

EVENING SITTING

COMMITTEE OF FINANCE

**General Revenue Fund
Environment and Resource Management
Vote 26**

The Chair: — As the last time the department was before the committee was April 29, I'll ask the minister to reintroduce the officials to the members of the committee.

Hon. Mr. Lingenfelter: — Mr. Chairman, I'd like to introduce Les Cooke, who's seated here with me, associate deputy minister; Ross MacLennan, who's seated behind me, assistant deputy minister of operations; Don MacAulay, director of parks; Dennis Sherratt, who is director of wildlife, I believe seated . . . where? Right to my left, in back. And also Bruce Willard, who is the manager of the budget.

Mr. Chairman, I look forward to questions from the opposition on issues concerning environment and resource management.

Item 1

Mr. Neudorf: — Thank you very much, Mr. Chairman, Mr. Minister. Before we get going this evening, I think I should take this opportunity to recognize the fact that, although you were too modest to admit it, that the normal minister is not here with us tonight and that you're filling in for him. And so I recognize that fact. I also recognize the fact that you have capable officials around you and that you are a reasonably capable individual yourself, so I think that we will be able to . . . So, Mr. Minister, the reason I say that and I'm kind to you is that I hope you will reciprocate because I'm filling in for my colleague from Souris-Cannington as well, that could not be here for us this evening.

So I'll be asking questions on his behalf to begin with, dealing with the Department of Environment and particularly dealing with questions surrounding the minister's office and some of the staff that are there. These are fairly straightforward questions, Mr. Minister. It's noted here that the minister's office has one staff member who is an intermediate secretary — Barbara Laing by name — who received, in what is our opinion, an unusually large increase in the past year. She is reported as being hired in April '93 at a salary of \$2,141. That would be per month. And now only a year later she is getting over \$600 a month more at 2,785. And we're just wondering what would have prompted an increase like that in her salary?

Hon. Mr. Lingenfelter: — I think this was a routine move from assistant secretary to minister's secretary, and with the new position the increase in salary.

Mr. Neudorf: — Would this have increased her responsibilities? And what about the steps? Would you just go through that for me.

Hon. Mr. Lingenfelter: — Actually if I could just get this note here. My understanding is that Barb Laing was hired as an assistant secretary, and the minister's secretary, Ethel Korol, who was the minister's secretary, left and then Barb moved up into the minister's secretary. So this is a usual approach if you're promoting within the office. So it's not staying in the same position as assistant secretary and getting an increase; it's moving up to minister's secretary.

Mr. Neudorf: — Okay, thank you, Mr. Minister. I have a series of questions here, and I think what we'll do in the interests of time is to . . . I will read the question, and then I would like you to respond by making a commitment that in due course, which will mean tomorrow sometime or the day after, but we will be forthrightly getting the answers to these questions.

First of all I would like to get your commitment to detail any expenses that the minister received last year, any expenses that he was paid for, and detail any travel undertaken by the minister in the past year, including costs, who accompanied the minister, and what the destination was, and the purpose of the trips that were taken, and whether these trips were in province or out of province — the normal kind of questions that we would be asking. And also detail any expenses paid to ministerial staff in the past year above and beyond their normal salaries, and then also detail any travel undertaken by staff, including costs per staff member, the total cost of the trip, the destination, and the purposes of the trip.

Could you commit to that, Mr. Minister?

Hon. Mr. Lingenfelter: — Yes. The officials say that all of this is standard answers and I'll get that for you, let's say, within a week. I can probably get it quicker than that, and if you insist I could probably have it here tomorrow or the next day; but let's say in two days.

Mr. Neudorf: — All right. Thank you very much, Mr. Minister. As we know, there has been an amalgamation that occurred, and this was one of your strong points in your post-election rhetoric, that you were going to be saving the taxpayers so much money because of all the amalgamation and streamlining that you were going through. How much do you estimate you have saved in combining the Department of Natural Resources with the Department of Environment and Public Safety?

Hon. Mr. Lingenfelter: — Yes. According to the officials, the amalgamation of Natural Resources, Environment and Public Safety, into the Environment and Resource Management saved the taxpayers about 1.4 million and this is the number that the officials had given to me.

Mr. Neudorf: — Okay. The 1.4 million then, could you describe what this would have been accrued to? What was responsible for the saving mainly?

Hon. Mr. Lingenfelter: — Two main areas, I'm told,

where the savings occurred: within our government we have established a criteria of each minister's office having three MAs (ministerial assistants) at different levels and three secretaries, so in that area you would amalgamate and save a total of six individuals' salaries and expenses. That's one area.

