, order, order. Order. We've mutually agreed that we would not refer to the presence or absence of members. I bring that to your attention.

Mr. Hopfner: — I agree, Mr. Speaker. But, Mr. Speaker, here's just one of the things. I'd like to read this. Here's one of the statements made by the member from Regina Centre. Shillington said: Harmonization in itself isn't a bad thing. But under the Tories . . .

The Speaker: — Order, order. I'm going to have to ask the hon. Minister of Finance, who of course has an interest in this topic, to refrain from making comments repeatedly from his seat. I ask for his co-operation.

And while I'm doing that I'm going to also take the liberty to ask the co-operation of the Finance critic, the member for Regina Centre, that he too co-operate in this matter. And if those two members would co-operate the debate will go very smoothly.

Mr. Hopfner: — In support of what I was saying earlier, Mr. Speaker, I'd like to get back to my topic in regarding to what the member from Regina Centre had been indicating. And it was reported upon by saying: Shillington said harmonization in itself isn't a bad thing but under the Tories, harmonization has come to mean significantly higher taxes, the Regina lawyer said.

Some Hon. Members: Hear, hear!

Mr. Hopfner: — Well, Mr. Speaker, and then it went on to say, if an NDP leader Roy Romanow government is elected we will roll back the tax, Shillington said. If there were additional taxes needed I don't think we would implement the harmonization PST, he added. And then, Mr. Speaker, then he goes on to say he wants to increase income tax in the province of Saskatchewan.

So, Mr. Speaker, 1 per cent of income tax in the province of Saskatchewan means \$15 million; 1 cent gasoline, a litre on gasoline tax, means \$20 million to the province of Saskatchewan. So in order to raise the amount, the same amount as our PST in harmonization of the GST, we would have to come up with about \$190 million, right?

So what that means here by his announcement, by the member from Regina Centre's announcement, is that for every 1 per cent, income tax increases 15 million. So in order to raise \$150 million you would have to have 10 per cent income tax hikes. Then to raise the other 40 million, you'd have to have a 2 cent increase in litres of gasoline in the province of Saskatchewan.

And that's what the people of the province of

Saskatchewan are going to be looking for if they'd ever, ever think about electing an NDP Party as the next government of this province. And I think that's unforgivable, Mr. Speaker.

And that's the point I was trying to draw home. And I just want to say to you, sir, that that's how the people of the province of Saskatchewan are being tricked. They're being tricked, Mr. Speaker, because the NDP opposition are not coming clean with the public.

They're flip-flopping all over the place. If they happen to be in Prince Albert, they're saying one thing, and if they happen to go to Souris-Cannington, they're saying another. If they happen to go to Melfort or wherever, into anybody's riding, they're saying different things just to suit the day.

An Hon. Member: — Mr. Speaker, that's not true.

Mr. Hopfner: — Well, Mr. Speaker, members opposite say that's not true. They know very well it's true. We've heard the flip-flop from the NDP, the Leader of the Opposition.

I want to say, Mr. Speaker, that it gets fairly frustrating when we all have to sit here and listen to the various comments of the members of the opposition, and they say absolutely nothing and have no content. But I want to say here, Mr. Speaker, that here's a headline as well: PST not sitting too well with the NDP in Saskatchewan.

Well, Mr. Speaker, I want to tell you I saw a petition that was floating around in my riding. In fact it was kind of a joke with one of the business people in the community . . . was sent by the NDP opposition out of their caucus office here in Regina. They sent it to a business man asking him to get all the people to sign up and everything else like this. So I said to this business man, I says why don't you see what you can get for signatures here.

Well I'll tell you what he got for comment. I'll tell you what he got for a comment. He said, sir . . . There's this customer talking to him, kind of saying, he's saying, sir, now I'm not one for signing petitions but I'll tell you as well, isn't this PST going to help us farmers? Isn't that what it was about? Wasn't it designated to help us farmers? And the business man said, yes.

