

The Assembly met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

Mr. Solomon: — Thank you, Mr. Speaker. It's my pleasure this morning to introduce to you and to members of this Assembly a very special guest to Saskatchewan.

I'd like to introduce to you an actress who is now appearing in the play at the Globe Theatre entitled *The Other Side of the Pole*. Her name is Ms. Viviana Zarrillo. She's seated in your gallery, and I'd ask all members to please join with me in welcoming her this morning. And I hope that she enjoys her stay here. She's going to be appearing in this play until December 21. Members who have not seen it should . . . I'd encourage them to please visit this Globe Theatre and watch this very, very good play. And also I'd like to say that members who have seen the play would attest to the fact that it is a very worthwhile play both for adults and for children. So please join with me in welcoming Ms. Zarrillo.

Hon. Members: Hear, hear!

Mr. Serby: — Mr. Speaker, I rise in welcoming our member from Yorkton, our MP (Member of Parliament) sitting in the back gallery here on the government side and welcome him to the Assembly today. And I want to congratulate and recognize him for the work that he's been doing for the Saskatchewan farmers, as well as his role he played in the recent trek to Ottawa.

Hon. Members: Hear, hear!

ORAL QUESTIONS

First Ministers' Meeting Agenda

Mr. Swenson: — Thank you, Mr. Speaker. My question is to the Deputy Premier in the absence of the Premier. Mr. Minister, looking through this morning's *Leader-Post* I notice that five premiers across Canada came forward with specific proposals to help the economy of Canada. I also notice that besides finding his luggage, having lunch, that our Premier suggested that they have lunch again.

I would wonder, sir, if you would now today be prepared to table any proposals or initiatives or correspondence, anything at all, that the Premier of this province had to offer to the collective group and for the collective good of Canada's economy yesterday.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Mr. Speaker, in response to the member's question, the Premier will be able to report when he returns to the House. And I know that he will be doing that and I invite the member to wait for that and he'll get a more substantive report.

But I want to assure the member that those issues of concern to Saskatchewan in the context of the Canadian

situation were raised by the Premier. He talked at the meeting about the farm income crisis that the farm producers of this province face. He talked about an industrial strategy that is needed in Canada to create jobs. He talked about the need for research and development and changes in the education system so we can prepare our people for building the economy as well as a number of issues. There were a wide range of issues discussed. It was a time for sharing of ideas.

The Premier took the strong position that there needs to be a more substantive meeting with preparatory work prepared so that some actual decisions will be made. And hopefully that will happen soon.

Some Hon. Members: Hear, hear!

Mr. Swenson: — New question to the minister. Mr. Minister, it was very obvious that other premiers went to this meeting, given the state of the Canadian economy, with concrete proposals which they were willing to put before their provinces and indeed, sir, put before the Canadian people; that they were willing to go to that particular conference with concrete ideas.

Our premier seems to lack in the ideas these days. Given that agriculture is so important, sir, if he is willing to talk about this amongst premiers, other premiers who are willing to make it public, why will you not, sir, today table these discussions or these new ideas in agriculture which your Premier took to this meeting so that the public of Saskatchewan know in this crisis that we have some hope?

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — One of the difficulty with this meeting that has just occurred yesterday, Mr. Speaker, is that the Prime Minister did not even have an agenda. And that's understandable in that there was a very short notice. We would have preferred that this meeting be in the early part of January so that there could be a development of a specific agenda addressing specific topics, but faced with a situation that that we are faced . . .

The Speaker: — Order. I've taken note already and the member from Rosthern has interjected now five times in the first few minutes. If this is going to continue, we're not going to have a very successful question period.

An Hon. Member: — All we want is an answer, Mr. Speaker.

The Speaker: — Are you challenging the Chair?

An Hon. Member: — Of course not.

The Speaker: — All right.

Hon. Mr. Tchorzewski: — Thank you, Mr. Speaker, as I was indicating, that faced with the circumstances that we were faced, we welcomed this meeting because it was the beginning of a dialogue which we have been sorely lacking in Canada for the last 18 months.

The Premier did indicate again that there needs to be a cash injection for our farming community in Saskatchewan. He did so when he went with the farmers on the trek to Ottawa some weeks ago. He indicated that we are going to make a priority to renegotiate the GRIP (gross revenue insurance program) program so that the federal government takes more of the responsibility . . . not to have . . . We raised some concerns about the off-loading that the federal government has been off-loading on the provinces, increasing the costs and trying to solve its deficit problem on the back of the provinces.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Supplementary to the minister, Mr. Speaker. Mr. Minister, yesterday in this House the Minister of Agriculture said that he did not give any concrete proposals to the Premier to take to Ottawa. You say today, sir, that the Premier had proposals to take to Ottawa. Other premiers are on the record as saying, yes I have concrete proposals.

Mr. Minister, if your Premier had these concrete proposals, because he's carrying the ball on agriculture because that minister hasn't got anything concrete to give him, why won't you tell the people of Saskatchewan what they are. Let us know. Let farmers know that as we go into this Christmas period that there is hope, that there will be money, that you have not been totally bankrupt and negligent in your duty, sir. Will you answer that?

Hon. Mr. Tchorzewski: — Well I wish, Mr. Speaker, that the member would listen. I just outlined him some of the issues that the Premier raised when he was meeting with the Prime Minister for the brief luncheon meeting.

But I need to emphasize, Mr. Speaker, that the other point that the Premier made very emphatically is that a luncheon meeting can only begin to identify those things that need to be discussed in a more substantive way after there is some preparatory work that is done. I think he achieved a success in that because the Prime Minister has indicated that there will be a follow-up meeting. Our only hope is that after the follow-up meeting there will still be a commitment by the federal government to include any of the decisions that are made in the forthcoming federal budget.

Some Hon. Members: Hear, hear!

Mr. Swenson: — New question to the minister, Mr. Speaker. Well it seems, Mr. Minister, that lunch was good because he'd like to go back and have lunch again.

But other than that, Mr. Minister, I see by the newspaper reports that the Government of Ontario, a New Democratic government, has said that they will have put forward a proposal on RRSPs (registered retirement savings plan). Would the minister today be willing to tell the House if he agrees with that proposal. Did his Premier agree with that proposal, the RRSP proposal, so that home owners, first-time home owners in this province might know that they at least have some support from their Premier on somebody else's idea?

Hon. Mr. Tchorzewski: — Thank you, Mr. Speaker. That is a proposal that has some interest and we will obviously look at it. It is not simply a matter of having a proposal brought to a table and accepting it or not accepting it. We don't reject it; we think that it has some possibilities. We have to consider a number of factors. We have to consider what kind of benefit will it have in Saskatchewan. Since it's for first-time home buyers, you have to ask whether first-time home buyers have got any or enough RRSPs to make a difference to them. That is a very significant question.

We will research all that, we will analyse it. And at the follow-up meeting, which is going to be happening early in the new year, we will then be in a position to make a further more substantive statement at that meeting so that the first ministers can then deal with these kinds of matters with the kind of information that they should have in order that they can make a decision.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Supplementary to the same minister, Mr. Speaker. Would the minister then care to comment upon Mr. Getty's proposal to reduce general income tax by 1 per cent? And do you know, sir, did our Premier support that particular proposal at the table? Did he support that very concrete suggestion made by another Premier in public in the open to stimulate the Canadian economy? Did he do that, sir?

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — I want to, first of all, tell the member that this province has already taken a major initiative on the tax side by removing the provincial sales tax.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Mr. Speaker, we did not wait for the first ministers' meeting to take place in Ottawa to take that initiative which is helping to kick-start our economy, which saved 7,500 jobs which would have been eliminated if that policy of the former government had stayed in place. And all I can say to the member opposite is I hope that he will stand up in the House and support that Bill when it comes up for debate later today.

Some Hon. Members: Hear, hear!

Mr. Swenson: — New question to the same minister, Mr. Speaker. Mr. Minister, given that you have some definite views on what other premiers have put forward on the Canadian economy, would you now be prepared to tell this House what other premiers thought of our Premier's ideas, and did they support, Mr. Minister, did they support our Premier's proposals on agriculture? I don't see it reported in the newspaper, but perhaps in talking with him privately you would know whether he had general support on those proposals which he put forward yesterday. Would you tell the House that please, sir?

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Well it is clearly reported in

the press and it was clearly an impression I got when I was at the Finance ministers' meeting about a week ago that there is overwhelming support on the part of all premiers for a program to provide an economic recovery for Canada. That is undeniable, Mr. Speaker.

What the nature of the discussions were at the luncheon table where only the first ministers attended — not even officials, I understand — I can't report to this House. So I find that the member's question is a little difficult and a little strange in the circumstances.

I can assure the member when the Premier returns he'll be in a position to give a pretty specific report based on the things that happened at that luncheon meeting, and then the member will be informed, as he desires to be.

Some Hon. Members: Hear, hear!

Mr. Swenson: — New question to the same minister. Mr. Minister, it is very obvious that other premiers went to this conference prepared to lay concrete proposals and ideas upon the table. It is very obvious, sir, from the questioning yesterday and again today that our Premier took no such ideas.

And I say to you, sir, and my question is: given that over half the agricultural land in Canada is in this province, given that agriculture is still the number one industry in our province, would you not say, sir, that it is both morally and fiscally bankrupt not to take ideas to a conference of first ministers on the economy when your number one industry is at stake, and you are not willing to tell the public of Saskatchewan what those ideas were or what feedback that the minister got in Ottawa?