And also in the actual administration of the department where the other savings occurred in the management sector of lower, middle, and senior management positions. And then of course the simple mechanism of continuing to run what would be a head office for a department, just the location and actual having bodies doing common administration work. So it's mainly in the administration work.

We feel that in terms of service to the public that, if anything, we have enhanced that area and we don't see any lessening of service to the public.

Mr. Neudorf: — Well any time I think that a government can reduce the amount of bureaucracy and enhance services, that's a ticket to success. However, like always, there's a however and a but involved in questions. So we saved 1.4 million.

Now let's take a bit of a look about personnel and administration that you were just talking about. Now the information that I have here is that you had in-scope, temporary personnel . . . we're talking about in-scope, temporary personnel, is reported to us as being 222. Is this the number as of March 31 or the total for the year, is one of the questions. And if it is only of March 31, then I want to know what is the total for the year.

And why did you spend \$9.4 million on these employees this year when the combined spending last year — and I'm taking now when the two departments were separate. We added together what was spent last year — last year the combined spending on these folks was 1.7 million. This year under your combined, amalgamated process, it's 9.4 million that was spent on these 222 employees. Could you give me a reaction on that? And I've told you how we get our math on that.

Hon. Mr. Lingenfelter: — Yes, I just need more detail because what . . . the numbers you're using of comparing a number of 1.7 million one year and 9 million another year, there's something not quite right, and obviously we're either including a number of different positions or different programs in order to come up with that number. But let me . . . could you just reword the question so I know exactly what it is that you're asking?

Mr. Neudorf: — It's reported to us that you have in-scope, temporary personnel this year — 222 of them — and that when you add up the amount of money paid to those personnel, it was \$9.4 million this year. Last year when we took a look at the personnel in the pre-amalgamation year, the figure we come to is \$1.7 million. And the sum is so vastly different that that is what is prompting us to ask the question. The number . . . first of all, perhaps what we

should do is, so we that we know where we're talking about apples and oranges, what is your number of in-scope temporary personnel for this year that you brought?

Hon. Mr. Lingenfelter: — What I want to do for the member is I've got the number here for this year and the combined services, and you're right the number is 222 in-scope temp and casual labour services at 9.4 million. But what I don't have is where you're getting the 1.7 from and whether this is one area and you're not adding both together from last year because there's no possible way that there could be that kind of a discrepancy. But I need to go back, and I'll get my officials to do that right now, checking to make sure that we're comparing apples and apples and not apples to oranges because this has got to be two very different groupings of numbers to get that kind of a discrepancy. But let me go back and re-add the numbers on those two positions because obviously in the combination of the two departments there's some discrepancy there.

(1915)

Mr. Neudorf: — And that is what I said before, Mr. Minister, is prompting us to ask that particular question. At least our 222 and the 9.4 are jibing. Now what we have to do then is ascertain whether my figure of 1.7 million for those same folks in the two previous departments added together is also accurate. And that begs the question: why the big difference in spending?

Let's try something else . . . (inaudible interjection) . . . All right.

Hon. Mr. Lingenfelter: — . . . for the minister, I can send staff back to the office and we can dig that out for you tonight or I could do what we have done with the previous one and that's get the answer for you on this one. I'm sure we can round something up for tomorrow.

Mr. Neudorf: — Yes, that will be all right. And if there's a tremendous hue and cry that should be created I'll do that in question period with a lot of pleasure.

An Hon. Member: — And gusto.

Mr. Neudorf: — And gusto.

Mr. Minister, last year the combined — now I'm talking of out-of-scope, permanent — the combined out-of-scope permanent employees for the two departments was 233. And this year the total of these employees according to our figures now are 217. So the question now is: are we to take from that, that you only eliminated 16 managers out of scope, 16 managers when you combined the departments at the same time that you eliminated nearly 40 in-scope positions? Forty in-scope positions being eliminated, 16 managers, when you combined the departments.

Hon. Mr. Lingenfelter: — Yes, I think the member is

right, that the ratio is about that. But if you compare that ratio to the general population within the department, it is still weighted towards reduction in management.

Mr. Neudorf: — Well, Mr. Minister, likewise your combined spending on out-of-scope permanent employees last year was about \$11 million; yet this year it's \$15 million. So how do you combine departments, get rid of some managers, and still wind up spending about 40 per cent more on their salaries? Do you want me to go through those figures again . . . (inaudible interjection) . . . All right, if you're saying that there are some discrepancies here and you make the commitment that you go out and you'll come back and give us the answers to those, because these are figures that just jump out of the page at you, and I think an explanation would be in order . . . (inaudible interjection) . . . All right, then I'll take that as a commitment then, Mr. Minister.