And he knew what it was about. He knew what it was about. He said, well, he says . . . I guess I kind of put him on a spot because I'd asked him to try it out and I guess in a while the farmer got a little bit upset because he even tried and he didn't think it was much of a joke. So I had to apologize to the farmer as well as to the business man.

So, Mr. Speaker, that's the kind of thing that's happening out there. You know, like it's fine for the NDP to sit up and criticize, but that's just it. I think probably if you will find, Mr. Speaker, you go anywhere . . . I mean, you can go through my riding if you want — yes, the PST probably does not sit well with the NDP. I'll agree with that.

But nothing has, nothing has ever sat well with them because they've been on that kind of a dog-bone chase ever since they've lost their power in 1982; that they've

been dwelling in the negatives here in this Assembly. They're bathing in negatives every day of their lives ever since they lost government.

And you see their front-benchers, some of them are beginning to be of an age where they don't want to even carry on, but so be it, and that's fair. But anyway I look at some of the potential talent that could be there. If they weren't listening to some of these front-bench fellows, well they might come out with some positive statements in this legislature.

But anyway I want to give you an idea of what's being said. It says here in this article, it says: Lingenfelter says NDP thinks the tax is unfair and an unprincipled tax that is toughest on those who have the least ability to pay.

Now I ask you, Mr. Speaker, when I see a PST in front of me, I see 7 per cent on any article I want to go. If I go into a store I have the opportunity of making that choice when I'm going to buy that article or not, and pay the 7 per cent.

But, Mr. Speaker, when the NDP, when a critic, the member from Regina Centre imposes an income tax in the province of Saskatchewan, I no longer have a choice. Ten per cent income tax charged to me means 10 per cent more out of my pocket. Plus every time I fill up at a gas station I'm getting another 2 cent a litre tax on the gas.

So, Mr. Speaker, now I'm going to ask you something. What's unfair? What is the cheaper route to go? Well I would suggest, Mr. Speaker, that anybody that's signing these petitions against the PST, even be it the NDP supporters, I would suggest, Mr. Speaker, that they ought to take a look at the NDP plan.

You see, Mr. Speaker, they don't come honest, they don't come clean to the people here. You know it's so easy to say oh, I'm against this and that and the next thing. But, Mr. Speaker, I say to you, when we lay the plan out to the province of Saskatchewan they now know there is a tax freeze for three years in the province of Saskatchewan. The people of Saskatchewan know what tax they're paying today, they'll be paying next year, the year after, and the year after that, Mr. Speaker. That's what it means, and that's what the plan is. But it's not an NDP plan.

You see, Mr. Speaker, when I look at all this stuff that they've been throwing into an hopper and stirring up and stuff like that, they were hoping that there would be some sort of miraculous thing jump out of that hopper so they could grab onto it and go to the folks and say, this is what we're about.

But they haven't got any answers for the people, Mr. Speaker. Every member of the opposition that stand in this Assembly, what's their question? — where did all the money go? Right? Only they put it across like it went somewhere deviously, and it was mismanaged and everything else.

Well I want to tell you, Mr. Speaker, I want to tell you something, Mr. Speaker, that when I look at where the money went, I'm going to tell you where it went in my riding, so the people can have a concept of one riding, and there are 64 of them in this province.

This is where it's gone in my riding. It's gone to three brand-new hospitals, three hospitals that have been promised time and time again, just prior to elections. The NDP would promise them, but they'd never deliver, Mr. Speaker. They had the moratorium on hospitals in Cut Knife-Lloydminster, and indeed right across this province. Centralization of health care was their mandate and the members well know it. And they're talking about it again today, Mr. Speaker, centralization of health care. The member from Regina Centre had mentioned that some time ago, and he's in the verbatim here in the legislature.