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Mr. Speaker, the member opposite should know that it was that group of members, when they were in the government, who bankrupted the province of Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — By the kind of waste and mismanagement that took place when they were in power. But in response directly to the member's question, I just want to say this: I think that going to the first ministers' meeting and urging the federal government to act on the needed cash injection to farm producer is a positive recommendation. I think that raising the question of the need to renegotiate the farm support programs like GRIP and NISA (net income stabilization account) is a very important issue to raise.

I think, Mr. Speaker, that talking to the federal government and the Prime Minister about doing away with the two-price system for wheat but doing away with the interest-free cash advances which the members opposite supported when they were on the government side of the House, is an important initiative. The Premier of this province has done that in the farm trek to Ottawa some weeks ago; he did it yesterday; he did it with the support of farmers. The members opposite refused to go. We have taken some action; the members opposite have

refused to take part in it.

Some Hon. Members: Hear, hear!

Mr. Swenson: — A new question to the minister, Mr. Speaker. Mr. Minister, our Premier was recently quoted as saying that he planned to talk about constitutional issues during the night-time hours while he was at this meeting. Now I really don't care what he does at night-time hours without his luggage, Mr. Minister. But I would like you to tell the House today whether our Premier was successful or not in bartering our province's support for the constitution for 3 or \$4 an acre at least for our farmers.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Well, Mr. Speaker, I don't know whether the issue of the constitution came up at this closed meeting of the first ministers. I do know that the Premier of Saskatchewan emphatically and forcefully put forward the proposition that the federal government has some responsibility in deciding what it is the federal government believes should be the future of a very fundamental industry in this country, and that is agriculture.

And the Premier went there and made the proposals on the cash injection, made a proposal on the need to renegotiate GRIP, raised all of the issues involved with agriculture, because we think it's an important issue that needs to be addressed at the first ministers' meeting, at this meeting yesterday and the next one, because the future of agriculture is not only important to Saskatchewan, it's also important to all of Canada.

Some Hon. Members: Hear, hear!

Farm Foreclosure Moratorium

Mr. Muirhead: — Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister of Agriculture. And it relates to foreclosures — moratorium on farm foreclosures. Mr. Speaker, the minister has told this House and told the people of Saskatchewan several times in this last few weeks that he's been . . . that he has initiated discussions with the lenders on farm foreclosures and how would it work. I don't know why, Mr. Speaker, I don't know why that he would have to . . .

The Speaker: — Order. I would ask the Government House Leader and the member from Regina Churchill Downs not to interrupt when the member from Arm River is trying to ask a question.

Mr. Muirhead: — Thank you, Mr. Speaker. Mr. Minister, I don't know why you'd have to ask the bankers and lending institutions how a moratorium would work when you very clearly have stated that you have been asking farmers how it would work for them the last nine and a half years, but nevertheless you did.

So my question is: will you give this House an update on those negotiations and specifically, will he tell us, the farmers and lending institutions, whether this moratorium will be a short moratorium or a long moratorium or no

moratorium at all.

Some Hon. Members: Hear, hear!

Hon. Mr. Wiens: — I will give you an update to the extent that it's practical to do that with respect to negotiations. We've met with the Farm Credit Corporation, with all of the independent financial institutions in Saskatchewan, and with the credit unions. And the discussions are ongoing and they're ongoing in the spirit that, in order to have the best solutions to a very tough crisis in Saskatchewan, it means all of us have to be in there together. And we have to have a co-operative spirit about the way we resolve the long-term solutions.

We're working in discussion with farmers and discussion with lenders and in discussion with all the parties that are concerned with the farm debt question. And we will announce the results of those negotiations when that's appropriate to do so.

Some Hon. Members: Hear, hear!

Mr. Muirhead: — Supplementary to the minister, Mr. Speaker. I'm glad that he's telling us now what he's been doing and who he's been talking to. This is the first time he's ever specifically mentioned a lender like Farm Credit, etc.

Will the minister, on my supplementary, will the minister stand up and update this House, update this House on his negotiations with lending agencies on the subject of moratoriums and also table all minutes and correspondence relating to it.

Some Hon. Members: Hear, hear!

Hon. Mr. Wiens: — Well I will at an appropriate time inform the House of the proceedings that have occurred, and I'm sure you understand that it would be completely inappropriate to do that at this time.

Some Hon. Members: Hear, hear!

Mr. Muirhead: — Mr. Speaker, I do not understand that it would be appropriate. I think you could update us as we go along. Anyway a new question to the minister, Mr. Speaker.

Thousands of farmers are anxious to know whether this anticipated moratorium will come early enough to save their farms or not. They're worried out there whether it's going to come in time. Many other farmers though, Mr. Speaker, to the minister, want to know whether they will be able to get access to operating credit this spring if the private credit dries up as a result of legislative moratorium.

Hon. Mr. Wiens: — I find it interesting that the member opposite, Mr. Speaker, chooses to raise, now that I've explained that it is necessary to co-operate both sides of the horn of the dilemma of that discussion . . . and I appreciate that you understand enough of it that you would project both sides of that very difficult question. It's the reason why we're talking co-operatively with people in order to get a solution that gives both security in the

short run for those in deep trouble, and access to capital for all others.

Some Hon. Members: Hear, hear!

Mr. Muirhead: — New question to the minister, Mr. Speaker. The minister has made statements that when they come up with a moratorium, if they do, that they're going to exempt credit unions. Can you tell me how your negotiations with the credit unions is working and if they agree with this, and other bankers agree with this; if the farmers agree with this? Can you tell us that question?

Hon. Mr. Wiens: — I would like the record to show that nothing like that was ever said and will not be said. The discussions are ongoing with all the parties jointly and the results of those negotiations will be revealed publicly at a time when an agreement is reached.

Some Hon. Members: Hear, hear!

Mr. Muirhead: — Another new question to the minister. Many farmers are telling us this. The minister announced his threat to impose a moratorium — be it right or be it wrong. And if lending agencies . . . and they're also saying if lending agencies do not co-operate . . . in order to clean this up, Mr. Speaker, to clean up their books, many agencies are foreclosing right now on farmers. They're doing it just very instantly. They're hurrying.

So do you not believe, Mr. Minister, that this here threat of a moratorium could be having the opposite effect of what you intend to do to help farmers, that they're being foreclosed on because of your threat daily — because the banks and the agencies are just moving constantly on farmers. At Christmas time . . . with Christmas coming on, Mr. Minister, farmers have been foreclosed like never before. Can you tell us if you agree with this or not, Mr. Minister?

Some Hon. Members: Hear, hear!

Hon. Mr. Wiens: — I would like the minister opposite if he would at some . . . or the member opposite to at some point identify what his real agenda is here. As I've said repeatedly, I have said repeatedly to you today, and I've said it to you yesterday, that the negotiations are proceeding in a co-operative fashion because we recognize that it's important for everybody's interest to be represented in the discussion that's sensitive. We know the pressure that's on farmers. We know that that did not begin today and we know that the actions that your government took in playing footsies with the federal government only resulted in the extension of the problem and it resulted in the fact that it is a crisis now. You called the election late. We've done everything in our power to have the crisis dealt with since then and we will continue to do it aggressively.

Some Hon. Members: Hear, hear!

Mr. Muirhead: — A new question to the Minister of Agriculture. Mr. Minister,

I wonder if you really do understand how the acceleration of foreclosures is happening every day in this province. It's happening very quickly. Do you really understand in here, Mr. Minister, what's really happening?

And will you stand to your seat, will you stand up, and tell this here province of Saskatchewan — tell the farmers, tell the media, tell the Assembly — whether your party, the NDP (New Democratic Party), made a promise at election time that under any circumstances the first legislation will be a moratorium on farm closures. Will you tell us?

Some Hon. Members: Hear, hear!

Hon. Mr. Wiens: — The promise that was made in the election campaign was that we would sit down with the lending institutions and negotiate both short- and long-term solutions to the debt crisis in Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Muirhead: — Mr. Speaker, new question to the Deputy Premier. Mr. Deputy Premier, you've heard the questions I've asked the minister and you've heard his answers that there was not a promise for a moratorium on farm foreclosures.

With your permission, Mr. Speaker, I'd like to just read one part of their election policy at election time: short-term or long-term moratorium. New Democrats believe that there should be a moratorium on farm foreclosures. It makes no sense for hundreds of families to be driven from their land just as programs which could help them turn their situation around are being introduced. A moratorium on foreclosures would be introduced within days of a New Democratic government taking office.

Mr. Deputy Premier, will you tell us if this government is breaking their promise on a moratorium or are they going to keep it? Whether it's good or not, whether we believe in it or not, will you tell us whether they're going to keep that promise? Because it's very clear — it was also in the *Leader-Post* yesterday . . .

The Speaker: — Order, order.

Hon. Mr. Wiens: — I want to tell you that the promise that was made in the election campaign — and if you want to go look at our election literature you can find that out — was that we would sit down with the lending institutions and negotiate agreements to the debt crisis.

The first action of our government, one of the first actions of our government, was to commit our institution, the ACS (Agricultural Credit Corporation of Saskatchewan) to no further legal actions and foreclosures except for a band of exceptions that was there to protect the institution. And we acted immediately to do that before the cabinet was sworn in.

Some Hon. Members: Hear, hear!

