

The Assembly met at 2 p.m.

Prayers

## ROUTINE PROCEEDINGS

### PRESENTING REPORTS BY STANDING, SELECT AND SPECIAL COMMITTEES

#### Standing Committee on Crown Corporations

**Clerk Assistant:** — Mr. Solomon, the chairperson of the Standing Committee on Crown Corporations, presents the second report of the said committee which is hereby tabled.

**Mr. Solomon:** — Thank you, Mr. Speaker. I'm very pleased to report that the Standing Committee on Crown Corporations has completed its review of all outstanding tabled annual reports of Crown corporations within our purview in a timely fashion for the first time since 1981.

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

**Mr. Solomon:** — As members would recall during the period 1982 to 1991, the committee did not complete its business in a timely fashion. Answers to members' questions concerning various Crowns were invariably late or were not responded to at all by the ministers of the former government. And indeed, the committee did not even meet during the last year of the former government's term.

Mr. Speaker, in these difficult economic times government expenditures and services are under a magnifying glass of public scrutiny, and so should they be. I want to report to the Assembly and to the public of Saskatchewan today that the Crown Corporations Committee over the past 15 months has been applying a magnifying glass of public scrutiny to the existing Crowns.

What this means is that now more than ever, the Crowns sector through our legislative committee is responsible and accountable to the taxpayers of this province.

I'd like to put into perspective this very issue, Mr. Speaker. Last summer I had an occasion, on behalf of the committee and on behalf of the Public Accounts Committee, to attend the annual meeting of the Canadian Council of Public Accounts Committees and conference of legislative auditors, along with my colleague, the member from The Battlefords. The main conference topic was accountability of Crown corporations and as chair of the committee, I attended as a resource person.

The point of all this is that Saskatchewan's accountability process for its departments, agencies, and particularly the Crown corporations, is second to no other jurisdiction in Canada. This is a little-known fact of which all of us in this Assembly should be very proud, Mr. Speaker.

We are the only jurisdiction in Canada which reviews every Crown corporation annually. We are the only jurisdiction in Canada which has both the ministers and their officials appear before our committee to answer questions and to be responsible and accountable to the public. Indeed we are the only jurisdiction in Canada that takes seriously the role and impact of Crown corporations on our tax dollars on a regular basis.

As chair of the Crown Corporations Committee, my message in tabling our report this afternoon is twofold. Saskatchewan people should know that their legislative committee on Crown corporations is now working in the public's interest, and that Saskatchewan has the most exhaustive, comprehensive accountability system for review of Crowns anywhere in this nation.

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

**Mr. Solomon:** — But even though Saskatchewan is the most diligent and accountable when it comes to reviewing the operations of the Crown sector, our committee believes there is still room for improvement.

We have made significant changes in our committee's procedures since December 1991 to become more effective ourselves, but more importantly to make our Crown corporations more accountable to the public.

Much of the credit for this new era of accountability must go to the government ministers who have been most forthcoming and open in their responses and participation in committee deliberations. And our committee thanks those ministers for their past and continued cooperation.

Finally I wish to thank all members of the Standing Committee on Crown Corporations for their hard work, dedication, and cooperation. Without your support the committee simply would not function.

And finally, Mr. Speaker, all our committee and on behalf of our committee wish to extend a vote of appreciation and thanks to the Clerk, Mr. Greg Putz, for his very able and competent assistance over the last year. Thank you.

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

**Mr. Solomon:** — I move:

That the second report of the Standing Committee on Crown Corporations be now concurred in.

Seconded by the member from Moosomin.

**Mr. Toth:** — Thank you, Mr. Speaker. Mr. Speaker, I just want to join with the member from Regina, the chairman of the Crown Corporations, and present a presentation of this report. But I first of all would like to make a couple of comments. I would have been more

than happy to have assisted the member in putting together his report. I like the fact that the member talked about the openness and forwardness of government members, and certainly the cabinet members.

Mr. Speaker, we would trust that in the future the cabinet would — and ministers and anyone involved — would be so forthcoming with their answers, as on some of the occasions we experienced in the recent debate in Crown Corporations.

In fact I would have to commend the chairman for his work on committee but I would have to suggest, as we did recently in this House, that certainly a chairman has the opportunity to take part in debate but should allow someone else to — when he wants to get into the debate — to take a moment to fill his position in the chair. And I just bring that to the attention of the chairperson so that when we get into the further debate, if he wants to enter, he takes the proper procedure.

The other thing I would like to bring to the attention of the House, and I think the member brought it forward, is the fact that the openness that was there. Going back . . . I think the member could have maybe gone back to the '70s in talking about how the Crown Corporations have worked. And maybe there's been a little more forwardness in the past year and a half, if so. But we certainly . . . if we were to look back over the period of time I believe that all members certainly want to see Crowns operate more openly and smoothly.

And I must admit that it was certainly a help to have the auditor come into the Crowns and make some of his observations and present them to us. And I think in the future we will see that the auditor is going to look forward to come into the Crown Corporations to present some of the concerns he has. And it gives us, as individual members, a greater ability to sit there and effectively question the ministers and make sure that the Crowns operate and function properly.

So at this time I concur with the member from Regina North West.

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

Motion agreed to.

## INTRODUCTION OF GUESTS

**Hon. Mr. Penner:** — Thank you, Mr. Speaker. I would like to introduce to you and through you to this Assembly 27 grade 8 students from St. Joseph's School in Swift Current. They're seated in your gallery, Mr. Speaker, on the right side of the clock here. We have with them their teacher Kelly Hammond and the chaperons Kathy Cuthbert and Dennis Hyggen.

It is a pleasure for me to see these students here today. And I'm sorry that I cannot meet with them right after the question period but my colleague, the Minister of Education, is prepared to meet with the students and

have their picture taken with her and they might even enjoy that more than having their picture taken with me.

So please welcome these students to the Assembly.

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

**Ms. Bradley:** — Mr. Speaker, I'd like to introduce to you and through you to the members of the Assembly a group of students that are visiting today from my constituency, a group of grade 11 and 12 students from Pangman, Saskatchewan, who are sitting in the west gallery.

I also want to welcome their teacher and a former colleague of mine from Prairie View School Division, Angus Addley, and their bus driver Robert Bell.

I look forward to meeting with them after, about 3 o'clock, for pictures, juice, and some good questions. And I'd like all members just to join with me in welcoming them here today.

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

**Mr. Sonntag:** — Mr. Speaker, I'd join in welcoming as well the class but especially Angus Addley who used to reside in my constituency. It's nice to see you here and I so seldom get to introduce guests who come down from the far North, so welcome Angus.

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

**Mr. Swenson:** — Thank you, Mr. Speaker. It's a pleasure for me to introduce to you and to all members of the Assembly today 25 grade 5 and 6 students that are from Rouleau School and they're seated in your gallery, sir. They are here today with their teacher, Judy Nicholson, and chaperons, Hazel Anaka, Kim Clarke, Merrylyn Coward, Karen Payant, and their bus driver, Dianne Sanborn.

The group are in to watch proceedings today and learn all about parliamentary procedure and I am going to go out afterwards and have a picture and a drink with them and then try to explain exactly what does go on in here. So welcome the students from Rouleau, please.

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

## ORAL QUESTIONS

### Patronage Appointments

**Mr. Swenson:** — Thank you, Mr. Speaker. Mr. Speaker, a prominent Saskatchewan politician once said and I quote:

My general proposition is that . . . political people, party people, and defeated MLAs and candidates ought not to serve . . . because they give the wrong perception. . . . If we don't succeed in it and continue to appoint party hacks, . . . then I've gotten nowhere.

Mr. Speaker, the politician that made that bold pledge was the current NDP (New Democratic Party) Premier of the province of Saskatchewan, and that quote was from the *Leader-Post* on March 1, 1991. Yesterday, Mr. Speaker, we had the Minister of Community Services appoint the Premier's personal assistant, Mr. Al Shpyth, a long-time NDP party hack, to a panel, to a panel reviewing surface rights in northern Saskatchewan.

My question today, Mr. Speaker, my question is to the keeper of the provincial seal, the Deputy Premier: Mr. Deputy Premier, I'm wondering if you have reneged on the Premier's assessment regarding political patronage? And I wonder, given that this is a blatant partisan appointment, are you saying that you weren't wrong then but you are wrong now or is it vice versa?

So, Mr. Premier, or Mr. Deputy Premier, would you please tell the people of Saskatchewan whether it was right to say that then or if it's right to say it now? Would you do that, sir?

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

**Hon. Ms. Carson:** — Thank you, Mr. Speaker, and I thank the hon. member for that question. I would like to provide for the members opposite the following information.

Our surface lease agreements that we are now in the process of negotiating with the companies in the North have been part of government process for probably 20 years. I'm sure the last government also negotiated surface lease agreements.

As you know, in January the federal-provincial review panel for uranium mining recommended to the government that they hold consultations in the North. The standard practice has been with government that we use our own personnel, people within our department, to go out and do the preliminary consultations before we negotiate an agreement.

At this point in time we didn't have anyone within our department who had the background expertise to follow up on the extensive consultations that the federal-provincial panel recommended. But I would remind members opposite that it has been standard practice for people within government to hold consultations prior to negotiating a surface lease agreement.

We're following through with that, but the problem we have at this point in time is our personnel within our department is very limited. Mr. Shpyth has extensive background in doing environmental consultations. This is his profession and he was a logical choice within government to do the job. So we have recommended that he be the government chair in the consultation process.

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

**Mr. Swenson:** — Thank you, Mr. Speaker. Madam

Minister, there are a couple of other qualifications that go with it. You got to be objective and you got to be non-partisan, and I'm not sure that having worked for the Premier and having worked for the New Democratic Party all these years, if he exactly qualifies.

I have a new question, Mr. Speaker, to the Deputy Premier. Mr. Deputy Premier, there's a perception problem out there that your government says one thing and does another. You gave a pledge to end political patronage in this province. So I wonder if you could tell the Assembly today, Mr. Deputy Premier, why you have appointed the former New Democratic Party treasurer, Mr. Gordon Nystuen Jr., chief executive officer of the Saskatchewan Gaming Commission. I'm wondering, Mr. Deputy Premier, and I'm sure everyone present is, including your own back-benchers, exactly what the qualifications are of this individual to head up the Gaming Commission. Would you do that, sir?

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

**Hon. Mr. Lautermilch:** — Thank you very much, Mr. Speaker. In answer to the question posed by the Leader of the Opposition, I'd be more than pleased to outline Mr. Nystuen's qualifications with respect to the position that he's about to take.

He has been appointed as the acting chief executive officer of the Gaming Commission, the Liquor Board, and the Liquor Licensing Commission, and I underline sir, acting. The qualifications of this particular gentleman, to make the member — the Leader of the Opposition — aware is that he has been heavily involved in the organization and the reorganization of government departments since this government embarked upon that. He was in that process as it began and we would like to see him in this very important area as it continues.

Gaming, as you will know, is a priority of this government at this point in time with the VLT (video lottery terminal) project, with the casinos, and the bingos all in need of some direct attention and some reorganization to that area. And I think he will do a very good job.

Mr. Speaker, with respect to the qualifications of Mr. Nystuen, he's been a managing partner in a seed farm, a financial adviser to the Farm Debt Review Board, a credit adviser to the Farm Credit Corporation, involved in the banking industry. I think he is well qualified to handle this consolidation and I'm sure he will serve the people of this province well.

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

**Mr. Swenson:** — Thank you, Mr. Speaker. I'll place my question to the minister in charge of politics for the government, the Deputy Premier.

Mr. Deputy Premier, your minister has just said that giving the chief bagman of your political party the number one position in the Gaming Commission, a

commission that is up to its ears in controversy, is the right thing to do. You've got a commission under your government's direction which has awarded \$20 million in taxpayers' money in contracts to American firms that have been accused in other jurisdictions of bribing government officials, of fraud, and even having mob connections.