And I want to indicate to you as well, Mr. Speaker, that I've had a couple of nursing homes built in my riding. Mr. Speaker, those same nursing homes — pardon me, one nursing home — was promised time and time again, never delivered, always prior to an election, never delivered because of a moratorium on nursing homes in rural Saskatchewan. Centralization of nursing homes for the province of Saskatchewan was the NDP's policy of the day.

Mr. Speaker, they told seniors in every one of my communities that they were not allowed to stay back in their communities close to their families. They were told they were going to have to move to North Battleford or Lloydminster or Saskatoon or wherever there might be a vacancy, might be a vacancy in a nursing home. That's what they told seniors.

Well, Mr. Speaker, that's where our money went. Our money went in hospitals to care for the sick in rural Saskatchewan. In my riding, one in Lloydminster, one in Maidstone and one in Cut Knife.

(1630)

Mr. Speaker, when I look at the seniors and I look at them when I visit, for instance, go and visit in the nursing homes or the hospitals, and you can see it on their face that they're so happy that they're enabled to be close to family, that they're not burdening their families to having to travel up to hundreds of miles just to visit them for an hour or so.

But I'll tell you, it was the cold-heartedness of the NDP administration of that day, then they had moratoriums on, that the seniors are not forgetting out there. And that's real. That's real, Mr. Speaker.

And, Mr. Speaker, they're talking about that same type of policy today again in this legislature this year, a week or two ago. That's their policy. We're going back if the people have decided that that's the kind of administration. That's what's going to happen.

Well, Mr. Speaker, then I want to get into the basis of education. You want to know, Mr. Speaker, that there has not been an education facility ever that anybody can talk about in my riding that has not had a contribution from this Progressive Conservative government except, sir, for one. And that, I give credit to the members of the opposition. They had the heart to do something while they were there.

But, Mr. Speaker, in the Battle River School Division for instance, I will tell the members opposite where the money went. It went into education facilities. They went into the facilities there, Mr. Speaker. We expanded the schools, built new schools. We've hired more teachers. We've created employment that way, Mr. Speaker.

Mr. Speaker, and then I go and I look at the commitment that we've made into university transfer courses into the Lakeland College in the city of Lloydminster. I say, Mr. Speaker, this is where our money's gone.

Mr. Speaker, as well we have social programs that have taken people off the unfortunate welfare system that some got entangled in and wanted so desperately to get out of. And we've had some work-make projects that they've been able to get out and get themselves upgraded and get themselves some experience and be able to start feeling good about themselves again and back into the work place. That's where our money's gone.

Mr. Speaker, I can almost indicate to you today that although probably we will never ever in the history of Saskatchewan ever go away from not being able to find a pot-hole or whatever it is, as the ministers of Highways are always entitled to . . . new minister, the minister of pot-holes or whatever it is, that's kind of a standing joke or something.

But I want to indicate to you, sir, that where did the money go? It went into our highway network. I have some of the best highway network anywhere in this country. And you do too, sir. I've driven through yours — your constituency. And I've driven through many of the other members' constituencies. That's where the money's gone.

And I look at the rural development district and our rural roads, and I look at industry in a whole in my particular constituency.

An Hon. Member: — It is in a bit of a hole.

Mr. Hopfner: — Well the member opposite may think that Cut Knife-Lloydminster is in a bit of a hole, but I will indicate to the man that he could probably stand in his place later on and explain what he means by just that. And I'd be very interested to hear his remarks.

But I'll indicate to you, sir, that the industry, the diversification that is taking place in our constituency is second to none anywhere. I want to indicate to you, sir, that we've had many, many, many new industries come to our riding and it's just . . . it's enlightening to see. And the excitement, Mr. Speaker, is just right there. That's where the money went, Mr. Speaker.

Yes, Mr. Speaker, when it came to all these programs that I've talked to you about in health and education, when it talks to you about the programs in agriculture and the support that we've given agriculture over the years, that's where the money's gone. Where I've talked to you about industry, Mr. Speaker, and small business, Mr. Speaker, that's where the money's gone.