Mr. Muirhead: — Mr. Speaker, a question to the Deputy Premier or whoever wants to answer. I happened to be, Mr. Minister, in the same campaign as you people were in and I never heard one word about talking to the lending institutions in this government. It was a promise for a farm

debt moratorium. Will you now stand to your feet and say whether the promise is being broken or not. Are you going to break that promise or keep it within days?

Some Hon. Members: Hear, hear!

Hon. Mr. Wiens: — Again I find the actions of the member interesting. Because on one hand he's encouraging an action which, on the other hand, he's saying will be destructive to the agricultural industry.

What I'm saying is that the promise that was made in the election campaign was that we sit down and negotiate with the financial institutions both short- and long-term solutions to the debt crisis.

Some Hon. Members: Hear, hear!

The Speaker: — Before we get on to the next item of agenda I would just like to remind members, I kept track this morning of the interruptions either when questions were asked or when answers were given. There were 26 interruptions this morning which interfered either with the question asked or with the answer given. And for the edification of one particular member, he interrupted 13 times. I think this is simply unacceptable, and in the future will not be tolerated and will be dealt with.

ORDERS OF THE DAY

QUESTIONS PUT BY MEMBERS

Hon. Mr. Lingenfelter: — Mr. Speaker, I move question no. 28 be converted to motion for return (debatable).

The Speaker: — Motion for return (debatable).

Hon. Mr. Lingenfelter: — Mr. Speaker, I move that question no. 29 be converted to motion for return (debatable).

The Speaker: — Motion for return (debatable).

Hon. Mr. Lingenfelter: — Mr. Speaker, I move question no. 30 be converted to motion for return (debatable).

The Speaker: — Motion for return (debatable).

Hon. Mr. Lingenfelter: — Mr. Speaker, I move question no. 31 be converted to motion for return (debatable).

The Speaker: — Motion for return (debatable).

Hon. Mr. Lingenfelter: — Mr. Speaker, I move question no. 32 be converted to motion for return (debatable).

The Speaker: — Motion for return (debatable).

Hon. Mr. Lingenfelter: — Mr. Speaker, I move that question no. 33 be converted to motion for return (debatable).

The Speaker: — Motion for return (debatable).

Hon. Mr. Lingenfelter: — Mr. Speaker, I move that question no. 34 be converted to motion for return

(debatable).

The Speaker: — Motion for return (debatable).

Hon. Mr. Lingenfelter: — Mr. Speaker, I move that question no. 35 be converted to motion for return (debatable).

The Speaker: — Motion for return (debatable).

Hon. Mr. Lingenfelter: — I move that question no. 36, as well, be moved to motion for return (debatable).

The Speaker: — Motion for return (debatable).

Hon. Mr. Lingenfelter: — I move that question no. 37 be converted to motion for return (debatable).

The Speaker: — Motion for return (debatable).

Hon. Mr. Lingenfelter: — Mr. Speaker, as well, move that question no. 38 be converted to motion for return (debatable).

The Speaker: — Motion for return (debatable).

Hon. Mr. Lingenfelter: — Mr. Speaker, I move that question no. 39 be converted to motion for return (debatable).

The Speaker: — Motion for return (debatable).

Hon. Mr. Lingenfelter: — Mr. Speaker, I move question no. 40 be converted to motion for return (debatable).

The Speaker: — Motion for return (debatable).

Hon. Mr. Lingenfelter: — I move that question no. 41, as well, be moved to motion for return (debatable).

The Speaker: — Motion for return (debatable).

GOVERNMENT MOTIONS

Extended Sitting Hours

Hon. Mr. Lingenfelter: — Mr. Speaker, I appreciate the opportunity to speak to this motion, and I'll speak only briefly.

Mr. Speaker, what this motion is intended to do — and I spoke to the Opposition House Leader this morning on this issue — what we would very much like to do here is to allow for the opposition, the independent member, as well as the members of the Conservative opposition, to give them adequate time to deal with the matters on the order paper in a diligent manner between now and Christmas Day.

I think that there is an opportunity to finish up the working of the House in the next four days by extending hours a bit between now and the day of Christmas. I think it's fair to say that we will be in a position to finish up the work of the House. Failing that, to work during the period between Christmas and New Year's to see if we can't get the work wrapped up that's on the order paper by the end of the

year. Therefore the motion. And I would ask that all members of the Assembly support it.

Motion agreed to.

GOVERNMENT ORDERS

ADJOURNED DEBATES

SECOND READINGS

Bill No. 3

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Lingenfelter that **Bill No. 3 — An Act to amend The Education and Health Tax Act** be now read a second time.

Mr. Martens: — Thank you very much, Mr. Speaker. I have, as I've outlined earlier in this discussion, some remarks to make regarding the blending of the taxes of the education and health tax together with the goods and services tax to make it a little bit easier for agriculture to respond, a little easier for business to respond. And I particularly want to talk about it from the aspect of how it affects the people of my constituency, but also I want to talk today a little bit about how it impacts into the accountability of the province of Saskatchewan to deal with their revenues and to deal with their expenses.

Mr. Speaker, we took a very serious look at how we were going to handle all of the work as it related to the development of a fiscal, responsible attitude in developing the policies of the government in this past two years. And what we set out to do was, Mr. Speaker, to provide a balance between the expenses that were being accrued by the government and also by the revenue that we needed to have in order to meet the requirements that the people wanted to have.

There are a lot of different things that need to be talked about in this, Mr. Speaker. The revenue for the province of Saskatchewan . . . it was very important to realize that it was based on the need to get a balance between what people were prepared to accept as a tax and what people were not prepared to accept as a tax. And we fully understand that there were serious concerns raised by individuals in various sectors that dealt with problems as it related to an extension of the education and health tax.

And the restaurant business was one of them, and we consistently said that that was there and we acknowledged it. And I would say, Mr. Speaker, that as I went around and visited with the restaurateurs, there was a lot of hesitation on their part to collect it. But I want to say, Mr. Speaker, that as I went around I didn't notice that there was any less people eating out. I didn't notice that there was any less people who were not prepared to pay that.

In fact, Mr. Speaker, the very fact that a lot of the people who were going into those restaurants were agriculture people who were getting the benefit of the extension to the goods and services tax . . . the harmonization, synchronization, or blending, whatever you want to call it, moving the taxes together.

We've had in this Assembly the Bill presented to make the education and health tax go back to what it was prior to the spring sitting. Now, Mr. Speaker, whether you agree with that or not, that really I don't think should be the issue that we talk about. The issue we should talk about is whether in fact harmonizing the tax and synchronizing it between what the federal government can do and what the provincial government can do, that's what we should be talking about. And that, Mr. Speaker, I think is where I want to begin my discussions today.

The savings to the province of Saskatchewan were \$5 million as it related to the impact simply on the administration costs that E&H (education and health tax) . . . costs in the province of Saskatchewan versus combining the two together and allowing the federal government to collect the tax and the provincial government to audit.

And, Mr. Speaker, the agreement was reached with the federal government to do that. And it would have saved the taxpayers of Saskatchewan \$5 million in order to get that done. And I think that was one of the things that should have been looked at when the members opposite made this promise to the people of Saskatchewan.

I want to point out that the promise was made in a nebulous kind of a way. Many people who went to shop, in fact when they were buying or were going to buy appliances or things like that, they told hardware dealers in my constituency, well we're going to wait till October 22 and then buy the goods and services. And the hardware people said no, you're going to pay it after. It's only on those things that had an extension on the E&H tax that we're going to have the drop in the 7 per cent.

And I noted that many of them had arguments with their customers about what was going to be taken off and what was not going to be taken off. And, Mr. Speaker, there were people who even returned goods because they thought they had been told that on the 22nd they would be getting the tax taken off, when in fact they weren't.

Mr. Speaker, harmonizing, synchronizing, blending, whatever you want to call it, the two taxes together has a very specific advantage to the people in my constituency. Mr. Speaker, the individuals who are going to benefit or would have benefitted the greatest by synchronizing, blending these two taxes together, would in fact have been my farmers.

Mr. Speaker, the goods and services tax was implemented in a way to reduce the cost of the federal sales tax and allow a more systematic way of handling the federal sales tax by making goods and services taxable as a part of the role of the federal government.

I have people in my constituency, Mr. Speaker, who are machinists, for example, who sell products to industry; they sell products to agriculture; they sell products partly manufactured; they sell products that are not manufactured at all, they're simply a raw product. And the biggest concern that these individuals had was that . . . for example, I'll take a steel plate that was bought from IPSCO, put into the machinist's shop. If he put a cutting

torch to it, he had to apply goods and services . . . or a federal sales tax to it, he had to apply E&H to it. If he did not touch it then it went out into that customer's hands and no goods and services tax or E&H was applied.

And, Mr. Speaker, the conscious decision on the part of the people who provide the service to rural people was that the decision had to be made by them. Later on auditors would come and they would say, well you did this to that and therefore it's taxable; are you going to pay it up? Well he had not collected it on the basis that as far as the understanding and the complexity of all of the things that he had to do, he was collecting as far as he deemed that he was supposed to, and yet he was cut down afterwards because of an audit that was done. But, Mr. Speaker, it frustrated the manufacturer as a part of what he had to apply the tax on and what he didn't have to apply the tax on.

Another thing that I want to discuss in relation to this is the area where the individual is receiving the goods and services tax back. And in certain areas many people across this province who are not in agriculture have automatically assumed that the farmer did not pay any education tax. And that is totally incorrect.