Now, Mr. Deputy Premier, I think we have a perception problem here. Don't you see the problem with hiring a long-time NDP activist, your chief bagman, to oversee the Gaming Commission, a commission that has to be absolutely independent and without political interference? Don't you see the problem, Mr. Deputy Premier?

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

**Hon. Mr. Lautermilch:** — Mr. Speaker, I'd be more than pleased to answer that question to the Leader of the Opposition. This is not a perception problem. This man is clearly able to handle the job to which he was appointed on a temporary basis, that being to reorganize the Gaming Commission and the Liquor Board.

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

**Hon. Mr. Lautermilch:** — I say what this is is a credibility problem, and it's a credibility on behalf of the member who sits across, the Leader of the Opposition. Because you, sir, in asking questions with respect to these types of things, would want to look at your record and look at the record, not of citizens and business people of this province, but defeated MLAs.

So let me share with you the list: Bob Andrew; Eric Berntson; Larry Birkbeck; Gordon Currie; Gordon Dirks; Louis Domotor; Sid Dutchak; Tim Embury; Ralph Katzman; Myles Morin; Keith Parker; Paul Rousseau; Jack Sandberg; Paul Schoenhals; Bud Smith; Graham Taylor.

Mr. Leader of the Opposition, this is not a perception problem; this is a credibility problem and the credibility and the lack of it is from over there.

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

**Mr. Swenson:** — Thank you, Mr. Speaker. I guess, Mr. Speaker, that the minister wasn't paying attention in the first question that I asked. And I quote again:

My general proposition is that . . . political people, party people, and defeated MLAs and candidates ought not to serve . . . because they give the wrong perception . . . If we don't succeed and continue to appoint party hacks, . . . then I've gotten nowhere.

Well the member from Riversdale has obviously gotten nowhere, Mr. Minister. Now the rock that you're hiding behind is getting smaller by the day.

You've got a gaming industry that is nothing short of a disaster. You've got commission members charged

with fraud. You've got commissions dealing . . . the commission dealing with questionable American firms. You're hiding security checks from this Legislative Assembly.

Mr. Minister, the CEOs (chief executive officer), the executive directors, the chairmans — I mean they go on without end. You've had four ministers in that position. You were only the latest in a series of failures.

Now, Mr. Minister, tell this Assembly today that this is simply an April Fool's joke, that you don't have the chief bagman of the New Democratic Party being the head of the Gaming Commission, the head of gambling in the whole province of Saskatchewan. Tell us it's an April Fool's joke, Mr. Minister.

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

**Hon. Mr. Lautermilch:** — Mr. Speaker, I will say to the member, Leader of the Opposition opposite, the only April Fool's joke is the line of questioning that he poses in this legislature.

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

**Hon. Mr. Lautermilch:** — Mr. Speaker, as I've indicated, the appointment of Mr. Nystuen is number one, in an acting position, to oversee the amalgamation of the Saskatchewan Gaming Commission and the Liquor Board. It's part of the cost-saving measures and part of the streamlining of administration that this government started a number of months back that Mr. Nystuen was involved in quite intimately and will continue to be until this project is complete.

And I want to say to the members opposite that this government realizes that we need to streamline, and part of the reason that we need to streamline is because of the actions of you and of the member from Estevan and of the member from Morse and all of your colleagues, the front-benchers who saddled this province with \$760 million worth of interest annually that we have to pay.

Mr. Nystuen is qualified to handle this job. I have all of the confidence in the world that he will do just that, what the people of Saskatchewan are asking from this government and that's to deliver an efficient and a fair government, and he'll be part of it.

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

**Ms. Haverstock:** — Thank you, Mr. Speaker. My question is to the minister responsible for the Gaming Commission. Mr. Minister, on July 29, 1992 I stood in this House and I asked the minister responsible for gaming, the minister — actually the member from Churchill Downs — when the government would develop an overall coherent gaming strategy. And I quote his answer from *Hansard*: “. . . we have a coherent (gaming) strategy.”

Since that day, one minister announced a new gaming

framework and you, sir, announced yesterday that your department will be drawing up an overall strategy. Mr. Minister, can you tell us why after the minister told us on July 29, 1992 that the NDP had a coherent gaming policy, why you're now starting all over again to develop a strategy for the fourth time in 16 months?

**Hon. Mr. Lautermilch:** — Mr. Speaker, in answer to the member's question, let me say this. The government has a policy. We have had a policy in place for a number of weeks, number of months, and I think the member is well aware of the fact that there is a gaming policy. It involves aboriginal people, it involves the exhibition associations, and it involves the Government of Saskatchewan. There are seven points to the policy and I'll send a copy across so that the member will clearly understand that we do in fact have a policy.

What I want to say to the member is that we are developing strategically, with the people of this province, the placement of casinos because we want to see a long-term and a viable industry. And we believe within the framework of the policy that we have established, that you are well aware of but that I will refresh your memory on, that we do have a policy and we are with the people of this province developing long-term strategy, and that process will continue.

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

**Ms. Haverstock:** — Mr. Minister, the people of the province really do want to know what your fourth gaming strategy will be. They need to know whether all casino operations must be joint ventures between exhibition boards and native groups. They want to know under what terms and conditions the White Bear Indian Band will be able to reopen their casino. Since there is no A or B class fare in their area of the province, with whom would they enter into a joint venture? Or are what you are saying today is that this casino will never reopen under gaming strategy no. 4?

**Hon. Mr. Lautermilch:** — Mr. Speaker, in answer to the member's questions, this is gaming strategy no. 1. It is the only strategy that we have had in place and it is the only policy that we feel is necessary at this time.

With respect to negotiations in different areas of the province, I guess I'll ask you to use your imagination. If aboriginal people from the north-west corner of this province, perhaps 6, 10, or 12 or 15, or perhaps even 20 Indian bands were to decide that they wanted to sit down with perhaps the Prairieland Exhibition Association in Saskatoon or perhaps the exhibition association in North Battleford, in conjunction with the Government of Saskatchewan, in a joint venture, that we would sit down and negotiate just that.

And I think that she understands quite clearly that there are many variations as to how that can happen. If she has in her mind a set pattern with identified players and who exactly that should be, exactly what the cost-sharing or the revenue-sharing arrangements

should be, exactly who the partners should be, perhaps she would be willing to share the specifics of what she sees in terms of the casino industry in this province. What is the Liberal policy?

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

**Ms. Haverstock:** — Thank you, Mr. Speaker. Well let's just look at some of the gaming strategy you have for the province.

Mr. Minister, your Gaming Commission is meeting today with bingo hall owners who've been breaking the rules and giving out far too much prize money — a problem which began in 1982 and still exists today despite the life and death of three different gaming strategies.

Now the Gaming Commission doubled the amount of the money that it collects from bingo licences, now to the millions of dollars, continues to dump that money into government coffers, and yet you still have not implemented the one necessary control to clean up the bingo industry.

Can you tell us, Mr. Minister, how much money is being budgeted by your government to implement an audit control system on bingo paper in all bingos throughout Saskatchewan to enforce the rules, and when that system is going to go into operation? Or are you still studying this one too?

**Hon. Mr. Lautermilch:** — Well I think, Mr. Speaker, in answer to the member's questions, it's really quite clear. What we're doing is restructuring the organization of the Gaming Commission. We're tying that in with the operations of the Liquor Board and the Liquor Licensing Commission. We're setting together one organization to deliver programs to administer these programs . . .

**An Hon. Member:** — Streamline.

**Hon. Mr. Lautermilch:** — . . . to streamline government's expenditures, and I would hope that the member would support that.

On one hand, she talks about government not generating revenue, because that to her is painful, in every instance that I can recall that she's ever raised. On the other hand, she tells government to get in line with controlling the deficit and the expenditures on the provincial deficit. And I say to you, you can't have it both ways, Madam Minister.

This government inherited the most horrendous mess that any government in Canada has ever inherited, from that PC (Progressive Conservative) operation that sits opposite in the opposition. We're trying, and we're working with the people of Saskatchewan, to cut government costs. We're working to get a control on the amount that we're spending on the deficit on an annual basis. And I say to the member opposite that we are going to do that. We're going to, by the measures we're taking . . .

**The Speaker:** — Order. Next question.

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

**Ms. Haverstock:** — Thank you, Mr. Speaker. Mr. Minister, you've had 16 months. I raised this with a previous minister many, many, many months ago. That's one of the most problematic things in the bingo industry and you don't even know what money can come in and go out because you haven't bothered doing the audit controls.

Now you talk about making sure that there are no, and I quote: unsavoury characters in the gambling business. I'm interested in knowing, sir, if there are rules, rules today in the Gaming Commission to prohibit people with criminal records from working in the bingo industry, especially individuals who have actually served time in jail for crimes relating to their involvement with the bingo business. Now will you acknowledge that there is no rule prohibiting individuals such as this from owning a bingo hall licensed by the Saskatchewan Gaming Commission.

**Hon. Mr. Lautermilch:** — First of all, thank you. Mr. Speaker, let me comment on a couple of things that the member raised. First of all, if she would care to look through the blue book she will find that there is more money for accounting procedures dealing with the issue that she asks. So do your homework, Madam Member.

With respect to criminal involvement in terms of bingos, in terms of the VLTs, yes there are prohibitions in that regard. With respect to retroactivity, Madam Minister, you can check and we can discuss that in terms of that particular issue. But I say to you this. We are concerned about who's involved in gaming in this province, we will regulate, and as this industry progresses and grows, we will continue to modify and change as the requirements become necessary.

These are regulations that have been around, many of them for a long time. And we are in the process — it's an ongoing process — of amending and changing to make them better. And I want to just say in closing . . .

**The Speaker:** — Order. Order. Next question.

#### **Purchase of VLTs**

**Mr. Martens:** — Thank you, Mr. Speaker. My question is to the minister responsible for the Gaming Commission. The Premier's appointment of an NDP fund-raiser to the head of the Gaming Commission, Mr. Minister, certainly adds a new twist to a very twisted issue.

My question to you, sir, is this. Yesterday in this Assembly you promised to provide information regarding the tendering and awarding of the video lottery terminal contract to VLT (Video Lottery Technologies Inc.) and GTECH. Mr. Minister, will you tell this Assembly the date on which the tender or proposal was first called, when the short-list was prepared, the date when the contract was awarded,

and the dates when the security review was initiated and when the report was completed. And would you also tell the Assembly which of the various ministers over the past couple of years has been responsible for each of these items, in the time that they were ministers responsible for the Gaming Commission.

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

**Hon. Mr. Lautermilch:** — Mr. Speaker, I want to thank the member again for his question. First of all, I guess for probably the sixth, seventh time, let me explain to you that a contract has not been awarded. I mean that's plain and simple. Have you got that now, a contract has not been awarded?

With respect to the dates I can say to you this, Mr. Member for Morse: I took to cabinet two days after I was appointed to this position in charge of the Gaming Commission, an information item from the Saskatchewan Gaming Commission that indicated that they had chosen two companies off of a short-list of four and were going . . . after the criteria was checked they were going to sit down with these two companies to see if they in fact could arrange and come to a contractual arrangement to have these VLTs purchased by the Gaming Commission and put throughout this province in age-restricted venues.

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

**Mr. Martens:** — Mr. Speaker, and Mr. Minister, you have claimed that you had never seen the security report; you said that to the media. I am sure you have acquainted yourself with the contents to this point.

Can you tell this Assembly whether the numerous accusations of bribery, fraud, and corruption which surround the American contractors were in that report, and whether the various investigations included one by the FBI (Federal Bureau of Investigation)? Were they also included in that report? Would you answer that for me, Mr. Minister?

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

**Hon. Mr. Lautermilch:** — Thank you, Mr. Speaker. I guess, day by day, I think I'm getting the member closer and closer to understanding the process that's available to him and I'm going to take him one step further today.

First of all, I want to say that I haven't seen the report and nor, sir, do I intend to look at it. But let me say this. I brought with me today an access to information request form. All you have to do is on this line here you put your name on, your address, you put the provincial institution that you're requesting the information from, you ask for a detailed description of what you would like to see, and then you sign your name.