Mr. Minister, further, last year you reported combined personnel spending for the two departments. Last year, before amalgamation, the combined personnel spending for the two departments was \$36.6 million. This year with the amalgamated department, with the amalgamated department, you are spending over \$50 million on staff.

Now I wonder how you could explain this? Is the taxpayer then actually saving any money from these amalgamations? And your initial statement at the beginning was what a wonderful job you were doing in saving the taxpayer so much money through this amalgamation. And what I'm seeing so far is that this may indeed and in fact not be the case.

Hon. Mr. Lingenfelter: — Well this goes back to your earlier question where these numbers that you're using from last year just don't, just don't jibe with what we've got here in front of us. So I've got to go back and I've got to go through all of them and find out where the discrepancy is.

What we do know is that there's 71 fewer employees; 16 of them in management and I believe 40 of them in, about 40 of them in-scope, temporary or casual labour services. And what I've got to go back is go through and add up these numbers and find out what is different about the numbers you are using. Because obviously you're right, there can't possibly be more money being spent on fewer people when in actuality there will absolutely be less because there are fewer people working in that area.

Mr. Neudorf: — I'm not saying I'm right or that we are right, Mr. Minister. All I'm saying is that our research staff has gone through these quite carefully and they were surprised enough at the discrepancies in the numbers that I thought it warranted asking those questions. And we'll be looking forward then to the explanation that you will have to give us, why you could spend \$50 million on staff this year with those many fewer individuals when you only spent 36.6 million combined last year before the amalgamation. So that's where it stands then.

Hon. Mr. Lingenfelter: — Just let me give you one area where I can on the other which is basically forest fire. Normally we spend about 2 million, 2.5 million, last year it was 6.9 so . . . but that isn't even one of the areas you raised.

The areas that you raised where there is a discrepancy are on the actual areas where we've had a reduction in staff. So this is where there's confusion in the numbers you're using, where you're adding up some numbers from last year and I don't have the same. I don't have that list, so I don't know what you're referring to. But what I will do is go back and I'll go through the personnel file and I'll make you a chart so that we can compare and show you exactly what happened in the two years, and how the amalgamation has affected both staffing and funding in those lines, so that we're comparing the same thing because obviously at this point we're not.

Mr. Neudorf: — Well the answer that you gave, Mr. Minister, on the forest fire component — I wasn't going to ask this question but now that you raise that I'll ask it anyway — it seems to us when we go through these figures of your personnel, there's a high change-over in the department on personnel, particularly on the non-permanent staff. Why would that be? Would part of the same answer apply to the increased numbers of forest fires that we experienced last year, and therefore had more people involved, and fewer right now? Would you attempt to answer that?

Hon. Mr. Lingenfelter: — Well it's true in the area of forest fires, I guess it was early in the season when we spent an abundance of money on forest fires. You remember the early spring last year. And basically the extra spending here was hiring up, and more people being used, particularly in northern Saskatchewan, to fight forest fires. So extra spending because of increased fire numbers.

Mr. Neudorf: — Okay and of course this year there's the added activity of fighting farm fires, and so on, as well in addition to the forest fires.

I'm going to switch gears now, Mr. Minister. We're still with the Department of Environment. And in spite of my colleague, I'm going to resist the temptation to get into underground storage tanks, and we'll just bypass that particular topic for the time being, and go however into a topic that I'm in my own area getting a fair amount of response from — and that is the issue of landfills.

Now in fact, Mr. Minister, there are 900 — I'm told — 950 urban and rural landfill sites in the province of Saskatchewan. It's also a fact that by 1997 50 per cent, half of those landfills, will be full, and obviously there's going to be a huge cost involved with building new sites and so on. And I can attest to that. As a former RM (rural municipality) councillor and so on, I was relegated to the task of finding a new landfill site. And that is something that nobody really should have to do because, as you can imagine, every body lines

up screaming that they want the landfill site on their land, as you can imagine, so that creates a problem in itself, and then the expense involved.

Are you looking at extending the existing sites, developing new ones, or exactly what is your government considering to do with this problem in the very near future?

Hon. Mr. Lingenfelter: — Well actually the main objective that we are encouraging — of course this is a matter of facilitation that the department plays here in working with municipalities — but it is to minimize actually the amount of waste going into the landfill and extending life of existing landfills and then, as a last resort, actually expanding.