Mr. Speaker, the farmer pays it on hydraulic hoses, he pays it on batteries, he pays it on tires, he pays it on antifreeze, he pays it on oil, he pays it on a whole lot of things that are part of the education tax. And he has always paid that.

And now, Mr. Speaker, what we were going to do is he was going to get that rebated to him because he was in the process of manufacturing food. In order to have that benefit we were going to blend the two taxes together and then that way, Mr. Speaker, make him just a little bit more efficient.

(1045)

And, Mr. Speaker, I want to point out that when that tax on the goods and services tax was able to be made rebatable, the individual producers — and I've talked to many of them — have had a significant amount of tax rebated on that basis. And the blending of the two taxes together would have allowed the agriculture people in my constituency to get a tax break.

And I want to point out to you that that tax break is fairly significant. The average probably would be around \$2,500 per farmer that he would get back on a GST (goods and services tax) per year. And in fact it may be even higher because I know that my family is probably going to get pretty close to \$10,000 back from the federal government on the goods and services tax. And if that was harmonized or blended together, they would receive another \$10,000 from the very fact that they had paid the tax and had traditionally paid the tax and now were going to get it back.

Mr. Speaker, I pay tax on batteries — I paid tax on batteries — I've done that for years, and now I would get it back as a part of the consumption to produce food as a business in my capacity as an agriculture food producer. Mr. Speaker, I really do understand. The Minister of

Finance doesn't understand because his philosophy has deflected his mind from being involved in making a rational decision about this.

Mr. Speaker, the Minister of Finance yesterday in discussion on the matters before the House as it dealt with tabling of Bills, I believe, or one of the other Bills, just said to this Assembly that there was about a \$72 million loss of revenue to the treasury because the E&H would be not harmonized or synchronized or blended or whatever you want to call it. And, Mr. Speaker, that cost is going to hinge on who, Mr. Speaker? It's going to be a lack of a benefit to the farmers in my constituency. It's going to be a benefit that isn't going to be there for my small business, and it's not going to be there for the manufacturer in processing in the province of Saskatchewan.

That, Mr. Speaker, is where it's at. We have a Finance minister who doesn't understand agriculture. He doesn't know that I pay tax on tires, but agriculture people know that I pay tax, that I pay it on my truck tires. I pay it on my tractor tires. I pay it on my batteries. I pay it on hoses — all of the things related to that. I pay that on my vehicles. And that, Mr. Speaker, is very significant when it comes to the kinds of things that have to be done in relation to agriculture.

I believe, Mr. Speaker, that there are other areas that need to be pointed out. In the area of comparison of the rebate for education and health tax and the goods and services tax, if that was synchronized or blended together, Mr. Speaker, in many cases the volume of rebate to the farmer would be higher than the payment that will be made to that agriculture producer on the money that he is getting from the federal government. And, Mr. Speaker, I think that that's fairly significant. In my case and in many others, the rebate would be higher than what they're going to get from Ottawa.

And I think, Mr. Speaker, that that's important for the people of Saskatchewan. Do you know why I think it's important? I think it's important because people will have the opportunity to spend the money at their own discretion. That's why I think it's important.

People can decide whether they're going to spend that rebate money on buying more commodities that relate directly to their production, or whether they want to buy commodities that relate to their home or their involvement in the home. Those are the kinds of things that, Mr. Speaker, are allowing the individual the discretion and the capacity to deal with the money in his own pocket. Not letting the government deal with it and say, oh we've got a better idea for you, but allowing the producer or the farmer to get the benefit of it.

And, Mr. Speaker, I think that that's really the fundamental concern that I have about this removal of this harmonization, blending, or whatever you want to call it.

Mr. Speaker, another area that will be significantly impacted is the area of . . . the people who are in livestock industry, Mr. Speaker, are going to be impacted on this too. Traditionally what happened when a person bought material from the lumber yard for building his corrals, his

hog barns, his loafing barns, the tax was paid on the building materials. And, Mr. Speaker, that was a significant amount.

Earlier on, before the goods and services tax came on, it was 12 per cent, Mr. Speaker, that we paid. So what we as producers paid was 12 per cent of the price and then we took another 7 per cent of that whole volume and we paid tax on that.

So really, Mr. Speaker, we were almost paying 20 per cent tax on buying a two by four or buying a bull rail or whatever you were buying for use on your farm. And, Mr. Speaker, 20 per cent tax was way too high. As a matter of fact when they put the goods and services tax in, it lowered that tax from 12 to 7. Now we pay 7 per cent on that, Mr. Speaker.

And, Mr. Speaker, if we would blend the two together, we would be paying 14. If you set them so that the tax, the way they're proposing to have it done, if you do that now, you're actually paying almost 15 per cent tax on that material. And then, Mr. Speaker, we as a producer, under blending the taxes, we would get that back as a rebate.

And, Mr. Speaker, before we were paying all of it. With the way that we had proposed it, we would be getting it back. And, Mr. Speaker, it would allow me as a user of that product to be able to go and buy other things that were needed on the farm.

Mr. Speaker, that's the reason why I believe that this is the wrong route to take. We can talk about the level of tax or whether this should be on or that should be on. But, Mr. Speaker, the idea that the blend be there is fundamental to the discussion. I think it's very important.

I want to point out too, that a large part of the people in my constituency work in the oil patch. A lot of them are involved in the small oil field service companies that are in a large part the major part of the oil industry in the province.

Many, many times, Mr. Speaker, we have had cases where people from Alberta come in and provide the service because they bid competitively for the opportunity to do seismic work, to service the rigs, to have the rigs come in themselves. This service, Mr. Speaker, was bid competitively. What consistently happened — and we had that happen for the last five or six, maybe 10 or 15 years — is that Alberta has been able to compete more actively because they don't have to pay the 7 per cent sales tax on their oil rigs. They don't have to pay that on their truck fleets. They don't have to pay that on their tanker trucks.

However in Saskatchewan, Mr. Speaker, we have been required to pay that. With blending the taxes together, Mr. Speaker, they now would be able to be competitive with the Alberta contractors who are able to now outbid them for the opportunity to work in Saskatchewan.

Mr. Speaker, the opportunity by these oil service companies is being eroded by this. In fact I would just like to say that one of the people that I associate with very closely, very good friend of mine, has indicated to me that

on the 16th of December his job was terminated. Worked for a large, major oil company and that service is being down-sized in the city of Swift Current so that the foreman, on a reduced salary, is the only one that's going to be employed and he's going to do it out of his own house. And this, Mr. Speaker, is an international firm who is closing the shop in Swift Current.

Now that, Mr. Speaker, is very significant in relation to how these individuals can competitively bid for service opportunities in the province of Saskatchewan.

Now we may be able to say that we'll build a wall here and build another wall there, and that is exactly one of the things that our Premier should be talking about — saying, well I'm not going to do that. I'm not going to allow that to happen. I'm going to lower the restrictions so that I can trade goods and services, trade opportunities for employment across the boundaries in Saskatchewan.

And I think, Mr. Speaker, that it's important for us to do that. These kind of things impact in my constituency to a great deal, Mr. Speaker, and they have done it for a long time. The oil field industry is significant in many other ways that it relates on how it responds in this focus, also in agriculture.

Mr. Speaker, the young people on the west side of my constituency are involved in farming and they also are involved in the oil field. And, Mr. Speaker, they take from the economic opportunity in the oil patch and put it into their farms. You will find that on the west side of my seat, which has some very poor farm land, has some of the nicest homes on it. And it's because the oil patch has given an opportunity for those young men and women to settle in there and to deliver an opportunity for off-farm income that is not only available for the young men there, but it's also available for the women in the west side of my constituency and on the south side, down around Shaunavon. And, Mr. Speaker, it's important for us that as a part of the opportunity we have to blend the tax together so that we don't have this non-competitive position in relation to the people of Alberta and that, Mr. Speaker, is very important.

I want to point out, Mr. Speaker, that we had a manufacturing industry develop in Swift Current. It's been a family manufacturing firm for many, many years. The firm decided that they were going to expand their business and probably in the late '70s or in about that time they did that. And what happened, Mr. Speaker, is they got permission from the provincial government at the time and the federal government that they would get a rebate on their federal sales tax or that they were going to get a grant. They were going to get a grant of X amount of dollars. And really what it was, Mr. Speaker, was the equivalent to what they were getting back in their education tax, their provincial education tax that they had paid and the federal sales tax.

And, Mr. Speaker, that was the reason why they could give the grant. Now if it was good for that business to get a grant back of the taxes that they had paid, why wouldn't it be good to have those businesses get the tax back that they had paid in for developing the industry such as IPSCO, industry such as Degelman, industries such as

Leon. Why wouldn't it be important for them to get that rebate on that tax?

And that, Mr. Speaker, is the reason why they should become involved because, Mr. Speaker, they in fact give more opportunities. They give more opportunities for employment, and they have a competitive edge. What happens now, Mr. Speaker? They got to pay that E&H tax, and that is allowing or forcing them to be less competitive in other jurisdictions. And that, Mr. Speaker, is what we have to consider.

I want to talk a little bit about the opportunity for making more jobs. We have consistently heard for the last year and a half that this was going to be a heavy-handed, derogatory or pushed down on the amount of employment opportunities.

Mr. Speaker, it in fact is the opposite. It gives more discretionary income to the individuals to be able to spend it in places to give more job opportunities. And that, Mr. Speaker, is as important as anything in talking about what gives the economic benefit an advantage to the people in Saskatchewan. That's the reason why I think it's important.