And if you're in trouble with respect to finding the commissioner's office, I can help you with that, maybe tomorrow. But if a Clerk will take this, I'll pass this on to the member.

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

### Future of Rural Health Care

**Mr. Boyd:** — Thank you, Mr. Speaker. My question, Mr. Speaker, is for the Minister of Health. Madam Minister, yesterday I extended an invitation to you but since I didn't get a clear answer, I just wanted to extend it one more time to you.

This evening in Eatonia, Saskatchewan, there is a meeting with respect to health care services in this province. Madam Minister, I expect there will be a large turnout because of the great concern that there is about health care.

Madam Minister, will you come to Eatonia this evening to explain to those people what kinds of changes that they are going to have to expect with respect to health care in this province? Will you come to Eatonia, Madam Minister, to explain your damaging health care wellness plan?

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

**Hon. Ms. Simard:** — Thank you, Mr. Speaker, thank you for the question. The people . . . I have checked with my office before lunch and it's my understanding that we have not been contacted by anyone from Eatonia. Therefore, Mr. Speaker, I think that I'll be very interested in hearing what the concerns are from the people of Eatonia.

I think that they have probably received a letter from the president of the SHA (Saskatchewan Health-Care Association) yesterday which describes the manner in which it is intended that bed targets, for example, be implemented. There is a process in place for the Department of Health to go out and talk to communities in the days and weeks to come. As well, the Saskatchewan Health-Care Association will be going out to help people get involved in developing district boards and implementing bed targets and explaining to them what is going on.

Now the member opposite obviously is interested in making as much as he can out of . . .

**The Speaker:** — Order.

**Hon. Mr. Mitchell:** — May I with leave of the Assembly revert to ministerial statements. I couldn't hear you when you made that announcement.

Leave granted.

### MINISTERIAL STATEMENTS

#### Government Acceptance of Mediator's Report

**Hon. Mr. Mitchell:** — Thank you very much, Mr. Speaker, and thank you to members of the House for allowing us to go back to ministerial statements. I'm pleased to rise in the House today to inform the members that earlier today the government was able

to tell the Saskatchewan Government Employees' Union bargaining committee that we were able to accept the recommendations of conciliator Vince Ready in the SGEU (Saskatchewan Government Employees' Union) . . .

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

**Hon. Mr. Mitchell:** — Mr. Ready's recommendations were communicated to us only yesterday, Mr. Speaker, but we felt quick action was needed in this . . . in an effort to end this long dispute. The recommendations in Mr. Ready's report recognize the difficult financial situation this province is in, Mr. Speaker.

Mr. Ready was able to accommodate our fiscal situation while at the same time addressing the concerns of the union respecting job security, part-time employment, and other issues. The government believes the recommendations presented by Mr. Ready are a fair compromise on the outstanding issues. We hope the union's bargaining committee and members feel the same way. I'm very hopeful that the union's bargaining committee will accept the recommendation soon so a ratification vote can be held.

Mr. Ready's assistance in this matter has been invaluable. He has always been regarded with a great deal of respect in Saskatchewan for his abilities in mediation and conciliation, and I believe his most recent report confirms his reputation. Mr. Speaker, I am pleased he was able to find what I believe to be a fair solution to a difficult situation for both the government and its employees. Thank you, Mr. Speaker.

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

**Mr. Goohsen:** — Thank you, Mr. Speaker. I would like to reply to the statement by saying that we in the official opposition are always happy when there can be peaceful settlements to negotiations of this type. However, perhaps the minister should confirm to the taxpayers of this province who will actually pay for this settlement, how much this settlement is in fact going to cost them. Before this process continues, I think that would only be fair. And perhaps the minister could, if not right away, very quickly confirm the belief that the unions have won flat out over the taxpayers and the other workers in this province who have had to accept wage freezes, cuts, and downloading.

Mr. Speaker, if this union has in fact been offered a zero, zero, and 2.5 per cent settlement, as has been rumoured, I am sure that the minister will want to be very, very clear to the general public in telling them the exact facts, which are that this union has been out for almost two years. That, and in effect the 2.5 per cent wage settlement, would apply to this year — the only jurisdiction that has received that kind of a settlement through the entire province. And then it becomes abundantly clear that this is a totally unfair and unacceptable situation to the rest of the workers

in the community. It will soon become apparent, Mr. Speaker, that the union bosses that ran the NDP election for them are now being paid off.

**The Speaker:** — Will the member from Regina Rosemont please come to order.

## ORDERS OF THE DAY

### GOVERNMENT ORDERS

### COMMITTEE OF FINANCE

#### Motions for Interim Supply

**The Chair:** — Order. The business before the Committee of Finance is interim supply and in particular the motion by the Minister of Finance:

That a sum not exceeding \$340,881,000 be granted to Her Majesty on account for the twelve months ending March 31, 1994.

**Mr. Devine:** — Thank you, Mr. Chairman. Mr. Minister, would you just mind reconciling the difference between what's to be voted and the estimates. I have this one page here that has the 1993-94 to-be-voted numbers and then I have the '93-94 estimates. And what we're voting on is a little bit different than the estimates; in some cases they're the same, in some cases they're different.

I wondered if you would tell us, for example, Agriculture and Food, they're identical but when you look at Environment and Resource Management, Executive Council, interest on the debt, and some others, they're not. Could you reconcile those two columns.

**Hon. Mr. Penner:** — Thank you, Mr. Chairman. The reason for the difference in the numbers is that there are some statutory amounts that have to be paid, and that's why you see the difference in the estimates and the actual amount requested.

**Mr. Devine:** — Would the minister just explain that in a little more detail so that we totally understand what that means in layman's terms? So if the average taxpayer out there was to ask, why is it, for example, that we're going to vote on \$167,824 for Municipal Government but you estimate spending about \$10,000 more than that. Why are those two different?

**Hon. Mr. Penner:** — The statutory amounts that I mentioned before are those that are provided by law, and these have to be paid, and some of them are interest on the public debt, for instance. And if we did not provide this by law, that the interest on the public debt would be paid automatically, we would have some nervous creditors and investors, as I'm sure the member from Estevan would recognize; that these people expect their money first and it's by statute and by law that we have to pay these.

**Mr. Devine:** — Well, Mr. Minister, if that's the case, if this is to pay the interest on the public debt and by

statute, could you just explain then why interest on public debt is zero to be voted on and yet it's \$847,500.

**Hon. Mr. Penner:** — The answer, and I think if the member would check the amounts, at the 847,000 . . . 847,500 is the amount listed on the *Estimates* and this is . . . We're not voting on the *Estimates*.

I don't know what the question really is. We're voting on interim supply which is one-twelfth. And the reason we're not voting on the interest is simply because the interest has to be paid by law, so we're not voting that. And besides, we're not voting on the *Estimates*, so the number he's reading comes from the estimate column.

**Mr. Devine:** — Just so we make it clear. You're saying that then in the Municipal Government account, most of it is not statute and we don't have to reconcile it. There's no need to reconcile it with the *Estimates*.

It's a little confusing when you see some of them are virtually zero, to be voted on, and then when you go to the *Estimates*, it's a very large number. Some are less; some are more. Just walk through one of those examples.

**Hon. Mr. Penner:** — Mr. Chairman, on page 93 of the blue book you'll notice on the top of the page the Meewasin Valley, the Wakamow Valley, the Wascana Centre Authority, the Swift Current Chinook Parkway, and on page 92 the amounts given to SAMA (Saskatchewan Assessment Management Agency), are statutory amounts and do not have to be voted.

**Mr. Devine:** — Well, Mr. Minister, what the average taxpayer would like to have clearly laid out to them is that when you're voting on this column, one-twelfth of the 1993 amounts, why they don't relate to . . . or how they're connected to what you estimate the total expenditures will be. And we see no connection between what's to be voted on and what's estimated.

Can you give us a little better linkage? What's the linkage between what we're voting on and what you think you're going to spend?

**Hon. Mr. Penner:** — Mr. Chairman, the estimated amount minus the statutory gives us the to be voted. And there's a difference of about a million . . . a billion dollars here between the estimate and the to be voted. That approximate a billion dollars is statutory, and that is provided by law. Then you take one-twelfth of the \$3.969 billion and you come up with the exact amount that we're asking for in interim supply.

**Mr. Devine:** — All right. Would the minister tell us: is there any difference in the source of money going into statutes versus what we're voting on today? In other words, the money going into statutes, does that come from sales tax and income tax and general taxes? Is it any different than the revenue coming in for what we're going to vote on today?

**Hon. Mr. Penner:** — The amount that goes into the . . .



the statutory amounts comes from the General Revenue Fund so there are no other monies.

**Mr. Devine:** — Well, Mr. Minister, obviously the general taxpayer is concerned about this interim supply, in part because we've been through two special warrants. And you promised, and your administration and the NDP Premier promised, there would be no special warrants. Now we're into interim supply and we've got meetings and public outcries all across the province because of tax increases and cuts. So the confidence level is declining very rapidly, as we speak, in your ability to provide the kind of revenue that you think is here.

Could you tell us, have you done any work at all, anything that you could publish — and from my recollection there always is some research done — on the impact of raising the sales tax, the impact of raising the sales tax on general economic conditions and on the ability to pay in the province of Saskatchewan?

**Hon. Mr. Penner:** — Mr. Chairman, the question that the member from Estevan asks is really not part of interim supply. But I believe that yesterday the Minister of Finance did explain to the House and to the members opposite that there were no special studies done on this.

**Mr. Devine:** — Well the minister, for example, being from Swift Current, has no . . . no analysis of what an increase in the sales tax does to (1) his community, or (2) the Saskatchewan economy in terms of economic impact. In other words, if you raise sales tax to 10 per cent or 11 per cent — you've now raised it 29 per cent, from 7 to 9 — you have no analysis at all on, if you will, the tax elasticity of demand or the diminishing marginal return from revenue as you raise taxes. You have no idea what this might do to either your community or to the people of Saskatchewan as you raise sales tax.

Is that what you're telling us, that you've done no analysis at all? You just raised the tax and you say well I hope this is the amount of money that'll come in. Are you assuming that as you raise . . . it's a straight-line relationship, as you raise taxes, you'll just get a proportionately more amount of income or revenue from the people, that we'll just continue to pay. Is that what you're assuming?

**Hon. Mr. Penner:** — Mr. Chairman, I believe the member from Estevan is getting into, or wants to get into a debate on the E&H (education and health) tax, and I think he'll have an opportunity to do that when we get into more detail. He asks so many questions and he wandered all over the place so I'm a little at a loss to answer any of them, but I think that's the answer I'm going to give him.

**Mr. Devine:** — Mr. Chairman, we'll just take them one at a time. Okay? Do you think, Mr. Minister, as a former high school principal in the city of Swift Current, do you think a 29 per cent increase in sales tax will affect business in Swift Current?

**Hon. Mr. Penner:** — Mr. Chairman, I believe that I answered that question before. That has nothing to do with interim supply and I'm not sure that we're in this House here to debate what I think or what I don't think.

**Mr. Devine:** — Well, Mr. Minister, we are here to ask the minister questions about your attitude about raising revenue, because you have statute money here, you have money going into general revenue, and you are responsible for responding. And we're simply asking: if you have so much money in statute and so much money coming into general revenue and you want us to vote on it today, how can we vote fairly for the people of Saskatchewan and the taxpayers if you don't have any idea whether increase in taxes hurts the business community or not, or if in fact you'll get your revenue? Can't you tell us, Mr. Minister, if you raise taxes 10 per cent, do you expect the revenue to increase 10 per cent? Can you tell us that?

**Hon. Mr. Penner:** — Well, Mr. Chairman, now the member is asking me about my attitude towards these things, and I don't think that that has anything to do with interim supply. If they will stick with their questions on interim supply, we'd be happy to answer the questions.