And I want to indicate to you this as well, Mr. Speaker,

that I look at what members of the opposition have said about the advertising and the use of the advertising agencies that this government uses and their methods and everything else, and they try to discolour it and everything else.

And yes, Mr. Speaker, it does cost thousands . . .

An Hon. Member: — Hundreds of millions.

Mr. Hopfner: — Hundreds of thousands . . . okay, even millions to get the message out.

And, Mr. Speaker, I want to indicate to you this, though. We are not advertising Crown corps family of Crown corporations in this province. We are not pouring good money into something that people knew all about.

We are advertising, Mr. Speaker, we are advertising a message of healthy living, Lights on for Life, Everybody Wins program, breast cancer examinations. We're advertising, Mr. Speaker, those kinds of programs that are meaningful to the public, to the seniors, the women, the farmers, to the young people in this province.

Mr. Speaker, I want to indicate to you that this is where the money's gone. Now when the members opposite stand in their place in this Assembly and they've first of all said, now they're opposed to GST . . . Well okay, GST has come in. I mean we made it. Both sides, I guess . . . I have never, ever seen any of the letters that the members opposite so say they've written to the federal administration.

I've never seen them table anything officially. But I will tell you . . . In fact I would like to see some of that tabled here in this Assembly, if they've actually done anything officially. But, Mr. Speaker, I can say honestly that we have officially represented the people in the province of Saskatchewan and did oppose the GST in its complexity. And the members fully well know that.

And, Mr. Speaker, members of the opposition are going to have to come true. They're going to have to be truthful with the public because the public can no longer stay in the state of confusion of where the NDP are. Mr. Speaker . . .

An Hon. Member: — They know where we stand.

Mr. Hopfner: — Well the member from Regina Centre said the people know where they stand. Well today they stand here, today they may stand over there, and today they may stand over there and over there and over there. I think it is probably which way the wind is blowing, Mr. Speaker, and it depends how they can shift in it.

But, Mr. Speaker, let's talk about the tax and the flip-flops. Mr. Speaker, here on the provincial deficit, for instance, just on our deficit, here's a flip-flop of the Leader of the NDP opposition. On the *Star-Phoenix*, February 1, 1990, Roy Romanow, on a 4 billion deficit: it will take 15 years to eliminate the deficit. That was in the *Star-Phoenix*. That's what he told the *Star-Phoenix*, Mr. Speaker.

Well, Mr. Speaker, then CKCK-TV, *Eye on Saskatchewan*,

Roy Romanow: it's going to take a long period of time to solve this, so let's say 15 to 20 years.

Oh, oh, now it's all of a sudden gone five years more. So then, Mr. Speaker, in Moose Jaw this week, October 16, 1990, Roy Romanow . . . oh, pardon me: Roy will reduce a 4.8 billion deficit in five years. The money can be found over a five-year time frame.

The Speaker: — Listening to your remarks, and while both the GST and the PST have been discussed this afternoon, I'm waiting, sir, when you will get onto the GST and how you will relate your remarks to that.

Mr. Hopfner: — Okay. Thank you for your . . . I was going to draw this into the . . . I know what you're saying though, so I'll draw my remarks into it, okay? Thank you, Mr. Speaker.

Okay, I'll talk about the harmonization then of what the NDP were saying in regards to the GST and the PST. So when you say that . . . where it was in a news release on October 3, 1990, by Mr. Romanow: the fairest and most sensible way to proceed would be to harmonize the two sales taxes.

Well, Mr. Speaker, that's not what this motion's about. That's not what . . . that's not the motion that you had brought me back to discuss is about. And those are the kind of things that I wanted to draw to your attention about the flip-flopping and stuff like that.

And then he goes again on October 3, the same day, the same day on October 3 in the news release, Mr. Romanow: "A side-by-side tax is preferable to a tax on a tax . . ."