(1100)

Another thing that I believe is significant is that the NDP at the beginning told us that this was the right thing to do. As they sat in opposition last year, they consistently said over and over and over again that this was the right thing to do — harmonize. They said it over and over again in this Assembly, outside the Assembly, and all over. They said, harmonize the tax. Blend it together to make it less costly to administer because of the complexity of it. They said it over and over again. And, Mr. Speaker, that is exactly what we were going to do.

And now, Mr. Speaker, the opposite is in fact happening. The additional costs, as were pointed out by the members opposite, was one of the reasons why we did it.

And, Mr. Speaker, I can recall very vividly, the member who then represented Regina Centre stood here and he said over and over again that the tax was to be harmonized. It would benefit all the people of the province of Saskatchewan in the fact that there would be less administration costs. And that, Mr. Speaker, is the reason why we are involved in this discussion.

There are a number of other things that I want to point out. Mr. Speaker, the opportunity for the province to get a reasonable approach to getting a balanced budget had an important part to play in why we said we were going to do these things.

I want to point out to the Assembly that in the province of Saskatchewan we have 50 million cultivated acres. Agriculture has 50 million acres that they cultivate. We have another 15 million that they have as pastures, unimproved land. But the 50 million acres . . . if for example we were to make a comparison on the economic benefit that the taxpayers provide for agriculture in the province of Saskatchewan . . . And we have heard people say, well this program for agriculture development with

GRIP and NISA is too expensive on the consumer, it's too expensive on the taxpayer.

Well let me point out to this Assembly that the money from the additional items on E&H were going to pay some of the shortfall in agriculture. Now 50 million acres in the province of Saskatchewan, the increase in tax would provide an additional \$4 a cultivated acre to the farmers in the province of Saskatchewan. GRIP and NISA were going to cost \$4 a cultivated acre in the province of Saskatchewan. That's what it was going to cost.

And, Mr. Speaker, it was not unreasonable to ask for the people of Saskatchewan, including the farmers who were paying more, including all of the people who are consumers paying more . . . this additional cost would be \$4 a cultivated acre.

Mr. Speaker, I think we need to make a comparison so people will understand exactly what I'm talking about. The taxpayers in the province of Saskatchewan on health care today pay \$32 a cultivated acre, and nobody complains about that. In fact, Mr. Speaker, I spoke the other day to a number of issues that dealt with health care, and the people opposite said they're going to cut from three and a half per cent down to one and a half per cent, the grant available to the health care community in this province.

And, Mr. Speaker, agriculture collects \$4 a cultivated acre, and what does health care collect? — \$32 a cultivated acre on the same basis calculated out of what comes out of the budget for agriculture and what comes out of the budget for health care.

Point out another thing, Mr. Speaker, that education costs in the province of Saskatchewan are about \$20 a cultivated acre. And that doesn't include, Mr. Speaker, the taxes that farmers pay themselves. Put that together and we have over \$50 coming from the taxpayers of the province of Saskatchewan for every cultivated acre we have in the province of Saskatchewan, for health and education. And I believe in health and education, Mr. Speaker. I think it's important. But only \$4 comes to the farmer from the taxpayer on the basis of a cultivated acre.

And that, Mr. Speaker, is one of the reasons why I think it was important to introduce not only a program to pay for the additional costs in health care, additional costs in education, additional costs in the agriculture programs that we had . . . And that, Mr. Speaker, is why we need to have a rationalization of the tax system so that it blends itself together. That's why, Mr. Speaker, we gave this opportunity for the people of Saskatchewan.

Mr. Speaker, I believe that I have provided not only for this Assembly, but for other people in the province, a rationale for the kinds of things that we did. And I know, for example, Mr. Speaker, that the taxpayers of this province were not in agreement with it. But I also know, Mr. Speaker, that the people who received the benefit of this tax also said that we would like to have the benefits continue.

So we have a dilemma, Mr. Speaker. On the one hand we have people saying, no, I don't want to have more taxes

and on the other hand I want to have more services. And you cannot afford to do that any longer, to have the two not match. And I think that it's time that this Assembly and it's time for us all to put our heads together to see whether there is an opportunity to get an answer.

I want to point out too, Mr. Speaker, that there is a necessity of the present administration to give us alternatives to this. They said in fact, Mr. Speaker, that the people who are taking this tax off should have an alternative to the kinds of things that we suggested. What is the alternative? Is the alternative to this tax, Mr. Speaker, an increase in the volume of tax from seven to maybe nine, in order to meet the same volume? Are these people going to do that?

Are they going to raise the flat tax as an alternative? Are they going to raise the tax on other commodities? For example, are they going to raise the tax on individuals and income tax? Are they going to raise the tax as an alternative from taxing wealth as it relates to assets? Are they going to start to do that?

Mr. Speaker, there is a tax in this province called the capital tax. And what it consistently does is it taxes those companies that have major holdings in the province of Saskatchewan, like banks, like railroads, and other major companies over a certain size. That, Mr. Speaker, has a tremendous amount of cash that it delivers on a half a point of an increase in tax.

However I want to point out, is the Assembly, as an alternative to this, going to tax the capital of the people of the province of Saskatchewan? And if that is the case, Mr. Speaker, then we are in very serious trouble because the capital tax is not a tax on a commodity that is easily moved.

And therefore, Mr. Speaker, what's the alternative to the tax that we have here? Where are you going to give us jobs; where are you going to give us an opportunity for our children to stay here and work; where are you going to give us an opportunity to have balanced books which you say that you're going to be able to do; you're going to cut taxes?

Mr. Speaker, they're in a dilemma. And they're in a crossroads here that they're going to have to think very seriously about.

Mr. Speaker, I have tried to raise to the public's attention and this Assembly's attention that I have a very serious concern about not blending the tax together, but I also have a very serious concern about where the alternative is that is going to be provided.

Mr. Speaker, I want to close by saying that I got involved in politics on a tax that I thought was very, very serious. I got involved in politics in 1973, Mr. Speaker — and I want to point this out to the Assembly — in 1973 my father passed away in a car accident and in 1973 there was a tax called the estate taxes. And, Mr. Speaker, our family is a very close-knit family and we had no problem dealing with my father's estate. There was six children in our family and we had no problem dealing with it. As a matter of fact, what we did with the approval of all of us,

including my mother, we put the will aside and we drew up our own. We spent about a month doing that. We set down what we were going to do with the assets that my father had left. My mother was going to get this and my brother and my sisters were going to get the rest.

And that point, Mr. Speaker, was easily accomplished. But what was the most difficult was the fact that we had to pay estate taxes to the provincial government.

Now I became involved after long and serious arguments with the provincial tax collectors. In fact the lawyer who was handling our financial settlements in my father's estate, he probably said this is the most difficult problem he has ever had to face in dealing with a provincial government that he has ever tackled. And that, Mr. Speaker, was from a legal counsel who had been in business for a long time.

I said to myself, if government controls me so much that they can dictate to someone who has died about his assets, then surely there must be a reason why I should get involved in politics. So I did this, Mr. Speaker, I wrote a letter to a person who sat in that chair, and his name was Mr. E.I. Wood. I wrote him a letter and I said: if I want to get involved in politics, I want to know what your party stands for. And I got a letter back and in it had an application form for a membership. And I took a look at it and I said, is this what I want to have?

And I read it through and on the bottom line was something, Mr. Speaker, on the bottom line it says this: I hereby agree to abide by all the policies set down by the executive of the NDP party. And I said to myself that is exactly what I don't want to have.

And, Mr. Speaker, I deliberately took and threw that — I can remember the day I did it — I threw it in the garbage and I said, I don't want to have anything to do with a political party that does that. Then what I did, Mr. Speaker, I went to the other party that my father supported. I went, Mr. Speaker . . .

An Hon. Member: — You were that close?

Mr. Martens: — I was that close, Mr. Speaker. I went to the other party that my father had supported and I said what is that party going to do for me and what can I do for that party?

And, Mr. Speaker, I personally went out to see the candidate for the Progressive Conservative Party in the constituency of Swift Current and I helped him get elected, Mr. Speaker. That's what I decided to do, and at that time I decided that I was not going to be involved with a party that said I'm going to collect taxes on assets.

And, Mr. Speaker, I am going to say to this Assembly that I will definitely not vote for those kinds of alternatives to this tax. To tax assets is, I believe, not correct.

And, Mr. Speaker, we can pick on them because they can't move those assets. Who loses in collecting taxes on assets in the province of Saskatchewan? Is it the oil companies? No. Is it small business? No. Is it rural Saskatchewan agriculture because they can't pick up

their land and go away? Yes, Mr. Speaker, that's where it's at.

And that, Mr. Speaker, is why you have to be very careful where you pick an alternative to where you're going to tax. And, Mr. Speaker, as a part of what we're going to be doing in the next six months as this government unveils its strategy for the future is we're going to be very, very close. We're going to watch very closely what these people are going to do, as what they consider creative alternative to the kind of taxes that we've suggested here.

Mr. Speaker, I believe that we need to run this province in a very systematic, well-balanced way. And, Mr. Speaker, there are times when we need to have deficits, and there are times when we need to have a re-establishment of balanced budgets.

However, Mr. Speaker, as we ask questions of the Minister of Agriculture today, is there going to be a moratorium or is there not? When is he going to start talking about what his promises were? Is he going to implement them?