**Mr. Devine:** — Mr. Minister, if we can't ask you about your attitude, can we ask you about, have you done any research or do you have any information that would explain to the public the relationship between tax rates and revenue? If you raise sales tax 10 per cent, do you expect, Mr. Minister, revenues to go up 10 per cent?

**Hon. Mr. Penner:** — Mr. Chairman, I would like to just repeat, again, the answer that I gave before. These are questions that properly belong when we talk about the education and health tax which will be debated later on when we get to committee.

**Mr. Devine:** — Mr. Minister, you're asking us to give you a vote of confidence on \$340 million that you're going to raise revenue. You're going to raise that money, and we're asking you, where you going to get the money?

Now obviously, one of the ways is sales tax, and you've raised sales tax. Can't you tell the taxpayers of Saskatchewan what the impact is on the Saskatchewan economy or the impact in terms of how fast you'll raise revenue by raising sales tax?

I mean I've asked that question of ministers before, and I've certainly seen my ministers respond in a polite fashion: yes, here's our best estimate of what it's going to be. Here's how we calculated it. And I know the young fellow sitting beside you has calculated that for several years.

So I'm just asking: in these economic conditions, under these times and with your budget, can't you give us any indication of the relationship between your tax increases and the revenue you're going to generate from sales tax? It's a simple, straightforward,

honest question that deserves an answer.

**Hon. Mr. Penner:** — The answer, I think, is just as simple as the question. Let's get out of interim supply and into Committee of the Whole and we'll be ready to debate the E&H with you at length.

(1500)

**Mr. Devine:** — Well, Mr. Minister, why do we have interim supply and why is this House set up like it is? Why do you think it is? I mean, respectfully, why do you think we're here? What is this all about?

Is this just so that you can browbeat somebody or just say, let's get on with it, vote, and go home?

These are sincere questions. You want one twelfth. You want \$340 million. And all I'm asking you, if you raise taxes, what's the relationship in terms of revenue that's raised? That's an honest question. Any mayor would have to answer that; any alderman; any Finance minister. If you raise taxes, your worship, how much revenue do you get? What's the relationship?

And then I want to ask in terms of income tax, because maybe it would be better to do income tax rather than sales tax, and if you're asking for \$340 million you must have some indication what the relationship is.

It's not acceptable, Mr. Minister, to say that we can't ask you questions about where you're getting your money. You're going to spend a great deal of money. Please respond. Any research at all. And if you have no research, I would be very surprised.

But if you want to admit that to the people of Swift Current or the people of Regina or the people of Melfort or the people of Prince Albert, that you have no indication at all, no idea what you're doing and the relationship, then fair enough. You'll stonewall some more.

It's a sincere question. Do you have any information to give to the taxpayer on the relationship between raising sales tax 10 per cent and the amount of money that you're going to generate for revenue?

**Hon. Mr. Penner:** — Let me answer the first question, Mr. Chairman. Interim supply is an interim measure so that we can get through the next month until we get to committee where we can discuss all aspects of this budget.

The member keeps harping at me not answering the questions. I don't think that this is the first time that he has heard this, where the House has ruled, previous to me being here and previous to many other members being here, that those questions are not properly directed at interim supply. They're properly directed when we come to Committee of the Whole, when we discuss the budget.

In fact it was your Finance minister, Lorne Hepworth, who insisted that the Speaker rule on this, that those

questions were out of order. And I think the member from Estevan knows that, and if we could get on to interim supply we'd be happy to answer his questions.

**Mr. Devine:** — Mr. Chairman, if the minister wants to get on to the Committee of Finance, if he wants just to bypass this and get into the Department of Finance, we can do that. Is that what you want?

**Hon. Mr. Penner:** — Mr. Chairman, the answer to that question is: if they want to get on to the Committee of Finance, just pass the interim supply and we'll move on to the next item.

**Mr. Devine:** — Mr. Minister, what is this, in your view? Would you describe then to the public and to the taxpayers that are watching you, what this committee is for. Would you take the time to explain why we're here in interim supply before we go into the Committee of Finance?

**Hon. Mr. Penner:** — In answer to the question from the member from Estevan, this is an expenditure motion, as I indicated earlier, to get us through the next month of the expenditures that the government is going to have to make. That's what this is.

This is not a Finance committee meeting or questioning; this is simply interim supply, and as the word implies, it is for a short, interim period of one month to get us through the expenditures until we get on to rest of the business of the House.

**Mr. Devine:** — Mr. Minister, in British parliamentary history this whole procedure is called grievance before supply. In other words, the opposition and the public are allowed to ask you questions before they grant you the privilege of spending this one-twelfth.

Now I'll tell you, I'll tell you, Mr. Minister, people are not happy, number one, and don't believe that your tax increases are going to generate the revenue you think they are. And if you're wrong, you're not going to have this amount of money to spend in terms of one-twelfth. They want some comfort that maybe you know what you're talking about.

In other words, I would bet you, sir, that the people of Swift Current, the people of Maple Creek, the people of Moose Jaw, the people of Rosetown, Kindersley, and Lloydminster would not agree with you at all — that 29 per cent increase in sales tax is going to increase economic activity in those communities that I just mentioned — and you are not going to get the tax revenue there. And if that's the case, you're going to find it move way into the middle of the province. And if you have no comment about that, if you don't understand it, fair enough.

But you, sir, are before a committee that is grievance before supply. You have grievances out there, legitimate concerns that you might not be able to raise the money that you say you can. If you are wrong, then you won't have the one-twelfth you're asking for. So all we want to know is that you've done your homework or you can somehow justify coming up

with this amount of money — one twelfth.

Can't you give us any indication that your tax hikes are going to generate the revenue that you say is here?

**Hon. Mr. Penner:** — First of all, I'd like to comment, Mr. Chairman, on one of the earlier points that the member from Estevan made. We are quite prepared to answer questions as they pertain to the request that we're making on interim supply — no problem. You ask those questions on that and we're quite prepared to answer those questions.

And that's exactly what we're here for; that's the purpose of having this kind of a Bill here so that we can talk about the things that we're going to spend, not about the whole program of the government. That comes at a different time. It's not something that we discuss here because we could be here for months discussing that kind of stuff.

**Mr. Devine:** — Mr. Minister, fair enough. You want to ask what you're going to spend. But a corollary question is: where are you getting your money? Where are you getting this money? And if it's coming from income tax and sales tax, we want to know.

Why don't you take a moment then and describe for me and to the taxpayer, on the terms of one-twelfth — take your whole budget and divide it by one-twelfth — where are you getting the money to do what you say you're going to do here? What percentage of it comes from sales tax, what percentage comes from income tax, and what percentage comes from other sources?

Now if you can't tell us there, then I don't think that you know where you're going to get your money because getting the money is one hand, spending it is the other. And then we can get on to find out whether you really know what you're doing with it or not.

But the first part of the question is: can you describe where you're getting the one-twelfth from in terms of sales tax and income tax?

**Hon. Mr. Penner:** — Well, Mr. Chairman, it seems to me I've answered this question about half a dozen times, that there is a forum in this legislature where the member from Estevan can ask those questions and will get the answers in detail as to where we're going to get the money from.

**Mr. Neudorf:** — Thank you very much, Mr. Chairman. Mr. Associate Minister, I think it's obvious for everyone who has been listening over the last 10 or 15 minutes that you are just absolutely stonewalling the opposition from getting information from you.

I find it kind of queer that on such an important situation and occasion such as this, when you are asking the taxpayers of this province for the right to spend over \$340 million of their tax dollars, that first of all, we don't even have the courtesy of being able to ask the Minister of Finance these questions; that what we are forced with is to contend with an Associate

Minister of Finance who the other member there called the toy ministers.

So we are finding ourselves in a situation by being stonewalled not even with the real thing, a facsimile of the real minister. And you're refusing to answer the member of Estevan's very, very legitimate questions. Where are you going to get this money from?

You're quite prepared to spend 340-some million dollars of taxpayers' money but you refuse to say, this is where we're going to be getting it. And you use that excuse — and that's all it is, is a lame duck excuse — that this is not the proper forum for it, that this is interim supply, that there are other areas that the Department of Finance, that you would be willing to answer those questions.

All right, Mr. Minister, we want those answers. You say you're prepared to give them in a different form. So, Mr. Chairman, I move:

That we now go to the Committee of Finance, vote 18.

Which will give the minister all the leeway he needs in order to answer these questions.

That motion, Mr. Chairman, is made by myself and seconded by the member from Estevan . . . (inaudible interjection) . . . Pardon me? It's non-debatable? Well I am fortunate that I gave all my reasons before then. Thank you very much.

The division bells rang from 3:12 p.m. until 3:21 p.m.

Motion negated on the following recorded division.

#### Yeas — 9

Swenson	Britton
Muirhead	D'Autremont
Neudorf	Goohsen
Martens	Haverstock
Toth	

#### Nays — 37

Thompson	Johnson
Tchorzewski	Trew
Lingenfelter	Draper
Teichrob	Serby
Solomon	Whitmore
Atkinson	Sonntag
Kowalsky	Flavel
Carson	Roy
Mitchell	Cline
Penner	Scott
Upshall	McPherson
Hagel	Kujawa
Koenker	Crofford
Lorje	Stanger
Lyons	Knezacek
Pringle	Kluz
Lautermilch	Renaud
Calvert	Jess
Murray	

**Mr. Neudorf:** — Thank you very much, Mr. Chairman.

Mr. Chairman, I think what we have just witnessed over the last while — ever since question period — is pretty good evidence, I think, to the people of Saskatchewan how this government is operating. And I don't blame the members opposite for blushing and having red faces over there, because they got caught in the act. They got caught with their hands in the cookie jar.

We have the associate member . . . Minister of Finance telling members opposite here that the proper place to ask the questions of where are you going to get the \$340 million that you want us to agree to, of taxpayers' money . . . where are you going to get it from, we have been asking; and the Associate Minister of Finance says the proper place is to ask those questions in the Department of Finance.

Well that's what this vote was all about, Mr. Chairman. We called your bluff. We said, we agree, we want those questions answered. So if you say it's in the Department of Finance, we say, let's go there. But your ponderous majority won out again. When we called your bluff and say, let's get answers to our questions, let's give you the proper forum in which to answer those questions, you refuse; you hide. You played hide-and-go-seek with the taxpayers of this province.

You don't want to answer, Mr. Deputy Minister . . . or Associate Minister. You do not want to answer our questions and you'll do anything — anything — to hide. And this is the open, honest, forthright government that the people of Saskatchewan put their trust in. You're hacking and slashing across the province, no plan, most of things that you're doing are counter-productive, and then you have the audacity to say that this forum is not the proper place to ask you the questions: where are you going to get the money from?

Now, Mr. Associate Minister, and Mr. Government House Leader, I'll tell you the reason why I'm becoming a little bit agitated is because the people want to know the answers to our questions. I'm not smart enough to dream up these questions myself, but the people are the ones that are saying, pass these questions on. And we're asking those questions on behalf of the people.

And then we have shenanigans being played here with the House rules that do not allow us to ask those questions and there was a 10-minute bell ring. And there will be more 10-minute bell rings because we've got to draw it to the attention of the people that you folks are not . . . I don't think it's not that you're not capable — your bureaucrats are extremely capable. Your assistant there, Mr. Associate Minister of Finance, has got all the answers . . .

**An Hon. Member:** — In his head.

**Mr. Neudorf:** — He's got all the answers not only in his head, he's got them all written down. All he has to do is pass the paper over to you and you could read the answer for us. We know how it operates; that's the way it is.

But you are just refusing to answer our questions and the questions that the member from Estevan was trying to get from you — the answers are very legitimate. And you choose to hide behind the rules of the House where we can't get at you.

Won't happen, Mr. Minister. We want answers. We want answers. In order to accommodate that I'll start off very slowly, very simple question, and then perhaps in the spirit of answering that we'll be able to progress as the afternoon goes on and the evening wears on, where one answer will follow the other.