For example, it's my understanding that Regina, for example, as a result of minimizing the amount of waste going into landfill, has recently extended the life of the landfill for a further 10 years. And for the second largest city in the province to be able to do that simply by minimizing the amount of waste entering the landfill area, I think these are the kinds of concepts that not only Saskatchewan but most jurisdictions are looking at in order to try to minimize, first of all, the amount of waste going into the landfill but also the amount of land being used up by landfills and of course, as you mentioned, the constant battle that goes on when new landfill sites are being looked at.

And no matter how careful municipalities are in selection, site selection, or in the process of going through these processes, there is no easy way to start up new landfills that satisfy the interests of all the ratepayers in a municipality.

Mr. Neudorf: — I have a couple more questions along that same topic. And these questions come actually from members of SUMA (Saskatchewan Urban Municipalities Association) and they've asked us to ask these questions. And one statement was made: the government is going to have to show leadership and provide funds to help municipalities deal with this issue. Is your government prepared to do anything along this way?

Hon. Mr. Lingenfelter: — As the member is probably aware, an announcement made last year of the regional landfill sites. I don't know whether it's called an experiment, but at least a prototype system that is being used. As I understand, my colleague from Shaunavon will know that one is being located in that area and one in Humboldt. And to that end, the department has allocated \$375,000 per annum in helping to get these established. So there is that kind of assistance that is in place now.

And of course this being a major issue for municipalities, and government, population at large, how we manage our waste . . . I guess we're blessed with the fact that we have a huge land area and only a million people, but even at that, one can very quickly begin to realize the huge dilemma that the vastly more populated coastal regions of the world have when dealing with waste.

And so that's the program we have in place at this point in time. But we're very much in a mode of consulting with municipalities to always upgrade and improve our mechanism for disposal of waste.

Mr. Neudorf: — You mentioned on a previous answer about minimizing wastes. I'm not quite sure how you do that, whether you tell the householder to . . .

An Hon. Member: — Recycle.

Mr. Neudorf: — Recycle. All right, that's good. I was coming to that, Mr. Minister. If you do recycling, there's got to be a recycling strategy, and as such, there has to be some kind of assistance for many of these municipalities in order to accomplish this recycling and the like. And yet, Mr. Minister, the budget, as I understand it, didn't make any allowances for this. So is there any funding in place? Is there any contemplation of helping the municipalities out in accomplishing this end?

(1930)

Hon. Mr. Lingenfelter: — The member asks what areas people are looking at. Of course, recycle and reusing and reducing are sort of the three R's of the environmental movement. And I think if each of us in our own household think about ways that we can actually reduce and reuse and recycle, this is really where it starts.

And if you listen to a futurist talk about the way that families can actually become involved in protecting the environment and the reduction in the amount of waste produced per household, it really is quite phenomenal, although it is almost too simplistic to believe. But there are many, many ways that each of us in our own way can cut down on the amount of waste that is emitted from our households. But as I mentioned, when it comes to some of the areas that we're working with municipal governments on, you'll know that the beverage recycling program, return program, which has been expanded significantly. You'll be aware, as I mentioned, of the regional landfill concept which will go some distance to help with this program.

One of my colleagues from Saskatoon recently, I think, announced or mentioned a paint recycling system in Saskatoon where people who have bits and pieces of paint left over after they're done painting projects, rather than leaving that paint sit in their basement and then throwing it in the garbage, there is a place now where you can take all of your paint and dispose of it, and it's reused in the manufacturing of other products.

Another area that we're working with municipal government on at the present time is the recycling of oil, oil that had been either put in containers and dumped needlessly into the dump ground or possibly on our farms where we would simply pull the plug on our equipment and dump it on the ground in our fields. All of these areas are really based in terms of the

family situation in Saskatchewan where each of us should in our own way be doing what we can.

Municipal government has a role, provincial government, and obviously the federal government. So it's not as if one level of government or any one group is going to make this system work of cleaning up our environment. It really is the mandate and the prerogative of all of us to become very directly involved.

Mr. Neudorf: — I'm glad, Mr. Minister, that you took note of an initiative of ours in this particular regard although you didn't mention the name SARCAN and the recycling and so on. As a minister of Social Services, I took a great deal of enjoyment actually going around the province and seeing the gainful employment created for many of our so-called handicapped people that are capable of work if given the opportunity, by combining the recycling and reclaiming of many of our so-called waste products and at the same time gainfully employing many of the people of this province. I think initiatives like that show that there is some room for government and people to work together to a common end. And certainly I would encourage you to continue with that.

But like is always the case, government seems to stub its toe and get in the way of a lot of these things that the good folks out there want to do. And I was talking previously about the rapidity with which landfill sites are filling up. And you're partly to blame for that with some of your regulations. And what I want you to do now is address the burning issue, and what you are going to be able to do to help municipalities deal with this issue. I know that at every bear pit session and so on that cabinet ministers get into this is a topic that rural municipalities, and urban municipalities, bring up on a continual basis because it's a big concern of theirs.