Well, Mr. Speaker, you see, here we go. Now that he didn't want the tax on the tax, we all agreed. So we presented a side-by-side and now he disagrees. So, Mr. Speaker, when we go on on October 4, 1990, when it goes on in the *Star-Phoenix* on October 4, 1990: he (Romanow) wouldn't say whether the NDP supports harmonization, arguing it isn't the right time for the NDP to say, how would one handle the issue.

An Hon. Member: — Trying to keep our distance from the Tories' position.

(1645)

Mr. Hopfner: — But, Mr. Speaker, as members opposite, they're trying to keep their position away from many of our positions. Well I thank them for that then.

But, Mr. Speaker, here went on then and at that same time when you talk about that release, then the member from Regina Centre at the same time was out there announcing, away from the Leader of the Opposition, the fact that they agreed with a side-by-side tax and not a tax on tax.

So you see the confusion within their own caucus on this whole issue. They don't have a stand and they can't clear the air. In fact when you still see what is going on or hear what is going on from the members of the opposition

regarding the GST and the PST harmonization, then you see we have a hard time in understanding anything else.

But the fact is that on a rollback that they are promising the people in the province of Saskatchewan from the PST side of it, that then they're going to come up and show the real shocker to the public of Saskatchewan with an increase in the gas tax and the income tax. See, that's how simple it is to read into what the plan of the NDP opposition is doing.

But you see, Mr. Speaker, when you look at it, here is probably now what you could call a break for business which the NDP opposition do not want to see happen. We have calculated our numbers out to be somewhere in the neighbourhood of \$260 million. The NDP don't want small business to have those kinds of dollars available to them now. They're saying that, no that's not fair. So they'll roll back the PST to what? To 5 per cent? to 4 per cent? to 3 per cent?

Well, Mr. Speaker, I don't believe for a moment that members of the opposition realize what that's going to do to small business. Are they going to be rolling back a hundred millions of dollars to small business? Are they going to roll back 50 million or whatever? I don't know. And these are the questions that have to be asked. Those are the people that have to be asked. The NDP opposition have to be asked those questions.

So, Mr. Speaker, you know, like when I look at what's happening in Ontario today and I look at what the people of Ontario have to look forward to in regards to their taxing system and the GST and everything else, I would like to say that the people are prepared, I believe, Mr. Speaker, especially the people in my riding. They're prepared to . . . they're prepared to support this kind of a tax system.

And like I had indicated before, the people that I've talked to in my riding over the last weeks now regarding this particular issue have said, well, who likes it? But we understand what has to happen and we understand that we have a debt that we'd like to get under control. We know we have to pay the bills, and we know we want to entertain the NISA (net income stabilization account) and GRIP (gross revenue insurance plan) program in the province — a program that the NDP opposition do not want to speak about.

I have not heard members of the opposition ask an ag question in this Assembly for quite some time now, in fact days on days on days. And I want to indicate to you that there isn't . . . I don't believe they have one of their members . . . maybe there's one of their members may have a few acres of land and call himself close to a farm but very unlikely.

Anyway, Mr. Speaker, I would like to say this: is that there is no right time for a tax increase and the members opposite said there's certainly a lot of time.

But, Mr. Speaker, I believe the time is now because the people of this province have now got the plan in front of them. They know there will be no more taxes for the next three years. Saskatchewan is tax freed.

The people also know, Mr. Speaker, that if there was ever an NDP party elected in this province as the next government, that the promise is there for higher income tax. The promise is there for higher gasoline tax and, Mr. Speaker, the promise is there for job losses. The promise there is for businesses leaving this province. There will be not the economic diversification that we see in the province of Saskatchewan. There will be no decentralization in the province of Saskatchewan.

Mr. Speaker, rural Saskatchewan needs those kinds of support initiatives. Mr. Speaker, we need the kinds of dollars, those kinds of . . . and everybody realizes that — to shore up and keep our health and our education and our system strong and viable. We need those kinds of programs to enhance rural Saskatchewan, to enhance the health community that we have built out there, to enhance the education facilities that we've built out there, to enhance local economics of rural Saskatchewan.