Now the question that I want to ask is a piggyback on what the member from Estevan was answering because I didn't . . . again in my slowness, I was not able to follow all of the contortions that you were going through in some of your answers. Now we were discussing at that time that there are two columns: one is the 1993-94 estimate and the other one is a '93-94 to-be-voted-on column. And then there is the one-twelfth figure on the third column which is the appropriation, the interim supply that you are asking for now, and that's one-twelfth of the total amount. All right.

Now understanding then that that is one-twelfth of the amount to be voted, there are some discrepancies in there and if I direct you specifically to the Environment and Resource Management. Now on the Executive Council, for example, it's 6,531 but the amount to be voted is 5,885. So there's a difference there between those two, and the way I understand it, the reason for that is the difference would be that which is under the . . .

**An Hon. Member:** — Statutory vote.

(1530)

**Mr. Neudorf:** — Statutory vote, thank you. It's a statutory vote because it's by law — that amount has to be paid.

So am I understanding that correct so far, Mr. Minister? The difference between the 1993-94 estimates and the to-be-voted column, that difference will always be made up for the amount that is by statute or by law has to be paid. Is that correct, Mr. Minister?

**Hon. Mr. Penner:** — The answer is yes and I'm pleased to see that the member from Rosthern understood the mathematics, that the difference between the estimates and the voted is equal . . . to be voted is equal to the . . . or minus the statutory is equal to the to be voted and divided by 12. So that's correct.

Then on page 51 of the blue book, you'll notice under

Executive Council it says, "Authorized by Law", near the bottom of the page, no. 6, there's 646,000, and that's the difference.

**Mr. Neudorf:** — All right, Mr. Minister, the next question that I would have then is to go from Executive Council, one line up, and there we find Environment and Resource Management. Now here we have reversal. The second line to be voted on is not less than the previous one, but rather more. So what is the relationship there and why would that be, that Environment and Resource Management has 95,617, but the amount that is going to be voted is more, 96,102? So there's an increase.

So obviously it's not that it's less than the statutory amount, it's more. So what are you asking for? Would, for example, 95,617 be the statutory amount, but now you want to spend more than you could have by law, or what would the reason for that be?

**Hon. Mr. Penner:** — Mr. Chairman, I refer the member to page 47 and . . . actually 47, 46, and 45, we'll go backwards here. On page 47, near the bottom of the page, he will notice that it says, "Authorized by Law", 485,000; it's a bracketed figure. And if you go to page 45, he will notice in item no. 8, it says, "Commercial Revolving Fund" of 280,000, and then there's the "Resource Protection and Development Revolving Fund" of 205,000. That accounts for the difference.

**Mr. Neudorf:** — Now, Mr. Minister, do you see how simple it is? A well-placed question gives a very adequate answer, and I appreciate that.

Could you answer the following question. What, in your consideration of this one-twelfth in determining the amount of money that you want to spend in your estimates, what impact would the fact that you've raised the GST (goods and services tax) . . . pardon me, the PST (provincial sales tax) from 8 per cent to 9 per cent have? What impact would that have had on that figure?

**Hon. Mr. Penner:** — Well we got along reasonably well for two questions, and now he's back into the old line of question again. And I would again say to the member that this is not something for interim supply.

**Mr. Neudorf:** — Thank you, Mr. Chairman. There, in full public light, is the attitude of the government. As soon as it comes to asking a question that is going to demand a hard answer, that will give us an insight into the machinations and the scheming with which this government operates, they go back into the shadows. For a while there, Mr. Minister, you had come out into the sunlight and I appreciated that. I'm sure the viewers appreciated that because we were getting somewhere. And then suddenly you decide to go back into the shadows and say: no that's a deep, dark secret within cabinet; that's the treasury bench's, and only they will know the real reasons why we are doing things.

And, Mr. Minister, you want \$340 million, plus more . . .

you want over \$340 million of the taxpayers' money but you won't tell them why. You won't tell them how you got that money. You say, I'll tell it to you but in some other day, in some other place, and some other forum.

Well, Mr. Minister, that doesn't fly. We'll take half an hour out from this particular estimate on interim supply. We gave you that opportunity before. We said: well let's go to vote 18; it's the Department of Finance; we can delve into these and any fears that the public might have we can address in the subsequent questions. But you refuse to do that. Because we want answers to those questions, and we don't seem to be getting anywhere. And I think that's a sad, sad situation, Mr. Minister.

In deference to the colleague from Saskatoon Greystone who has indicated that she would perhaps try a different tack . . . Maybe she's more successful in getting information from this government than we have been, but I would wish her the best of luck as I turn the podium over to her.

**Ms. Haverstock:** — Thank you, Mr. Chairman. It is a pleasure to have an opportunity to question the Associate Minister of Finance today on behalf of not only my constituents of Saskatoon Greystone but Saskatchewan taxpayers as well.

Mr. Associate Minister, prior to last year's budget, your predecessor conducted an opinion survey regarding what your government was planning to place in the budget. A copy of that survey was provided to me. It cost the taxpayers of this province \$59,000. Given that you are now asking for money to pay for such surveys, did you in fact conduct any prior to this year's budget? And if so, would you be willing this year to table a copy of those surveys in the Assembly today?

**Hon. Mr. Penner:** — Mr. Chairman, I'm very pleased to answer the question for the member from Saskatoon Greystone. And I just want to have a little preamble here. In a previous life that I lived and that the member from Greystone lived, I used to ask the questions and she had to give the answers when we sat in a math class together. So it's nice to see the role reversed here for a minute, so I'm pleased to answer the question.

I think the question does not pertain to the '93-94 budget, because had we conducted any kind of polling or surveys, that would be expense out of the '92-93. So I simply say that those numbers would not be in this particular interim supply; they would be in the current year's budget.

**Ms. Haverstock:** — Mr. Chairman, Mr. Associate Minister, I'm to understand then that all outstanding bills have all been paid from 1992, so that in fact none of the monies you're requesting today would go forward to pay off any work that's been done previously?

**Hon. Mr. Penner:** — Yes, Mr. Chairman. Any bills that

have been received would have been paid out of the '92-93 budget. Any bills that come after now would be paid out of the '93-94.

**Ms. Haverstock:** — Thank you. I am looking forward to having the opportunity to receive the surveys that were done for this budget, as I did last year. I hope that you will continue that practice.

Mr. Chairman, Mr. Associate Minister, last year you estimated that the deficit would be \$517 million. Instead the final numbers were \$592 million. And what we were told was the result of the discrepancy in these numbers was the decline on the revenue side of the equation.

What assurances can we have that this year's expenditure figures are not going to rise by another 14 per cent or \$67 million?

**Hon. Mr. Penner:** — Thank you, Mr. Chairman. The numbers that we have here today on interim supply, one-twelfth calculation, as I'm sure the member has the sheet, these numbers cannot rise because they were only voting on these particular numbers today. So those numbers cannot change. We are not allowed to spend more than \$340,881,000 for the one-month period of the month of April. So those numbers cannot change.

**Ms. Haverstock:** — Mr. Chairman, Mr. Associate Minister, I can understand then that this is the one month of all the months in 1994 where we can be assured that this will stay exactly as is shown here. Can we have that kind of guarantee for the 11 other months of 1994?

**Hon. Mr. Penner:** — The third column here, the 340 million, as I alluded to before, is the maximum that we can spend in the month of April. Now if we have to overspend this for some reason, if it has to be overspent, there would have to be a special warrant which would have to come to the House.

So without a special warrant, this is the amount that we can spend, no more. This is the absolute maximum that we can spend.

(1545)

**Ms. Haverstock:** — Mr. Chairman, Mr. Associate Minister, are you saying that we will change the practice in the Assembly and be able to use special warrants when the House is in, if in fact these numbers are not accurate?

**Hon. Mr. Penner:** — I'd like to correct that. The special warrant would be when the House is not in session. When the House is in session, if we haven't got a budget passed by the end of April, we'll obviously be back for another interim supply.

But for this particular interim supply, that's the amount. Special warrants would only be used if the House were not in session.

**Ms. Haverstock:** — Thank you, Mr. Associate Minister. Just to go back to my question on surveys, I was under the impression that yesterday the Minister of Finance did in fact comment that part of the interim supply requested would go to service bills from government advertising. And I'm just wondering if that is something significantly different from what I'm asking about. If you could clarify that for me, please.

**Hon. Mr. Penner:** — Mr. Chairman, for the month of April, if there were bills submitted to the government for the month of April for advertising, they would be paid out of this interim supply.

**Ms. Haverstock:** — Mr. Chairman, Mr. Associate Minister, I guess in part what I'm wanting to do is to be able to understand more of what the government is doing, has been doing in order to carry out its planful actions on behalf of the Saskatchewan taxpayer. So it appears as though we're not going to get very far on this line of questioning regarding surveys. I'll wait until you are more than willing and quite able to provide me with those as they were done last year.

Mr. Associate Minister, last year in the mid-term financial report the minister of Finance told everyone that the state of the economy was the reason why revenues from taxes fell short of expectations. Last year your government raised taxes to bring in an additional \$340 million in new revenue. And before that budget, the Conference Board of Canada predicted a rate of growth in Saskatchewan by 2.2 per cent.

By the time your mid-term financial report was released, the report indicated a revised rate of growth of a mere .5 per cent. While factors such as crop failure would indeed have a bearing on this, tax increases contributed to that downward revision of the province's projected economic growth.

We of course happen to believe, as do many others in Saskatchewan, that your taxes in fact did have a significant impact on the economy which in turn had an influence on the way in which your revenue projections were unable to be met.

Mr. Associate Minister, the money you're asking for today is going to be paid in part by a further \$193 million in new taxes. And the Royal Bank projected a respectable rate of growth for our province in 1993 but it warned us that that might be harmed if indeed the government introduced significant new taxes. Many think that \$193 million is a significant amount of new taxation.

What guarantee do we have that you will be able to balance your revenues with your expenditures that you are asking for today when you're introducing more taxes that might in fact have the same result on the revenue picture and will in turn affect economic growth and job creation?

**Hon. Mr. Penner:** — Mr. Chairman, I think I answered this question when the members of the official opposition asked the same kind of question. And I'm

not able to answer that in interim supply. This is not properly placed here.

And, Mr. Chairman, I'm going to ask you for a ruling on this line of questioning, whether this can continue or whether it cannot.

**The Chair:** — The Associate Minister of Finance has asked the Chair for the Chair's interpretation as to the purpose of interim supply. Since the fiscal year begins on April 1 and since the Appropriation Bill based on the Saskatchewan estimates, the budget, is adopted some months after the beginning of the fiscal year, the Crown will be without funds during that interim period. It is because of this that the Crown asks for an advance against the estimates to cover the period until the estimates are approved. This is known as interim supply.

The manner by which this is accomplished is for the government to introduce financial resolutions in Committee of Finance where they are debated and their adoption reported to the House which must adopt them prior to the introduction of the Appropriation Bill.

The detailed resolutions express the precise amount of monies required by the government in twelfths of the total estimates, usually one or two twelfths.

The Minister of Finance appears before the committee to provide explanations and to respond to questions on the interim supply resolutions. The interim supply process allows members to ask questions and to focus debate on the need to grant, reduce, or refuse supply with respect to the interim supply resolutions before the Committee of Finance.

Debate must therefore apply to the estimates as a whole and should not attempt to discuss policies and details of programs of particular departments. An opportunity for detailed discussion will be available to members when the committee debates the estimates of each department with the appropriate minister.

Hence the Minister of Finance should not be expected, nor should he — or she — attempt to answer detailed questions on a particular department as this may generate continued detailed questioning on the specific department, and this is not the intent of the interim supply exercise.

Members will recall that the Chair has reminded the committee of this practice on numerous occasions, notably July 30 and June 1, 1992; May 6, 1991; April 9 and May 10, 1990.