And so on the one hand you have the environmental concern about burning pollution, but then on the other you have the concomitant expenses involved with trying to address that one issue. So what is the department's vision on this issue at the time, and what are you prepared to do to help some of the municipalities that are experiencing a difficulty with their landfill sites filling up more quickly than they normally might have done?

Hon. Mr. Lingenfelter: — The member raises the issue of what we are doing to assist municipalities. And again I — not to be repetitive — but I do want to repeat that the prototype of the regional landfill systems is something that has been proposed and worked on with the municipalities. And I think this is a good concept where you have a much bigger region sort of supporting common landfill sites as opposed to each small village and town having to go through the process of that kind of planning. And it really fits well within the concept of regional economic development, within health board concepts, where communities cooperate much more to solve this dilemma which all of us face.

Of course the other thing we are looking at, and the municipalities are wanting us to consider, is large-scale composting where virtually all the waste that would come through a system would enter into a composting program. And while this isn't at a point to be announced yet, it's something that — I believe it's Minnesota — has had a great deal of success in reducing the amount of waste entering landfill areas; simply by going through a process of composting every bit of matter that can possibly be composted. And it's amazing how much of what one would throw out on a daily basis could actually enter a composting process.

You mentioned the burning policy. You will know there is no policy not to burn. The policy really is that you can burn paper and waste that has no direct toxic effect but when it comes to things like tires and plastic — where there's some not only residue that is emitted to the air that's very damaging but also the waste that's left in the ground may be entering the water system — is difficult as well. So it's a variety of things. There's no magic to this issue of waste and waste disposal.

I think the most key thing for municipalities, and government, and individuals to realize is exactly that. That no one has the 100 per cent answer. And it really is struggling, and looking for more and better ways, and maintaining a fair bit of flexibility in our programs so that as things change, and new technologies come in place, we're ready to move in a relatively short order.

Mr. Neudorf: — And I think, Mr. Minister, that that's exactly what most RMs and municipalities would ask for, is a certain degree of flexibility built into these regulations so that they do have the time to adapt to the changing conditions.

I'm going to switch topics completely now and I'm going to be more in the Parks and Renewable Resources side. To initiate this discussion which should not take very long, I want to quote from the *Star-Phoenix* of February 18 of this year. It's an article coming out of Yorkton and it's called "Gov't plans could hinder Sask. hunters." I'll just read some selected excerpts and then I want to get your reaction. And it starts this way, Mr. Minister:

"Money-hungry politicians, short-sighted bureaucrats and greedy out-fitters" pose a dangerous threat to wildlife . . .

. . . the issue of paid hunting is the most important one in the province today . . .

"They want to divide the province into little chunks and give exclusive hunting rights to out-fitters. You'll have someone paying \$50,000 for the right to hunt and there won't be room for you" . . .

"We've got to tell the government to keep its grubby hands off our resource."

You've got to tell them to get their dirty figures

off our wildlife. This is our resource. Who the . . . (bleep) do they think they are?

Now, Mr. Minister, I know that I've had a discussion with you and I've had a discussion with the real minister a few days ago on this issue. And I asked the minister to make a commitment, at least an intention, of where your government is going, which he's going to deliver through you. And for the public record, where does this government stand in so far as paid public hunting is concerned?

And I'll just give you a few examples. For example will this mean now that landowners will have the right to post their land and make it open only to those individuals whom they wish to have on the land and then charge whatever fee, and if this is going to be allowed will there be a comparable fee across the province or will it be what the market bears in that particular area? And I think you know what I'm talking about. I think the farmers around Biggar will be able to charge quite a bit for white tail licences and so on.

So what direction are you heading? I've got a lot of people asking me about this, from outfitters who tend to want it, from city folks who don't want it at all. Some ranchers and some farmers are looking at this as a possible revenue source for themselves, and then there are you people and your biologists and so on who are out there, who make an assessment as to what hunting pressures perhaps wild game can stand.

Who would be making decisions as to what animals can be hunted, how many in a certain area, or will that right be given to the farmer or to the rancher for example? I know that we've used the expression, don't tell ranchers how to take care of their land because their livelihood depends on it. They'll do a good job of it. Is this something that you're going to be transmitting over to wildlife as well, wildlife management?

And so I'll give you an opportunity to respond to that so that the public at large that has some vested interest in this in Saskatchewan, can have an idea of where you're heading.