And that, Mr. Speaker, is why this tax was put in place. This tax, the education and health tax provided \$4 a cultivated acre for the farmers in Saskatchewan so that they could be a part of a benefit . . . that they could get a benefit from . . . or a reprieve, Mr. Speaker, from the volume of hurt that they were having in the province of Saskatchewan. That, Mr. Speaker, is the reason.

And so I want to thank the Assembly and Mr. Speaker for his attention. I feel strongly about this, and I want to say that I will not be supporting this motion as it comes to the floor for discussion.

(1115)

Some Hon. Members: Hear, hear!

Mr. D'Autremont: — Thank you, Mr. Speaker. I only have a few remarks to this Bill. On behalf of my constituents, I want to say to the government that this Bill is plain wrong. The former government made some mistakes that are certainly recognized by the people of Souris-Cannington. And we recognize that we made mistakes, Mr. Speaker.

But let me tell you, sir, that synchronizing the tax was not one of those mistakes. The timing may have been bad. Maybe we should have reduced the rate. But, Mr. Speaker, the basic premise of this synchronization of the tax system is right, and it is economically sound for the people of Souris-Cannington. It's absolutely essential.

Let me talk to you for a moment, Mr. Speaker, about how this issue affects cross-border shopping. And I would be interested in hearing from the members who neighbour my constituency on how they think this Bill will clearly hurt our communities by encouraging more cross-border shopping. If we synchronize the tax system, Mr. Speaker, the federal government would agree to collect both the federal and provincial tax at the border when people return from shopping trips, so if you want a new television you can't escape the Saskatchewan tax by going south.

But with the passage of this Bill, Mr. Speaker, what happens? The NDP is keeping the tax at 14 per cent on televisions. If you buy it in North Dakota you pay no sales tax because it's rebated. People buy in Manitoba also because they do not have to pay the Manitoba provincial sales tax.

When you come back across the U.S. (United States) border the customs agents won't make you pay the NDP's provincial tax, so you have actually got yourself a bargain. So what do you think people are going to do, Mr. Speaker? They're going to go south or to Manitoba or to Alberta to shop.

The NDP tried to make the case that synchronizing somehow would encourage people to cross-border shop, Mr. Speaker. But think about the silliness about that argument. No one, Mr. Speaker, absolutely no one drives all the way to the U.S. to buy a hamburger. They surely are not going to make the trip to save 7 cents on a cup of coffee. No, Mr. Speaker. What they go south to buy are the things that the NDP are keeping the tax at 14 per cent on. They go for big ticket items or for Christmas shopping, for toys, cameras, watches, and that kind of thing. And on all of those things, the NDP is keeping the tax at 14 per cent.

So my communities, Mr. Speaker, are going to hurt. And what do you think is going to happen to the businesses in Gravelbourg or Coronach? Are they going to harvest these great bargains? I ask the member for Assiniboia-Gravelbourg that. Or are they going to be subject to more pressures on cross-border shopping?

Does the member for Shaunavon really think his communities are so far away from the border that he is immune? Or does he realize that when he supports this Bill he will be supporting the destruction of businesses in his own constituency.

Mr. Speaker, this Bill is bad for border communities. Mr. Speaker, what proposals does this government have which will allow border businesses to compete on a level tax field with the businesses in Sherwood, Kenmare, Portal, or even Minot, North Dakota? The problem of cross-border shopping, Mr. Speaker, is felt as far north as Prince Albert. The Saskatchewan people are taking bus tours south just for shopping, Mr. Speaker. Will this Bill change that? I doubt it very much.

This Bill will also be quite harmful to Regina businesses, though the price of a cup of coffee should go down. Well, we'll see. I haven't seen many prices go down since October 22, but we'll see. And I'll be very interested to find out if the government bothers to collect statistics on the increase in cross-border shopping and its effect on the Cornwall Centre and the Victoria Square Mall and the other malls in Regina. If they do not collect such statistics, it will amount to an admission that this Bill has made things worse, and that's pretty obvious, Mr. Speaker.

What are the alternatives to collecting a synchronized E&H tax, Mr. Speaker? Will that be an increase in personal income taxes? Will it be, as the member from Morse has already mentioned, a death tax, an inheritance tax?

In our area, that kind of a tax would be very reprehensible. It would destroy a good portion of our farming community. If you farm with, say, a section of land, Mr. Speaker, what's the government going to take away when you die? A quarter of it? It's pretty hard to run a unit as the government keeps taking away various portions of it. And most, Mr. Speaker, most young farmers do not have the assets to turn around and purchase that land back from the government or to pay the taxes initially. So the land will be turned over to the government. And perhaps this is another manner in which the government opposite hopes to re-establish their land bank program.

Mr. Speaker, is another alternative perhaps an increase in the royalty taxes? We have seen that the previous NDP government during the 1970s increased the royalty taxes to such an extent that it drove a good many of our oil companies out of this province.

I was employed, Mr. Speaker, in the oil patch at that time, and we were down at one point to 30 per cent of our capacity, 30 per cent of our production. That's the kind of regressive taxation that we cannot allow to continue.

That is one of the alternatives that could happen in this province if we do not synchronize the E&H tax with the GST. Perhaps another alternative that the Minister of Finance will propose will be one similar to the tax put in place in Manitoba under the NDP government there — the payroll tax, a tax on employees.

Mr. Speaker, that does not aid the competitiveness of our businesses. Or, Mr. Speaker, would we have an increase in rates for our utilities? Would SaskPower be raising their rates to make up for the shortfalls that the government is going to have in its revenues? The previous government has kept utility rates at a very low level, small increases every year but less than the cost of living, Mr. Speaker.

Businesses in Saskatchewan cannot afford to have a large increase in those utility costs. We cannot afford to have, Mr. Speaker, an increase in power, in gas. We need to remain competitive and increasing those kind of costs, Mr. Speaker, will not make us more competitive. If our costs increase to businesses here, if our costs on utilities increase to our consumers, that is only going to encourage, Mr. Speaker, more cross-border shopping — more cross-border shopping to the U.S., more cross-border shopping into Manitoba and into Alberta.

Increased taxes perhaps on gasoline. Any of these increased taxations — because the government is going to have to come up with some money some place to pay the bills — is going to mean more costs to our farmers, more costs to our businesses. Costs to our farmers increasing only drives more of our farmers out of business, Mr. Speaker. It only drives more of our business away from this province. When the less business, the less farmers, the less purchases we have in this province, Mr. Speaker, means there's less jobs, and that's less jobs in the cities.

If you talk to any of the retail outlets downtown, you'll find out that over the past year there has been a decrease

in the amount of business. That is because people out in rural Saskatchewan do not have the money to come in for shopping. And if they do have some money, Mr. Speaker, they go wherever they can find the best bargains, which in a lot of cases means across the border.

The synchronization of the E&H tax with the GST, Mr. Speaker, would save the government some money — \$5 million in collecting that tax. And \$5 million, Mr. Speaker, is enough money to have got Saskatchewan's share of the \$700 million farm pay-out into the hands of Saskatchewan farmers this year — 1991, Mr. Speaker.

Most farmers are sending in their GST forms every three months. If we had harmonized the E&H tax with the GST, those farmers would be getting back double what they are now. They would be getting back that portion of E&H tax on their purchases that apply to farm expenses. And this could be a significant amount of savings, Mr. Speaker. And even the members opposite that are farmers realize that and know that.

If we can drop the costs of operating to our farmers, to our businesses, it makes our businesses more efficient, Mr. Speaker. Yes, and even more profitable. And what does more profitable mean, Mr. Speaker? It means more jobs for the people of Saskatchewan — more jobs, more income, and more revenues for the government.

Mr. Speaker, as the member opposite mentioned: bigger houses, bigger houses mean more jobs. More carpenters get employed, more electricians, more plumbers, more retail. And all of those things are a benefit to the entire economy of Saskatchewan.

Mr. Speaker, the GST is here. This provincial legislature cannot do anything about it. We must learn how to work with the GST, rather than simply trying to ignore the fact that it is there. It is not going to go away, Mr. Speaker.

Farmers and businesses pay the E&H tax now on a good many of their purchases. By harmonizing, by synchronizing with that tax, there is a definite cost saving to those farmers and businesses. Those farmers and businesses are not avoiding paying any E&H tax, Mr. Speaker. They pay it the same as everybody else does when they make personal purchases.

Since October 21 the cost of a TV, Mr. Speaker, or any other consumable goods, have not gone down with the removal of the harmonization even though a good many people felt that it would. A good many people had the misconception that on October 22 there would be no E&H tax in this province.

One of the things that doing away with the synchronization of the E&H tax, it makes our businesses less competitive, Mr. Speaker; less competitive with Alberta, less competitive with the U.S. It puts us on the same footing, Mr. Speaker, as those businesses in Manitoba.

We had the opportunity, Mr. Speaker, to gain an advantage on our brothers in Manitoba. Our businesses could have been without the provincial sales tax. That would have given them a competitive edge. We have

many oil related businesses that do work in Manitoba. This would allow them to have the same advantage that Alberta currently has in Saskatchewan. Their equipment would have been 7 per cent less, Mr. Speaker. They could have made their bids 7 per cent lower perhaps.

We have a large amount of oil in our constituency, Mr. Speaker. And quite often we have seismic crews coming through, working in that area. And yet when you look at these seismic crews coming in with a large number of trucks, a large number of employees, they all have, Mr. Speaker, Alberta licence plates on them; they all employ people from Alberta.