**Ms. Haverstock:** — Thank you, Mr. Chairman. My comment is that what I'm simply doing is asking on behalf of taxpayers of Saskatchewan about their taxation dollars, and today you are asking for one-twelfth of their twelve-twelfths of all their taxation dollars. Now I am talking about the \$193 million in new taxation is money that you've brought about in your budget. I don't think that it is asking

about a specific department. I don't think it's requesting information that is so completely specific that it's unanswerable. And I think that people have a right to know where their other eleven-twelfths is going to be coming from.

Mr. Associate Minister, if one accounts for the cost of servicing the debt to the figure you are asking for, one can make some very interesting observations with the numbers you've provided us. Using that figure and comparing it to the taxes you want to introduce, the province's spending only decreased by .6 per cent from the years previous . . . last year, .6 per cent in one year. At the same time your revenues went up 6.1 per cent, due mostly to this \$193 million in new taxes and other charges to which I referred.

Mr. Associate Minister, how can you explain the fact the growth in revenues is 10 times greater than the reductions in expenditures?

**Hon. Mr. Penner:** — Mr. Chairman, I thought you had just read a ruling, and I will repeat again, I don't think this questioning has anything to do with interim supply and therefore I cannot answer that question.

**Ms. Haverstock:** — Mr. Chairman, Mr. Associate Minister, I will try another one. Some of the monies you're asking for today are going to be raised through the increases in fuel and gas taxes . . . fuel and sales taxes. Now the city of Regina indicated that the increase of the fuel tax is going to add an additional \$80,700 to their expenditures, a further \$147,000 in sales tax, added to this another \$477,000 the city no longer receives because of your cuts in transfer payments to them.

Now the Minister of Finance has always stated that your government has a plan to reduce the debt. And I'm quite interested in having you talk to me today about your plan, which seems to be mostly founded on the very shaky planks of higher taxation, and making local governments and school boards and hospitals pay more through downloading.

Now in part what you're asking for today is dealing directly with the money that you are going to raise by the proposals you have put forward. And I don't see how anyone can claim that these things are not connected, Mr. Associate Minister. They are directly . . . there's a direct impact on every single dollar of taxpayers' money that we are dealing with here today, because the sheet that you've provided me with, you have no money — it's only the taxpayers' money. So I would be most interested in hearing how it is you are going to reduce the debt when your plan is founded on higher taxation and downloading.

**Hon. Mr. Penner:** — Well, Mr. Chairman, I find that the line of questioning here is pretty much similar to what it has been for the last few minutes. This is not a debate on taxation. This is not a debate on raising revenue. This is a debate today on interim supply which is one-twelfth of the amount to be voted. And it is an interim measure and it has nothing to do with the taxation, as far as the debate here today is concerned.

And it certainly hasn't got anything to do with the debate of the budget of the city of Regina. That's their concern, and we're not going to debate that in this House.

So, Mr. Chairman, again I say, these questions do not deal with interim supply and I will not get into the debate on them.

**Ms. Haverstock:** — Mr. Chairman, Mr. Associate Minister, the interim supply Bill presented before us today includes a drastic reduction in spending in several departments, one in particular which was hit hardest last year, and of course one which similarly was hit this year. And much of that will inevitably affect a lot of the people in the province who live on farms.

Although this is not the time to get into the merits or demerits of programs like GRIP (gross revenue insurance program), I'd like to ask the associate minister why the Department of Agriculture has taken such a significant cut, based on your projected expenditures of last year. And why did it take such a large cut when you know that rural people, whose incomes are going to drop half of what they were last year in fact, they can't afford such a heavy burden on themselves?

And I want you to note, please, that the NDP always argue that they want to do everything on the basis of ability to pay. Farmers are about the least able to pay these days, next to the unemployed entirely. But this budget is facing the hardest cuts of all in Agriculture, of any major department. And I find it quite interesting to look down your numbers here. I think that Tommy Douglas wouldn't approve, since you're always commenting on him.

**Hon. Mr. Penner:** — Well, Mr. Chairman, again the member from Greystone is asking us to get into a debate on the Department of Agriculture's budget. I'm not going to do that. I'm not going to get in here. And I'm just wondering, Mr. Chairman, whether we will continue with this line of questioning or whether we're going to get on to what interim supply is all about.

**Ms. Haverstock:** — Mr. Chairman, Mr. Associate Minister, I will try to get these questions answered some other place. I've found in experience, in my limited experience here, that they aren't answered in estimates either. So what I will do is try to find some people somewhere who can explain what it is your government's doing.

Mr. Associate Minister, the money you are asking for here today is in part derived from the monies I alluded to earlier, the \$193 million in tax increases. Last year your predecessor commissioned an opinion survey which told him that 82 per cent of the people of this province found an increase in the provincial sales tax unacceptable, completely unacceptable. That year your government raised the sales tax by one point to provide for its spending, and this year, to provide for the monies that you want today — whether you like to

make the association or not — you not only raised the sales tax again, but you added it on to such things as adult clothing and yard goods for those people who couldn't afford to go in and buy clothes off the rack.

Mr. Associate Minister, the spending you are proposing here today must be supported by a stable if not growing tax base. How will the Saskatchewan economy be able to afford this kind of government expenditure that you have here when you keep bringing forward tax increases even though people keep telling you that they can't afford them?

**Hon. Mr. Penner:** — Mr. Chairman, I'm getting a little weary of answering the question the same way, but it's the only way I can answer this question, is that these questions do not belong in interim supply. These questions belong in Committee of Finance, and we would be pleased to vote this off, we would be pleased to vote this off, and then we could get into other business of the House. So if that's what members opposite want, we would be happy to do that right now.

**Mr. Goohsen:** — Thank you, Mr. Chairman. Mr. Deputy Minister, it seems to me that you've had a lot of trouble coming up with any new answers. I've heard the same one for every question for some time this afternoon, yet when you are approached with the potential to move on to the business of the House in a more productive manner, you bring in your colleagues to vote that attempt down. And that doesn't seem to me like a very productive way for a Finance person to be treating the parliamentary process of our province.

(1600)

I'm not going to lecture you any further. I think you know that you're off base in your approach. And I think that you know very well that the people of Saskatchewan expect you to answer the questions of all people in this Assembly, but more especially, people in the opposition in this forum.

Now in this interim supply, Mr. Deputy Minister, there are a lot of things that aren't really obviously accounted for. And when you're talking about a couple of dollars out of my pocket or 10 out of yours, that probably wouldn't affect either one of us too much. But we're talking about one-twelfth of \$4.928 billion. That's a pretty hefty figure. A twelfth of that is a lot of money, \$330.772 million. Now that should get somebody concerned about how it's going to be spent when it is money in a public trust.

But I have a couple of specific questions that worry my constituents too in terms of what provisions you are making in this one-twelfth allocation. For example, down in my area the credit union system has fallen into some economic trouble. That's not new; it has happened occasionally in the past. But during the past administration when that happened and there was some threat perceived, I think more than real, that there might be financial difficulties, the previous administration had the premier go on television and



radio throughout this province to assure people that the government of this province would back the monetary soundness of those institutions. That stopped any run of money on the institutions, and I think you know what a run on money in a bank is.

We've had one in fact, I think maybe even two, in Swift Current in recent months. It is a devastating thing for a financial institution to have to go through. And I suggest that being familiar with that area of the world you should have not only encouraged the Premier to make a public statement in support, but you should also now have provided some funds in the budget to back up the system in the event that it's required.

There's every possibility that the entire credit union system in this province could collapse. And I'm sure, Mr. Deputy Minister, that with the experience that everyone knows that you have had in the credit union system that you would not want to see that happen. And I'm sure that you must realize that if you don't take appropriate steps to shore up not just the institution but the perception of its ability to function, you have to shore up in people's minds the reality that it can hang on, that it can survive, that they won't lose their funds.

And so what we need to know, Mr. Deputy Minister, is: for the sake of those institutions in every one of our small towns in south-west Saskatchewan and I expect in most of the province, have you got any place in this one-twelfth allocation some funding or could you make some kind of a commitment or statement that there would be funding available to put some calmness into the countryside with regards to people leaving their money in the credit union system? Or should they just simply take that money and run?

**Hon. Mr. Penner:** — Mr. Chairman, I'm not exactly sure what the member would want me to do on this issue, but I will say again that his reference to credit unions and how it relates to interim supply is just not on. It has nothing to do with the amount of money we're asking to vote here today to carry us through the month of April.

Besides, I think it may be somewhat imprudent of their member to comment freely on the financial state of financial organizations and the run of money and trying to put a scare tactic into different individuals who may have money invested in those organizations.

I'd also like to comment that we are not voting one-twelfth of 4.9 billion; we're voting one-twelfth of 3.969,287 billion. And I think the member should note that — that they're not voting on the 4.9; it's the 3.9.

And I am flattered by what the members called me — a deputy minister of Finance. I would be happy to take the deputy's salary but he said he's not giving it up. He's hanging in there. So as long as I'm not the deputy, I guess I don't get his salary either.

And I was also flattered earlier by the member from

Rosthern when he suggested that I was a facsimile of the Finance minister. That's flattering to me but I'm not so sure that it's all that flattering to her. So with that, Mr. Chairman, I will take my seat.

**Mr. Goohsen:** — Thank you, Mr. Chairman. Well certainly we don't want to put you in the wrong job today.

We have to think, though, about your comment. I want to respond this way. The panic that's going on as a result of what's happening in the credit union system was not created by me and I'm not the one who's spreading the word. The Swift Current *Sun*, the *Booster*, the local newspapers throughout the south-west, have carried full-coverage stories of the events that are happening in the credit union system.

There is no secret here that I'm bringing out to anyone. I'm only bringing to you what you know very well is public information all through the community. You know very well, Minister, that in fact there has been a run on money in the credit union in Swift Current on one day to the extent that the very doors of the institution had to be locked for an hour while trucks were sent across town to find more cash to deliver to the institution to serve the needs of the people who were panicking to take their money out of that institution.

That's a crisis in a banking situation. And you have the power to put a stop to that by placing confidence in the system simply by standing here and saying that you have prepared in your *Estimates*, in your one-twelfth allocation, any place at all, you place assurance that the government is going to back those institutions, that they will not be allowed to go broke. If the province of Saskatchewan's government is not willing to back the only banking institution that we can really claim to be our own, then that tells me it probably will be going broke.

If you are afraid to back it, then there is justification for that fear in the country. And what we were asking for you to do was to — through your process of interim supply . . . we were allowing you an opportunity to step in here to put that confidence into our banking system in this province. It may not necessarily have been the right time, but we provided you with that opportunity. That was an opportunity you should not have passed up on. It is crucial.

And you will be held to measure by the voters for your decision to circumvent this issue. You are responsible — as a minister working in this Finance department — you are responsible to help to put stability in our province.

Now I know very well that you won't answer the question so I'll just carry right on. I'm quite sure that if the people all take their money out of the credit unions, they will nicely blame you instead of me.

When you've increased the tax rate from 7 to 9 per cent in order to get the revenue that you're going to spend here, I'm sure that many people told you how

much that effect was going to have on the numbers of dollars that would now leave the province, more over and above what was spent before. Is it fair to assume that you would know what those kind of projections would be, and if so, could you share them with us?

We need to know whether or not the net effect of the increase in this tax is in fact going to help the overall balance of the provincial treasury. We strongly suspect that we've come to the saturation point in taxation where now we're at the breaking point where more people will shop elsewhere, and we'll in fact lose money.

So perhaps you could go into that and give us those projections, again for the purpose of confidence, because people are living with the perception that in this province everything is more expensive. And now today your government announces an increase in liquor prices. While that is not a sweeping increase over all kinds of brew, the perception will be there once again by the general public that oh oh, the government has now circumvented the budgetary process. And instead of putting all of the tax increases into the budget, they're now dribbling them in after the budget, and the cost of purchasing in Saskatchewan is rising even some more. So we're going to find an even greater panic for people to cross-border shop.

Minister, what are you doing in all of this process to cure these problems? What are we going to do if we don't have any tax base left, if nobody spends any money here any more? Where are you going to end up getting the money to be able to spend one-twelfth of a budget that you can no longer collect if you have no source of taxation left? If the people all leave you, where are you going to get this money from? Is there a place provided that you've got this money? Do you have it in the coffers?