Hon. Mr. Lingenfelter: — Well what you have to . . . Maybe what I should say is, to the member from Rosthern, is not to get too far ahead of the process and jump to any conclusions because this is not the policy of the Government of Saskatchewan. What we have done is set up a diversification round table that looks for and will achieve a consensus solution to this issue. And one should know that you have all sorts of proponents on this issue, the same as on many issues. You will have those who believe in the concept that you have stated and then attacked. You will have others who believe in quite a different system of management of the wildlife in Saskatchewan.

But what we're saying is that we have set up a consensus process where all of the stakeholders who will have an interest in this process will have their say, the round table will then report back to the minister and then the minister and the department will develop

the policy and that will be recommended to government. And there will be plenty of time for debate before any changes, if any, take place. So I guess my point to you is that we will be wanting to talk to members of the opposition as well — and I say this sincerely — to get your opinion on the issue before any decision is made.

Mr. Neudorf: — And I just may have an opinion on that, Mr. Minister, when the time comes. But I take small solace in the fact when you tell me, don't get too far ahead, that I'm extrapolating too much on what I've heard already. Because I think we have ample indications in this building here of how . . . for example, a year ago I never dreamed, I never dreamed what would happen with the gambling situation in this province. During the election there was no mention made of the major change in direction that you were taking. Now it's upon us. And all I want to know is ahead of time exactly what's going to be happening or what you're contemplating in so far as paid hunting is concerned.

And your answer, Mr. Minister, to a degree does assure me that we're not going to go pell-mell into this and that there is going to be proper input, that we do it right. There's a lot at stake here.

Just one final question — it's very short: what time frame are you looking at? Is there something that's going to be happening by next spring, or where are we at on that?

(1945)

Hon. Mr. Lingenfelter: — I would think, although I don't want to put the minister in a spot of having to absolutely deliver on this date, but I would think by the first of the year 1995. So we're looking at the end of this year, beginning of 1995.

But there's not an absolute date because it will just depend of whether or not the round table has come to some conclusions. Sometimes this is a learning process where people, as they sit around the table, actually come with a preconceived notion on one side or the other and as discussions go on, the process of working together actually . . . consensus takes longer, sometimes shorter. I think by the end of the year, but I would ask that the member not hold me absolutely to that.

Mr. McPherson: — Thank you. Mr. Minister and the staff, I know we're anxious to get on with the Exec Council, so I would just ask the minister: the official opposition had some written questions and I believe some questions that you were going to provide written answers for. And if you're comfortable with providing the Liberal Party with those, then I will not hold up the evening by sending my questions to you in a written form and ask that you respond in a day or two.

Hon. Mr. Lingenfelter: — I will have a look at these questions very quickly and I'm sure if they're a standard kind of questions we'll be able to answer them, but give me a little flexibility to look through

them and I'll give a word to the member as we go forward here.

Mr. McPherson: — I now wish to thank the minister and the staff.

Mr. Neudorf: — Yes, Mr. Chairman, we're finished with the scrutiny of this department and I'd just like to thank the minister for a capable job and the officials for their help as well.

Hon. Mr. Lingenfelter: — Mr. Chairman, if I could, just in closing, thank members opposite, and most of all on behalf of the minister because I know most of the work here in the House on these estimates was done before I came this evening. And I want to thank the members for their questions, and also the capable staff — Les, you and your folks — thank you for your effort.

Item 1 agreed to.

Items 2 to 13 inclusive agreed to.

Vote 26 agreed to.

**Supplementary Estimates 1993-94
General Revenue Fund
Budgetary Expense
Environment and Resource Management
Vote 26**

Items 1 to 6 inclusive agreed to.

Vote 26 agreed to.

**General Revenue Fund
Executive Council
Vote 10**

Item 1

Ms. Haverstock: — Thank you very much, Mr. Chair. It is my pleasure to have an opportunity to speak with you and ask you questions this evening, Mr. Premier. And I do want to welcome your officials here tonight.

Rather than following in the footsteps of both yourself and the Leader of the Opposition, I would like to move directly to questions. This is a time when you should probably be trying to send your caucus out the door riding high on all of the promises that they have kept, all the good things that your government has done for the province of Saskatchewan. So I'd like to review some of the promises that you have made tonight.

I just returned from Swift Current, and they were very concerned about your government's policies and how they were making businesses there less and less competitive. You did indicate some specific things during the election, and one of the claims that you made was that you were going to save 7,500 jobs through repealing the PST (provincial sales tax). It seems that the number of jobs has declined substantially. And can you explain what plans you have for the provincial sales tax, to improve the competitiveness of Saskatchewan businesses. And

would you make particular reference, please, to those businesses along the border of Alberta and the United States.