We get the benefits of their being here for the money given to the landowners for access. We get the benefits of the meals that they buy or the hotel rooms that they rent. But, Mr. Speaker, we do not get the benefits that we could have received if those people remained here permanently — if they had their offices, their headquarters here, and they paid their taxes here. Those benefits all go to the province of Alberta, Mr. Speaker.

(1130)

As I mentioned yesterday, a good many people do go across the border to shop. They go across to North Dakota to avoid paying our E&H tax, they go across to Manitoba, and they go to Alberta. If that tax was collected at the border, Mr. Speaker, it would allow our businesses to have the same opportunities as the businesses across the border. We go across and buy any item. You pay their state tax, or if you go to Manitoba and have it shipped into Saskatchewan, you do not even have to pay the Manitoba tax, Mr. Speaker. You buy in North Dakota, you apply for a rebate, you get your tax back. You come to the border, Mr. Speaker, and the customs agents do not collect E&H tax at the border.

Had we synchronized, Mr. Speaker, with the GST, we would have collected that E&H tax at the border. Therefore if you bought an item in Sherwood or if you bought that item in Carievale you would have still paid the 7 per cent E&H tax, Mr. Speaker.

Not only does having not being able to get the rebate on the E&H tax back penalize our businesses in Saskatchewan, but it makes our exports more expensive, Mr. Speaker. If someone was setting up an industry to sell offshore, where would they look to go to, Mr. Speaker? Would they come to Saskatchewan where all of their inputs are taxed? Or would they perhaps go to Alberta where they do not have that tax? I believe, Mr. Speaker, that they would go to Alberta to allow themselves to be more competitive, to compete with people in other jurisdictions who do not pay that kind of a tax.

Mr. Speaker, on election day, October 21, the people of Saskatchewan not only elected a government but they also voted on some plebiscites. And one of those plebiscites, Mr. Speaker, was on balanced budgets. The people of Saskatchewan voted overwhelmingly to have balanced budget legislation.

Mr. Speaker, they voted for balanced budget legislation, and that puts the members opposite in a bit of a squeeze.

They have to somehow, if they wish to listen to the people of Saskatchewan, balance the budgets. That means they're going to have to do one of two things, Mr. Speaker. They're going to have to raise taxes some place else, or they're going to have to cut.

Well, Mr. Speaker, the E&H tax is one of those areas where they could have increased some revenues, but those revenues, Mr. Speaker, go to support our health and education system — two systems that are very important.

I believe that we need to maintain those systems, Mr. Speaker. But how are the members opposite going to do that? They need to raise some revenues at some point, and as I mentioned earlier, Mr. Speaker, those revenues are going to take various forms. And I think the synchronization of the E&H tax with the GST, Mr. Speaker, is a preferable method to those others that will be implemented.

Mr. Speaker, I have made my main points, and as my colleagues have covered some of the other areas, I do not want to take up a great deal of time in this Assembly. But we have some very serious concerns. The people of Souris-Cannington, the people of Saskatchewan have some concerns of how the bills in this province will be paid.

On behalf of the constituents of Souris-Cannington I will be opposing this Bill, Mr. Speaker. And I thank you.

Some Hon. Members: Hear, hear!

Mr. Britton: — Thank you, Mr. Speaker, for recognizing me in this debate. Mr. Speaker, this Bill is quite simply very bad policy. You have heard my colleagues tell about how the NDP, including the leader himself, have supported synchronization of the two taxes in the past. And now they have flip-flopped purely for political reasons.

Any policy, Mr. Speaker, that is put forward for purely political reasons is bad policy. And this Bill I say again, Mr. Speaker, is bad policy. Mr. Speaker, the government thinks it has pulled a fast one on the people.

Mr. Speaker, the public perception in my constituency was that the PST (provincial sales tax) would all be taken off. I'll give you an example, Mr. Speaker. The weekend before the election the phone rang in my home and I answered it, and an older voice I think said to me, you tell your leader to quit lying. And I answered, what is my leader lying about? And this person said, he is lying because he is saying that the PST will not be coming off. I answered, what part of the PST are we talking about? We are talking only about the expanded part of the PST.

And they must have had a two-phone connection, Mr. Speaker, because a lady's voice came on and it sounded like an elderly lady, and she was very, very angry, and she shouted at me. She said, you quit lying too. Because the leader of the opposition at the time said — and I hesitate to use the name, Mr. Speaker; she used the name of the now Premier — said, and I seen him on television say that the PST was gone. And I said, dear lady, the portion that is going to be rescinded is the expanded portion. She said,

you are lying too.

Mr. Speaker, I couldn't say any more to this lady. The perception was out there that the whole 7 per cent E&H tax was gone. And they promised, Mr. Speaker, they spent years leading up to the election promising everyone everything that they wanted. They promised the rural municipalities more money in revenue, more money in revenue sharing, and they promised their urban municipalities the same thing.

In fact, it's a simple disgrace for the member from Melfort to have put forward a Bill that cuts grants after she personally said more money was possible. She argued with us that there was more money to be had for rural municipalities and urban municipalities. And then she presents a Bill like this, Mr. Speaker.

And the reason she presented that Bill, I submit to you, was that the other Bill is because . . . that is the reason we are debating this Bill today, Mr. Speaker. They are throwing away a lot more than the 200 million that would be lost directly — a lot more, Mr. Speaker. And I'll touch on that in a moment.

But in throwing away this money, it is clear that the politics of the government is to say, no money for highways, no money for rural people, no money for urban people, no money for poor people, and no money for any of the problems we face.

Well, Mr. Speaker, as you well know, there are only a couple of choices when it comes to providing services that the people need. You either get more revenue or you cut spending. This government wants everyone to think it has chosen to do only the latter, to cut spending.

But I would suggest, Mr. Speaker, you watch them — watch them very closely. They will be taxing and increasing rates and putting on brand-new taxes like no administration before them. And I say to you again, you just watch. And it will be because they haven't got the political courage to do what they know is right. And synchronizing the tax system is right, Mr. Speaker.

I want the government to consider a few things. They think they're only giving up \$200 million. But, Mr. Speaker, that is not so. They are also giving up \$5 million every year that would have been saved in administration cost by having the federal government pick up the tab — \$5 million, only pay one tax collector, Mr. Speaker.

They are giving up the revenue that will be lost to cross-border shopping, as my colleague outlined just a few moments ago, because the feds will not collect the NDP provincial sales tax at the border. And they have given up the economic benefits for diversification and growth, that will cost us a lot of money, Mr. Speaker.

Let me give you an immediate example that the province is going through right now. If we had synchronized our tax system, we would have been on par with Quebec. It would mean that a business locating in Saskatchewan would be tax free, sales tax free.

Now there's this company with 5,000 jobs up for grabs,

called Piper Aircraft. All government members will be very familiar with Piper airplanes because we have all been flying around in them, Mr. Speaker, at some time or another. Anyway the Piper Aircraft company is looking for a new home and they say Quebec has the inside track.

Well, what are the reasons that Quebec looks so good to Piper, Mr. Speaker? Because if Piper goes to Quebec under a Liberal government, the company will pay no sales tax — none whatsoever. And it will have more money to hire more people, do more research and development, and pay higher salaries — all because the Quebec Liberals had the political courage to synchronize their tax system.

And what does Piper look forward to in Saskatchewan? Well, for starters, a Liberal leader that probably for the first time in history votes for an NDP throne speech as a sign of her acceptance of the NDP government. And far more seriously, Piper would look forward to paying a lot of provincial sales tax. So Saskatoon can forget about getting Piper to match with Promavia; it just isn't going to happen. And this government knows it.

The Premier couldn't take 15 minutes out of his day to meet with the people from Piper, Mr. Speaker, but the member from Elphinstone did manage to do that. And what did he tell Piper? Well he sure didn't tell them that if they came to Saskatchewan that they would be coming to a tax-free province — sales tax free. No, no, because they were and are determined to pass this Bill. Instead the member from Elphinstone told Piper, well we really have nice clear blue skies to fly your airplanes around in.

Well, Mr. Speaker, I'm afraid that that is not enough. Five thousand jobs in Saskatoon lost because of this Bill — because of this Bill. No louder condemnation can be made of this Bill than that. But this Bill will lose this province and the government itself even more.

There's some farmers across the way, Mr. Speaker. And I would say to you farmers, when you go home, figure out how much you spent on taxable goods last year. You'll come up with between 7 and \$12,000 in sales tax, depending on which member does the calculation. That's what you will lose under this Bill.

Mr. Speaker, this Bill will deny income to farm families in the thousands of dollars — thousands of dollars, Mr. Speaker, by farmers. Mr. Speaker, what is wrong with a tax that helps the very people that the tax is on?

When I was in business, Mr. Speaker, every budget that came down for years put tax on gasoline. I would have to go to my customers and tell them that I had to raise the price the amount of the tax. And they would say to me, well how much more can I pay? And I would say to them, well you want good roads, don't you? These are road taxes.

In this Bill we were putting a tax on some food that had never had tax on. Mr. Speaker, I lived with that for 32 years. And I would say, what is wrong with taxing gasoline to provide better roads? What's wrong with taxing a hamburger to give a better income to a farmer?

Mr. Speaker, we are denying the farm families thousands of dollars. And if you multiply 7 to 12,000 each by 60,000 farms in the province, we are talking about tens of millions of dollars being taken out of the farm economy. And these are not just figures drawn out of the air, Mr. Speaker. These are facts. These are things that those farmers over there can check out as soon as they go home. I have done so and they're there.