**Hon. Mr. Penner:** — Well again, Mr. Chairman, we've heard this same line of questioning now I think the third or fourth time here this afternoon. And maybe the members are asking the questions because they didn't hear the answer the first time, so I will give the answer again; that the questions that were directed to me by the member from Maple Creek have nothing to do with interim supply.

What we are asking for here, Mr. Chairman, is one-twelfth of the amount to be voted so that we can pay the expenses for the month of April. And the questions that he has asked will be answered fully and completely when we come to the Committee of Finance.

**Mr. Goohsen:** — Well maybe we should approach it a little differently. What expenses are you expecting to pay? Maybe you can tell us that.

**Hon. Mr. Penner:** — Mr. Chairman, what we are planning to pay with the interim supply is one-twelfth of the pool of money that goes to each one of the departments, and the departments are listed on the sheet and I believe the member probably has that

sheet. These are not dealing with specifics; it's one-twelfth of the pool of money, for instance, that goes to Agriculture and Food, one-twelfth of the pool of money that goes to Economic Development, Education, Training, and so forth, all the way down the line. That's what interim supply is all about.

**Mr. Goohsen:** — Thank you, Mr. Associate Minister. The paper you refer to I do have. I note the first item under Agriculture and Food is — presuming these are million — 319.398 million. Social Services, 466.056 million. Is it normal for the Agriculture and Food department in our province to have less money spent in that department than in Social Services?

**Hon. Mr. Penner:** — Well, Mr. Chairman, clearly for the year '93-94 that's what the numbers indicate and that is what this government plans to spend on Agriculture, 319.398 million for the total year and we're taking one-twelfth, asking for one-twelfth of that now. And Social Services clearly is 466 million and we're asking for 38.8 million. So in this year's budget clearly that is correct.

(1615)

**Mr. Goohsen:** — So how, Mr. Associate Minister, would that compare with last year or the year before or a couple of years so that we can get a bit of an idea of the change or the shift in pattern of spending?

**Hon. Mr. Penner:** — Now, Mr. Chairman, the member now wants to go back in prior years. We do not have the information here from prior years. We're dealing here today with the interim supply for '93-94 and the numbers are clearly indicated on this sheet of paper.

**Mr. Goohsen:** — Well, Minister, surely your advisers must have some idea about what's been happening in the province. In order to qualify to have their jobs, they must know a little bit about what the past has been. But surely you must have some idea of where you're going to get this money from in order to be able to spend one-twelfth of a budget that you don't have the money for. How can you ask us to give you the money if we don't know if the money's in the pot? Have you collected the money?

**Hon. Mr. Penner:** — Mr. Chairman, I appreciated your reading the notice on interim supply — or the meaning of interim supply — to the House here earlier. And the questions that the member from Maple Creek is asking have nothing to do with interim supply. What we're asking the legislature for is one-twelfth of the amount to be voted for so that we can pay the bills for April and we get on with this. We vote this off and we'll get on to Committee of Finance, and they'll be able to ask all the detailed questions at the Committee of Finance.

**Mr. Goohsen:** — Well, Mr. Minister, we already tried that earlier today and you voted that down. Now that's on record; it'll clearly show in *Hansard* tomorrow. So it's obvious that it would be futile for us to try to facilitate you with an opportunity to move on with the

business of this government because you refuse to do that. You refuse to answer questions; you refuse to move on. You absolutely are stonewalling the province of Saskatchewan's taxpayers.

You refuse to tell us where you're going to spend the money; you refuse to tell us where you're going to get the money; and you refuse to move on to that part of the governmental process that would allow us to ask you the questions. And then you get up and say, let's move on. I don't see the rationale here at all. But anyway, I'm going to keep on trying to ask some questions. Who knows? Maybe you'll soften up and answer one some place.

In this one-twelfth allocation, Minister, what is the total dollar amount spent paying off the legal bills of the Tetzlaff brothers? Is any of this money going towards this cause? Any of this one-twelfth going towards paying off that bill?

**Hon. Mr. Penner:** — Mr. Chairman, first a comment and then I'll answer the question. The members opposite say we should get on with the business of government. Clearly the business of government now is to get an interim supply Bill passed so that we can pay the bills for the month of April and then we can get on with any kind of business that the members opposite want to get on with.

The member asks a specific question. The legal bill will be paid for out of the Saskatchewan Water Corporation and the \$514,000 that is being asked for in interim supply will be part . . . or the legal bill will be part of that \$514,000.

**Mr. Swenson:** — Thank you, Mr. Chairman. Mr. Minister, I don't know why the Finance minister decided to send the B team in today. But I can tell you that the frustration that you're hearing from members over here is because you aren't following the precedent of this House.

I just took the opportunity to step out of the House and go back through *Hansard* over a number of years and the debate that took place in here. And if you want precedent, I can stand here and read them off for an hour.

I went back and saw where members asked questions about the Regina city bus fleet. They talked about revenue sharing with every urban municipality in this province, and it was allowed at that time. And you know what, Mr. Minister, Mr. Associate Minister? The minister of Finance answered questions about the bus fleet in the city of Regina.

Now if you want me to stand up and read the precedents, we'll do it, and we'll do it over and over and over again. There are some very legitimate questions to be asked here because you're saying to the taxpayers of this province, I'm coming here for \$340 million, one-twelfth of the entire tax bill. Whether they pull it out of hip national or they get it at the pumps or they pay it in the clothing store, that's where they're paying those taxes, Mr. Minister, and

they're paying one-twelfth to you. That's what you're asking.

Now there's a lot of questions by them as to where the other eleven-twelfths of their tax money is going and how you justify doing it. You won't even justify the one-twelfth. You come in here and say, Mr. Taxpayer, give me one-twelfth of the taxes that you're going to pay me this year. And you don't want to answer any questions.

Mr. Minister, yesterday in this committee the Minister of Finance said that the Saskatchewan Gaming Commission is getting a one-twelfth . . . I believe it amounts to \$1.917 million. Now, Mr. Minister, your minister responsible for the Gaming Commission tells us that he's gone out and spent 20 million bucks of Saskatchewan taxpayers' money on gambling machines, that he's committed to spending that much, and you have allocated one million nine hundred-and-some thousand dollars to pay for those machines.

Mr. Minister, let's get straight with the folks now. I would like you to tell me where that \$1.917 million is going. Is it going to a part of those gaming machines or is it going to somewhere else? And the money that's going to be derived from that investment — I want you to show me because I can't find the revenue stream in your budget here — how taxpayers are getting a benefit for that \$1.917 million that you're asking for in interim supply.

So maybe we can get some answers on gaming out of you, Mr. Minister, that we can't get out of the minister responsible, because I think it falls right within the purview of interim supply.

**Hon. Mr. Penner:** — On page 128, Mr. Chairman, we have the Saskatchewan Gaming Commission. And it says, "Loans and Advances pursuant to The Saskatchewan Gaming Commission Act (Subvote . . .)" and it's given there, \$23 million. And we're asking for one-twelfth of that which is 1.917.

As far as the question was concerned regarding whether we're . . . regarding the taxation, we're not asking here for one-twelfth of the taxation. We're asking for one-twelfth of the expenditure amount and that's what interim supply deals with.

**Mr. Swenson:** — Mr. Minister, that's not acceptable. There's only one place that you get money from and that's out of the hides of taxpayers. You get it in all sorts of places from them. You take it out of personal income tax; you take it out of sales tax; you take it all over the place. And along with the other revenue streams that you have a resource in another thing, that's where you get your money from.

Now unless you want to divvy up that one-twelfth and tell me which portion isn't taxpayers' contribution and which part is oil companies or uranium mining or something like that, I mean you won't answer those questions. You won't tell us what portion is derived from taxation. So I'm giving you a simple question.

We would like to know on the Gaming Commission on this one-twelfth that we're going to vote you in here, what you're doing with that. We want to know.

Is that . . . are you buying machines? What are you doing? Are you buying bingo halls? Are you reimbursing that money to third parties? What exactly are you doing with that? So we can start to begin to understand after you buy these \$20 million worth of gambling machines and other things, how we're going to understand how the money's going to get back to the taxpayer and whether you're doing it appropriately, whether there's corruption involved. We've got to know those answers, Mr. Minister. Maybe you can start today.

**Hon. Mr. Penner:** — Well again, Mr. Chairman, the line of questioning is as far as your ruling was concerned earlier, and I think it still pertains, is out of line. The line of questioning that the Leader of the Opposition is asking is specific to the Gaming Commission, and we are not here today to talk about the specifics of the Gaming Commission.

I answered his question earlier. We're asking for one-twelfth of the \$23 million that is to be borrowed by the Gaming Commission to set up whatever the Gaming Commission is going to set up. And we're not talking here about the specifics of the activities of the Gaming Commission.

**Mr. Swenson:** — Mr. Minister, this is totally applicable, because as the Department of Finance you are the one who disbursed funds to all other agencies of government. You are the only one with legal authority to collect monies in the province of Saskatchewan. You are going to be collecting funds from Saskatchewan taxpayers in all manner of methods, all manner of methods, and you in turn hand those out for disbursement to the various agencies and departments of government.

Now I think it's appropriate when I look back over — and I just have had some of the record from *Hansard* delivered to me here, Mr. Minister, where we not only talk about the gas tax, and the transit system, and user fees, cost to consumers — I mean you went on and on, Mr. Minister, in this Assembly, and this was with August 14, of 1989, page 3872 of *Hansard*, where there were all sorts of detailed questions asked to the Minister of Finance that were far more detailed than what we're asking you.

Now I think it would be far more appropriate and simple for you to stand up on some of these broader issues of taxation and show us the studies and the analysis that you've done. And if you would do that, as I know you can, as you could with liquor, as you could with cigarettes, as you could in other areas, then that would give the opposition some of the answers that people are asking us to ask of you. And then we would go to the individual estimates of various agencies and departments of government for those more detailed questions.

And it's that lack of being forthcoming, Mr. Minister,

that causes us some frustration because we know what went on in the past. We know what went on in the past. And our only conclusion can be is that the Minister of Finance has sent you in here today to stonewall because she has more important things to do. She doesn't think it's important that she's taken \$340 million out of the taxpayers' pocket so she sends the associate minister in here to stonewall the opposition and not answer any questions.

Well, Mr. Minister, if she considers you the B team, you're the B team, but today we want answers from you. So maybe we can go back to square 1 and try again. You have analysis within your department that shows what Saskatchewan taxpayers will have to do in order to come up with this money in the way of sales taxes and the effects that they will have on Saskatchewan business people, on Saskatchewan consumers, relates to cross-border shopping. It relates to total growth in the economy of Saskatchewan. And why don't you just start there with a little bit of that analysis and then this committee can progress in the way that it should?

**Hon. Mr. Penner:** — Well, Mr. Chairman, there is nothing I would love better than to progress on this committee, but the only way we're going to progress on this committee is if the questions are directed to interim supply. And I will answer the questions on interim supply. The questions pertaining to taxation do not apply to interim supply; therefore I will not answer those questions. But if they're on interim supply, Mr. Chairman, I'd be happy to answer them.

**Mr. Swenson:** — Well, Mr. Chairman, it appears that somehow this committee is going to have to move along till we can get the Minister of Finance back in here, because it appears that the member from Swift Current is incapable of handling that particular department. Now I don't know if this is the reason that the member from Riversdale was so down on having associate ministers in the past, but I guess we're getting a prime example here in the House today of why maybe governments shouldn't have associate ministers. Because we can't get anywhere without the Minister of Finance.

Therefore, Mr. Chairman, I move, seconded by the member from Morse:

That we move to vote no. 1 of the estimates on Agriculture and Food.

(1630)

The division bells rang from 4:31 p.m. until 4:41 p.m.

Motion negated on the following recorded division.