Hon. Mr. Romanow: — Well, Mr. Chairman, our position is that, at 9 per cent, the figure for the sales tax is not where we would like to have it. We would like to have it lower. We'd like to have the personal income tax lower, we would like to have the corporate tax lower. But, as the hon. member will know, we inherited the worst per capita deficit and the worst per capita debt in all of Canada. And I don't mean marginally — I mean by a country mile.

And the choices in those circumstances for a government are very simple. You either cut back on government services, which we have, to your criticism and other criticisms; or in the alternative, you enhance taxes in the most judicious and appropriate way that you can, which we also have had to do, which the opposition has criticized; or you do both, which we've had to do. The priority of the government is to get, in the words of the *Star-Phoenix* editorial, the on-track line for deficit reduction first and foremost, and thereafter work into a scheme where we can both restore programs and lower taxes. That is further down the road. We haven't articulated our policy in this context yet because we need to go through the fiscal picture for the remaining few more months or perhaps few more years of our balanced budget plan.

So unfortunately while I very much understand — because I've heard people in Swift Current and elsewhere talk to me about this problem — the solutions are not readily apparent, other than the ones which we have been forced to take, as I said in my opening statements.

So at this point, the statistics indicate that our retail sales in 1993 were over 6 per cent, increased from 1992, the highest in all of Canada including sales-tax-free Alberta which is located nearby Swift Current and that this continues to the end of January 1994 where the increase is 4.5 per cent. Now I don't overstate the worth or the value of that, but I do say that it is quite positive that in the face of all of those difficulties that exist, the economy seemingly is growing enough to warrant those kinds of numbers.

Ms. Haverstock: — Thank you, Mr. Premier. I think I'll back up a little bit. Part of what I was asking of you is what are the strategies that your government has been trying to devise that would deal with the discrepancy of taxation. Let me give you a case in point.

In Swift Current I met with a group of people, and I asked them specifically about trends that were occurring there, primarily in their particular field which was real estate. I wanted to know whether or not there was difference between commercial real estate and of course home buying. I wanted to know who was moving in, who was moving out. I was very interested in trends.

And one of the things that they pointed out to me was

very telling. They indicated that the majority of people who were ageing and having to make some decisions about their retirement in the near future were making specific decisions about where to locate. The decision was coming down on the side of people choosing Medicine Hat rather than Swift Current. Now there were certain considerations, all of which I'm sure we can well understand. The first consideration is that seniors do not pay property taxes in Medicine Hat. The second is that they don't have to pay sales tax in Medicine Hat. The third was that there is a significant health care facility, a fully complemented facility, in Medicine Hat that at this current time does exceed those services which are available in Swift Current.

So when I pose to you this question about what are the considerations that your government is giving in order to ensure that we have the most important element that we require in Saskatchewan in order to be successful, that element happens to be people. What are we doing, not simply to deal with the issue of, you know, people talk about the whole taxation issue as though . . . come up with some solution that's going to help all the border communities along the United States and Alberta. But this is an issue of people. And as you know, even though some of the statistics bandied about often create some confusion, I do have some articles here saying that in 1993 — the end of 1993 — that we had the lowest population since 1983. And we can debate statistics.

But I want some understanding of what it is your government is doing to look at this issue. How is it you're addressing the issues of cross-border shopping, the discrepancy between people who live on one side of a border versus the other, and the fact that we are losing people? And it's such a crucial situation.

You make reference, Mr. Premier, and I do want to make one comment on this — if you wish to comment further, it's fine — you indicated that in fact retail sales are up. But the most disturbing factor is that people's disposable income is decreasing. And those retail sales are directly linked to these individuals spending their savings, Mr. Premier. So this is a short-term situation without, first of all, adding to the tax base through more people and also the potential for people to perhaps earn more of a living in order to have greater disposable income through economic growth.

So if we could just return one more time to the way in which your government is proposing to deal, short term and longer term, with the issues of discrepancies in taxation and allowing us to be more competitive, if you will.

(2100)

Hon. Mr. Romanow: — First of all, I think the hon. member from Greystone's question is based on questionable assumptions from which she then constructs the question or position.

The assumption is that somehow the tax rates in the province of Saskatchewan are so exorbitantly high that they induce people to go elsewhere. I think the

hon. member should accept some facts, upon which then we can discuss what the possible problems and possible solutions are.

For a family on \$25,000 income, our tax rate in Saskatchewan for that family is second lowest. Only Manitoba is lower. It's higher in Alberta. For a family of \$50,000, we are seventh lowest. It is true that Alberta is lower. For a family of 75,000, we are sixth from the top. It is true that Alberta is lower.