(1145)

Mr. Speaker, as you know, the farm income is way down, and it has to be made up somewhere. I have a son-in-law who is a farmer, Mr. Speaker. This Bill takes \$4,000 out of his pocket because he's a smaller farmer.

Mr. Speaker, that same son-in-law of mine is having trouble to make his payments to keep his farm; \$4,000 would go a long way to make the credit union look favourably upon extending his loan, Mr. Speaker.

And, Mr. Speaker, I think all of us will agree in Saskatchewan, when farm income is down it has to be made up somewhere. We have a clear indication that it will not be made up directly by this government, so it will be made up with farm bankruptcies, Mr. Speaker. And that means increased cost to the government anyway, somewhere or another, and a terrible destruction of the rural way of life.

And that is part of what this Bill is all about, Mr. Speaker — taking money out of farmers' pockets. And, Mr. Speaker that is a shameful thing. That is the most shameful thing, actually, about this whole process.

The Leader of the NDP had people convinced that he was going to take off all of the sales tax. Now, Mr. Speaker, in all due respect, I'm not going to stand here in my place and say he done it deliberately. But I will point out to you, sir, that the background of the leader . . . the Premier is in law.

And we've all stood and watched TV programs or shows where the prosecutor will say something. The judge will say . . . the other attorney will get up and say, objection. The attorney will say, I withdraw that, sir. But the seed has been planted. The seed has been planted. How do you withdraw something that has been said?

Mr. Speaker, I watched the program where the now Premier said at midnight on the 21st the PST is gone. The young lady that opposed me on the NDP ticket, hon. young lady, went around doing the same thing. She said there will be no PST. Going back to what I said a few minutes ago about the couple that phoned me and were very, very angry, shouting at me and saying you are lying. Mr. Speaker, the perception was there.

I had coffee with a friend of mine who told me he did not support me. He's an NDP supporter. He is a fine gentleman. And he said to me: how come I still have to pay the PST? I said to him, where? And he mentioned the store in our town, and I said well, you must remember — Mr. Speaker, I said to him — there is only two ways you can do this. The storekeeper has two alternatives: he can charge you the PST and you can ask for the rebate, or he

can take it off and he has to ask for the rebate. And he said that is not so; he shouldn't be charging it at all. And I explained to him that all that was done was the expanded portion.

An Hon. Member: — You said that once.

Mr. Britton: — I said that once; that's right. And that is the truth. The trouble with you, sir, is that you don't understand the Bill that you're putting forward. You don't understand the implications of rescinding this Bill.

I say to you, time will prove that this was not a bad Bill. I agree with my colleague. The numbers could have been different. The timing could have been different, but this is the right thing to do.

An Hon. Member: — What would have happened . . .

Mr. Britton: — Oh yes, what would have happened.

The leader, Mr. Speaker, his own Finance officials have been quoted in the media that there is a lot of confusion out there by people who think the NDP took the sales tax off.

What I'm saying, Mr. Speaker, well they didn't take the sales tax off. Six months ago you paid 14 per cent on a television. Today, under the NDP, you pay 14 per cent on a television. Six months ago you paid 14 per cent on children's toys. Under the NDP you still pay 14 per cent on children's toys. Six months ago you paid 14 per cent on lipstick. Mr. Speaker, under the NDP you pay 14 per cent on cosmetics, and a little cosmetics wouldn't hurt some of you over there.

Mr. Speaker, I'm beginning to feel at home. The chorus has started. I'm used to having a chorus when I'm up there.

Six months ago, Mr. Speaker, you paid 14 per cent on everything except restaurant meals and the *Reader's Digest*. Under the NDP, Mr. Speaker, you will continue to pay 14 per cent on almost everything. The people have been taken, Mr. Speaker, for one big ride by the NDP administration and as the time goes by they will realize this.

Mr. Speaker, I would like to give a demonstration or an illustration of why I believe that this is not a bad tax, if you will permit me. In our town at the Co-Op store cafeteria you buy a first cup of coffee for 30 cents. Now the PST would have added 2 cents to that cup of coffee. Across the road in one of the hotels coffee is \$1; you would pay 7 cents on that cup of coffee.

Now when you argue that the poor people were being hit by this tax, I would suggest to you, sir, that if you were on a low income you would go to where you bought the coffee at 30 cents. And if that low income person happened to be a single mother with three children, she loses \$600 in tax credits. Now \$600 in tax credits at 2 cents a cup for coffee would buy an awful lot of coffee, pay the tax on a lot of hamburgers.

So the argument that the poor people were being hurt by

this tax, Mr. Speaker, does not stand up under scrutiny.

Another illustration, Mr. Speaker, I'd like to give you to illustrate why this is a more fair tax than income tax or flat tax. If you can picture two friends meeting up town and they say one to the other, you know, Mother's Day is coming up and I haven't bought my wife a gift. Oh I haven't either, says the other fellow. Let us go and do that. One guy is rich, the other is not so rich. He buys a \$4,000 fur coat for his wife. He pays 7 per cent of \$4,000. The other guy who is not so rich buys a \$2,000 coat. He pays on 2,000.

Mr. Speaker, the point is the people that can afford it are the people who pay, under this type of taxation. And the more I look at it, Mr. Speaker, with some improvements maybe, time will prove that this was the right way to go. Every time someone pays 14 per cent on some item, we will remind you that we told you that you didn't have to.

That is what has led the people of this province to believe that this Bill does not accomplish that promise, Mr. Speaker. For no other reason than the fact that this Bill breaks faith with the electorate that trusted them, it can not be supported.

If this Bill did eliminate the PST as it was promised, Mr. Speaker, I would have a hard time standing in my place and opposing it. Every time someone pays 14 per cent on some item, we will remind you, we will remind you what you told them.

If you actually, Mr. Speaker . . . if they actually delivered on the things that they promised, the things you were elected on, I would have a tough time not standing up and saying, well it appears that that's what most of the people voted for, so I'll just have to vote for it or sit it out. But you are not delivering . . . they are not delivering on their promise, Mr. Speaker.

This Bill is a fundamental betrayal of all those people who walked into the ballot box thinking that if they mark their "X" for the NDP, there would be no 14 per cent. Mr. Speaker, that perception was out there. And no one done anything to dispel that. Fourteen per cent is still here and there is so much more that is worse, and it's on the way.

One of my colleagues said, this is a shameful day for the member from Riversdale. Well, Mr. Speaker, it is. I know better, they know better, we all know better. This province needs to synchronize its tax and they full know it . . . they know it full well. They supported it before the election, Mr. Speaker, and for purely political reasons they have turned and flip-flopped on it. That's the only reason they changed — because it made political hay, Mr. Speaker . . . (inaudible interjection) . . . But they won't do it. They are trying to sneak by with a broken promise and that the media dutifully to report as a kept promise.

I guess there must be a lot of disappointed people in the back benches, Mr. Speaker, because I don't think they knew what they were doing when they allowed this to go forward.

Go back and face your farmers, those that are taking a \$12,000 loss because of this Bill. Tell them that it's a good

thing. A lot of people once thought the NDP would stand by its word, Mr. Speaker. The new, honest, open government — new, new people. Well, Mr. Speaker, they clap. Today, Mr. Speaker, we have proof that not only does it throw away its philosophy whenever it's convenient, but is also willing to throw away its solemn word to the people.

They are in government, Mr. Speaker, because they won. We know that. But, Mr. Speaker, there has never been a better reason, never been a better reason to vote against this Bill than the fact that they broke their promise.

Mr. Speaker, I will not support this Bill, and I thank you for your time.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Thank you, Mr. Speaker. It is indeed a pleasure to take part in this debate. This Bill will have a significant impact on the Kindersley riding. As you are aware, Mr. Speaker, in my constituency we have a significant oil sector largely made up of small independent producers. The major corporations out in the Kindersley constituency have pretty much pulled out over the last number of years — bought out by small independent producers. It's interesting to note that, I think that most of the small oil and gas producers there own almost the entire number of wells. In our constituency there's about 4,000 wells throughout the entire constituency — 4,000.

All of the people from there make their living on wells that are very, very low producing wells — four or five barrels is a normal well. That sort of production is something that you can be assured is the normal production. There are about 650 directly related jobs in the oil industry in the Kindersley constituency and there are countless more jobs that are indirectly related to that. I think you will only have to drive through Kindersley and see the large automobile dealerships as a testimony to that. There's a significant number of vehicles purchased each year as a result of the oil activity in our constituency and it directly relates to that.

I believe that synchronization of the E&H tax and the federal sales tax truly provided that industry with some benefits. A tax reposition that would not only protect those direct jobs and indirect industry jobs but would have provided these companies with the opportunity for increased drilling and employment.

I think you will find in our constituency right now there's a tremendous sense of uneasiness. They're not sure what direction this new government will be taking in regard to oil and gas royalty structures, and they're very, very worried about the new government's direction in that area.

As a result the oil patch activity is essentially stopped. There's no new drilling programs being put in place, no gas drilling programs being put in place. I think we're all waiting. As well as the people on this side of the House, but the people in my constituency, particularly the oil people and the farm related people are wondering what the new government's plans are in that area.

The Speaker: — Pursuant to an order passed earlier today in this House, this Assembly stands recessed until 2 p.m. today.

The Assembly recessed until 2 p.m.