# Yeas — 8

Swenson  
Muirhead  
Neudorf  
Martens

Toth  
Britton  
D'Autremont  
Goohsen t

Nays — 30

Thompson	Lautermilch
Simard	Calvert
Tchorzewski	Trew
Lingenfelter	Draper
Teichrob	Serby
Solomon	Sonntag
Atkinson	Cline
Carson	Scott
Mitchell	McPherson
Penner	Kujawa
Upshall	Crofford
Hagel	Stanger
Bradley	Knezacek
Lorje	Kluz
Pringle	Renaud t

**Mr. Muirhead:** — Thank you, Mr. Chairman. Mr. Minister, we don't need the officials for what I'm going to say to the minister.

The minister, the member from Swift Current, has been in this legislature about a year and a half, been a member. I've been a member for 15 years and I have had 45 approximately, 45 . . . and we had 9 years over there, and we'd still be there if it hadn't been for you people misrepresenting everybody in the province of Saskatchewan. You totally misled everybody. You totally misled them all.

Did you tell the people in the election, did you tell them that there'd be more money? Did you tell them? Mr. Chairman, my lungs aren't quite that good, I can't out-yell that.

Mr. Chairman, I wonder if they told the people at election time that there'd be more money for Social Services, paid out in Social Services than the complete Department of Agriculture? Did you tell them that? Did you tell them that you were going to raise everything in taxes you could think of? Did you tell them? Did you tell them? Well the member from Elphinstone says, no we didn't.

(1645)

Well I'm going to tell you that at Outlook, Saskatchewan, in this last election campaign, the now Premier made a commitment we'll just talk about on SaskPower, and we'll talk about Energy, we'll talk about SGI (Saskatchewan Government Insurance), we'll talk about all these types of costs to all the people in the province of Saskatchewan, the whole works.

He was asked the question after he made his speech, made all the promises to Saskatchewan, what about essential services . . . I can't say his name in here, of course, because he wasn't a Premier then. The member from Riversdale, was asked, the Tories got . . . they're charging too much for essential services. What will you do? And he stood up, and he's on record, and we have him on tape, saying that our promise is to hold or lower.

Now why did you break all those promises? And then

you come in here and you think you got no rights to answer questions. I've never heard of such arrogance that we've had from the member from Swift Current this afternoon. I can't believe it. Well what else do you call it but arrogance when you've never answered one question.

The member from Saskatoon, the head of the Liberal Party, had 45 minutes of questioning, and I was going to follow her. And she gave up after 10 minutes and left. I mean what do you think the people of Saskatchewan is going to say to you when you wouldn't answer any questions? What is wrong with answering a few questions with grievances before supply? What's wrong with it?

It's always happened before. This is the first time in the history of my 45 interim supply that I haven't seen a lot of questions answered. And nobody got foolish about it.

We could have been easily done by now. Yesterday afternoon and . . . Because that's been normal — a day or two; two or three hours for interim supply. Now we're going no place. So we've got to do with you exactly what we did . . . (inaudible interjection) . . . I'm going to take as much time as I want to ask questions. I'm going to just . . . To the member from Elphinstone, I'm just going to do a little telling before I ask.

**The Chair:** — Order, order. The member for Arm River has the floor. He may proceed. We shouldn't interrupt him.

**Mr. Muirhead:** — Thank you, Mr. Chairman. The member from Elphinstone said I haven't asked any questions. Well yesterday I came in here and I asked questions for half an hour and got zero for answers. And I watched the member from Estevan come in this afternoon and ask questions, and you frustrated him. He's never seen anything like it in his time. He never got an answer from you.

The now leader of our party, the member from Thunder Creek, never got any answers. The member from Maple Creek never got any answers. Why wouldn't we be frustrated with you? Why wouldn't you save the taxpayers some time and some money and just answer a few of our questions?

We're going to get into something after supper, just so you can have something to digest. And you're going to answer these questions because I have the precedent because this is last year's *Hansard*. And I want a page to deliver this to every government member, and put one onto the table of the Leader of the Liberal Party, please.

And I want you to . . . and don't be as arrogant as the member from the games commission, responsible for games, as he was this afternoon, getting up there with a little piece of paper in his hand and saying that you can fill it out here and you put it here and I'll show you how to do it.

We're just going to go through that as people after

supper talking about what this real deficit was in 1982. Because I'm fed up with you people saying that this whole problem, all the cut-backs, is the deficit that was left in 1982 by the . . . or that we left you in 1991. We're going to talk after you read this. We're going to talk about the deficit you left us in 1982.

And you can't deny this because this is said by the then minister of Finance. We're going to go through that and we're going to figure it out in today's dollars. So the minister that's answering questions today might as well make up his mind that he's going to answer who is responsible for this big debt we've got in this province of Saskatchewan. Because I have a pretty good calculation right in my head, to tell you that \$3.5 billion in today's dollars is a lot of bucks. And that's what we had to put up with.

Just like a friend of mine the other day said, I don't just understand how this government says they're going to balance this budget, total 15 billion, in four years. Well I told him, that isn't what they're going to do. They have no intention. They're just going to balance the budget. The deficit will still be there and they'll be adding to it. And to explain to them, Mr. Chairman, to explain to this gentleman, I said it's like this, that on your farm or your business you've got \$100,000 debt against it. In a year or two or three, you've got \$125,000 debt. But all of a sudden you decide to manage and you're managing properly and things are going better for you. It rains on this guy's farm or whatever happens, he had a little luck, and he was able to balance.

But he still had the \$125,000 deficit. Because I know you members over there have gone out and misled the people in the province of Saskatchewan by saying the debt's going to be gone in four years. You're only talking about the budget, the same as you did in '82 when you hid all the debt in the Crowns and then come in with a balanced budget. It didn't even turn out to be a balanced budget.

I mean you tell me why we can't have the people over there that are ministers tell the truth. The Minister of Social Services, every time she gets up in this House . . . And I've been sitting in a hospital bed and at home and watching television till I could pretty near walk without any legs when I heard that member talk. Every time she talks she says we left this great big . . . the Tories took over in 1982, we left this great big surplus of money for them.

Well that's an absolute falsehood. And she's sitting there reading the truth right now . . . (inaudible interjection) . . . You're sitting there reading the truth right now, Madam Minister, and it's 3.5 billion, and that is your figure. Our figures say 4.9.

Now we've had enough of this going around this province misleading. I'd like to use some stronger words than that but I'm not going to because I'm allowed to say mislead. And you did mislead.

When you sit in this House . . . The Minister of Health the other day, every time

you talk about it, every time you mention one little word about, oh these here hospital boards and closing down hospitals — oh, we're sorry, we got to do it. We just have to do it because these Tories left us in debt so bad.

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

**Mr. Muirhead:** — Now if you people can't understand that paper I just give out to you and can't be truthful, can you not read what it says? And it says very carefully what the debt was in 1982, even though we didn't agree. But that's at least your admission.

We've had enough of it. Absolutely enough of you people misleading. And when we come back after supper, Mr. Minister, my suggestion to my colleagues is this: that if you don't start answering some questions so we can get this interim supply Bill out of the way, then maybe you'll have to have a lesson taught to you, taught to you like we taught the minister last year: on the fourth day you begin to answer, because we control when you pass this Bill.

Unless you want to start with your closures right now. Do you want to go closure on the interim supply Bill? What's wrong with just answering some questions? I know why the member from Swift Current can't answer the question. Because he doesn't know the answers. He doesn't know.

We went through, Mr. Chairman, we went through about two and half hours yesterday — we'll soon have two and a half hours today — and I might as well stand here and give political speeches as long as I want and tell the people of the province the truth, the facts. Because they've wasted half the time getting up and saying, we don't have to answer that under the supply Bill, we don't have to. That's all we heard from the minister yesterday.

But after, she got a little frustrated toward the end and I did get a few answers from her. But the minister today has been zero. You've never . . . You tell us what kind of questions we should ask in an interim supply Bill.

Why don't you just take your dictatorship a little farther and just have this passed without having a Bill? You don't need a Bill to get this passed. What are you using it in here if we can't ask questions for? Why don't you just get your dictatorship going a little more? Why don't you just go roughshod and go all the way because you've dictated and broke every promise? You're nothing but a bunch of dictators.

And I'll tell you, the member from Swift Current sits there with a smirk on his face, saying that he thinks he's smart. But I'll tell you, when the facts get out in Swift Current, you're not going to be around for as long as I'm going to be in this House. You'll never make it. If you think that the things that I say in this legislature, that I'm not saying the factual thing, if you think my people in Arm River don't appreciate it, then why did they elect me four times in a row? You try it.

And the reason why is because I never misled them. I never misled them. When I was in government for

nine years, I never misled. I never would mislead anybody. Now I'd be misleading you, Mr. Chairman, I'd be misleading you very badly right now if I didn't get up and say what I'm saying. Because this is the most arrogant bunch of people I've ever come across in my 15 years.

Now you said this afternoon, Mr. Minister, and the minister yesterday said the same thing and the minister last year in interim supply said the same thing, that we couldn't get any answers out of your government in 1991. Well I can remember last year asking 12 questions to the now Deputy Premier of this province, 12 questions in a row, and he wouldn't answer one of them. And they turned out to be the same questions that were answered by Lorne Hepworth that the member from Riversdale asked in '91. They were all asked by him about the GRIP program and they were all answered.

Now what's so different about you guys? Why are you so arrogant that you can't give us a few answers? Our leader this afternoon has asked you several times for some reasonable answers. Now if we could get them, you wouldn't get us so irate. Just answer a few questions.

Just think, you're saying, Mr. Minister, that you don't ask them here. You've got to ask them in estimates. Well if you're going to answer them some time, what's wrong with answering a couple of days of questions of our grievances before supply? Just tell us why you can't do it.

You won't do it because you're arrogant. You've decided you're not going to let these 10 people over here do like they did last year. We came in here last year and you just thought well we can walk right over top of that 10 little old farmers over here. You found out that you got a licking in last year's session. You hurt bad. You hurt bad, and we were the ones that came out looking popular all over the province. We did a good job.

And you know you did, so you've come in here now with your arrogance and says, we got to control these little fellows here. We got to make sure we're going to be the bosses. We're going to be the big boy that's not going to give any answers. Well I'll tell you, Mr. Minister, when we come back after supper, as I said before, you better have a good supper and you better . . .

You're a reasonable man. Just think — and if you would just get up and do your own thinking, Mr. Minister, just answer for what you think is right and don't let that front row dictate what you do. Because that's what's happening. They're just taking your chain and they're jerking your head and you got to answer exactly how the front row says you got to answer. And the answer is say nothing, say nothing. There's about three or four in the front row that said to the Minister of Finance yesterday, say nothing, don't give one answer to them. Don't give any.

Well I'll tell you, we're never going to get off of interim

supply until you tell us, and you're going to tell us tonight or Friday or Monday or when exactly what \$3.5 billion is going to be in '93 dollars, what the total deficit is that you left us. You're going to . . . And that's only your figures. That's only your figures, the 3.5. And they sit there and they laugh and they don't . . . but I think they're pretty worried because every paper I put on everybody's desk was an admission by the minister of Finance for 1992, was an admission that there was a Consolidated Fund and the departments and the Crown corporations was exactly \$3.5 billion. Okay.

**An Hon. Member:** — Let's stop the clock.

**Mr. Muirhead:** — The member from Elphinstone said, let's stop the clock. I know I have permission from the Speaker to speak from my seat, so I'll just sit here and we'll just keep right on a-going.

Mr. Chairman, I'm going to reiterate what I was saying, I'm going to start all over again. I'm going to start all over again and say that our biggest trouble is . . .

**The Chair:** — Order, order.

**Mr. Muirhead:** — I've got to stand up to say this, because our biggest problem we got is the member from Elphinstone . . .

**The Chair:** — Order, order. There's far too much interruption of the member who had the floor. It's not conducive to the proper functioning of the committee, and therefore I ask all members to observe the rules.

And it being near 5 o'clock, the committee stands recessed until 7 o'clock p.m.

The Assembly recessed until 7 p.m.