Yes, Mr. Speaker, I'll tell you this: that the responsible local governments out in rural Saskatchewan, as far as I know in my riding, have taken upon themselves to accept the kind of budget that has come down. We have had consultation processes with SUMA (Saskatchewan Urban Municipalities Association) and SARM (Saskatchewan Association of Rural Municipalities). We have had consultation programs with the individual mayors and councillors. We have had individual consultation through Consensus Saskatchewan, and from having it from educators right through to people that sit on nursing home boards and hospital boards and recreation boards and every board that probably could be recognized as being a functional board and representing some portion of the population in this province. I want to indicate to you, sir, those were the meaningful and the most meaningful types of consultations that have taken place throughout Saskatchewan.

And the theme that this government is going to continue on going, Mr. Speaker, is just on that particular theme of openness, Mr. Speaker. And I don't believe for one moment that, Mr. Speaker, there would be any denial, especially from members of this side of the House . . . is yes, if anybody in my constituency wants to know, where did all the money go, Mr. Speaker, I can more or less in very short term indicate to them . . .

The Speaker: — Order. Why is the hon. member on his feet?

Mr. Lyons: — I wonder, Mr. Speaker, would the hon. member from Cut Knife-Lloyd entertain a question?

The Speaker: — Would the member entertain a question? The member has indicated that he would.

Mr. Lyons: — Mr. Speaker, it's a very simple question to the member. And I'll just phrase it this way, Mr. Speaker. Given the strong support that that member from Cut Knife-Lloyd has shown for the provincial PST, would that member be willing to run in a provincial general election on the question of whether or not the people of Saskatchewan want or need a provincial GST? Will he in

fact stand before the people of Saskatchewan, say then that he will not vote in favour of the PST but that he's willing to put his own political career on the line on the question of whether or not the people of Saskatchewan have the right to vote on whether or not we get a PST?

Mr. Hopfner: — Well, Mr. Speaker, I wish the member would have been listening to what I've been saying all during my remarks.

I had indicated through my small business what that means for small business. And, Mr. Speaker, I've indicated to him that for the first time in Saskatchewan's history, especially along the Alberta borderline, is that, Mr. Speaker, it was . . . I had indicated to the members opposite that I would . . . if it was just a little bit of a help, it was a plus. And, Mr. Speaker, this has been a little bit of a help.

And, Mr. Speaker, when I looked at my particular business, I looked at taxes on everything. Mr. Speaker, now all my own business input taxes will now be deleted. And yes, Mr. Speaker, when the member opposite asks if my name is on the political line for this PST and everything else, yes, it is on the political line because, Mr. Speaker, I am running in the next election and I will be talking to my folks continually about all the programs in the province.

And I want to indicate to you, Mr. Speaker, that I will not be indicating that we have flip-flopped on all the different tax situations in this province or on any of this. Any time a person asks us a question, we don't hedge or run or hide, Mr. Speaker. We hit it on direct. And I say to you, that none of us can escape the elector. If they're not happy with what we've done, they will let us know in one way, shape or form. And I am prepared, when I go out in the next general election, to look at the people in my riding and say I was proud to represent you.

I am not ashamed of what this government has done in this province. And I make no excuses for what they've done because when I look across this riding and I look at the education facilities, the health facilities, and the type of care and everything else that we've enhanced, the roads, and everything else that I talked about in my remarks this afternoon — no, sir, I'll tell you, sir, I'm not afraid to go to the electorate on those bases.

And, Mr. Speaker, I want you to know that my popularity in my riding is because of that honesty and because of that dedication to my riding, not some phoniness. And I want to indicate to you, sir, that I will continue on to represent the people and I don't care what they're in.

But, Mr. Speaker, I would now like to move to adjourn debate.

Some Hon. Members: Hear, hear!

Debate adjourned.

The Assembly adjourned at 4:59 p.m.