This reflects, of course, the philosophy of this government that nobody likes to pay taxes, but if there is any fair system of paying taxes, it's based on ability to pay. Obviously Albertans, and those who believe in the system of government which the official opposition and presumably yourself advocate, don't believe that in some instances. I believe the more you make the more you pay, and our system is structured on that line.

Let me just take a little comment about utility rates. You can have the basket of car insurance, telephone, heating, and electricity; put them together, blend them; and Saskatchewan on those four rates is the lowest in all of Canada, on the current rates. By the way, Alberta is eighth. Manitoba is right behind us; Alberta is next; British Columbia; and then you have the whole series of eastern Canadian and central Canadian provinces. Now in some areas we may be higher, some areas we may be lower, like in heating, but as the basket of those services, we are very competitive.

The member talks about people going . . . seniors going to Medicine Hat because they don't have to pay any property tax. Really? I'm sure the hon. member is aware of the fact that Premier Klein, by 1996-97 in his budget approach, will have eliminated transfer payments to urban governments. I'm not sure that this figure that I give you is absolutely correct because I don't have the document in front of me, but I can check it out.

If this is so, by 1996-97 you'll have this situation. On the Alberta side of Lloydminster, there'll be zero transfer payments from Edmonton to the Alberta people living on Lloydminster side. On the Saskatchewan side, even with our difficulties, there'll be \$350,000 transfer payments. I wonder how long any municipality — Medicine Hat or Red Deer or Lloydminster, Alberta side — will be able to maintain the services without either increasing taxes or dramatically eliminating needed civic services.

Now the member says that seniors are thinking about going to Alberta. Really? What is it for a medicare premium in Alberta? They just jacked it up to approximately \$860 a year. And by the way, the exemption level is so low that only the poorest of the poor get any protection or relief at that level — \$860. I think those are roughly the figures that are there. In fact I have in front of me here the Regina *Leader-Post* story of April 11, 1994, the headline says "Alta. seniors feeling pinch: Cutbacks start in July."

The hon. member talks about disposable income. Well I'll tell you in Saskatchewan, StatsCanada says that personal income in '93 over '92 is up 2.9 and personal disposable income was up 3.2 per cent '93 over '92. Now these are some of the facts.

I might make one other point about population loss. It is correct that the province of Saskatchewan has had difficulties with population. When the Liberals last held office in the province of Saskatchewan in 1964 — the hon. member probably wouldn't know this but — the population stood at 942,000. And finally when we were able to get rid of them, banishing them for 23, 24 years, the population dropped from 942,000 to just a little over 934,000. That was the policy of the Liberal Party. That was the net result.

I don't mean this as a personal criticism of the Liberal Party. What I mean this is as an example of the ongoing problem that all political parties of all stripes have with respect to population in this province. It's been the history.

And I think we're turning the things around a bit. We have had a population loss but in the period between October '91 to October '93, the loss has averaged a negative 1,200 a year or a total loss of 2,400. This compares to a trend from '87 to '91 of nearly 8,000 a year and our population still is in excess of 1 million people, 1,001,600 people.

What we're endeavouring to do — and I will not make my opening remarks again, I'm not sure the member heard them — we're trying to create a set of programs and policies which will give people the incentive not only to stay but to come to this province. They are, in this order: first of all, fiscal responsibility, which the business community and the investment community want and like. And by the way you don't have to be a business person; anybody with common sense would have to adopt that. We are forced into that.

Secondly, a detailed economic development plan called partnership for growth with specific clusters of activity, six in fact in total, which are identified whereby we are promoting the industry at home and where possible, attracting industry here.

Thirdly, a new agricultural policy written down — by the way for the first time probably in the history of Saskatchewan — Ag 2000, which faces the changing reality of rural life in Canada and policies and seeks to add value add.

Fourth, a restructuring in the health care system. I'll spare you the quotations of Dr. Rachlis and others about how we are leading the nation in that so that we'll be able to use precious dollars in the most effective way for our seniors in Swift Current and elsewhere.

Now we think that's a pretty potent combination of events: fiscal responsibility; a realistic, world-oriented economic policy; a restructuring of health care in order to make it preservable and protectable for the future; and at the appropriate time,

to ease the tax burden of our people. We want to do that just as much as anybody else does. But in the interim, this is the best that can be done, and in the interim if you or any other member of this House has an idea of what best should be done or alternatively should be done, we'd be very pleased to receive the same.

But the truth is that this province was saddled by the enormous consequences of this deficit and debt, and that is where the fiscal regime sits. But as every independent commentator has advised, there is now daylight at the end of the tunnel. Everybody should be pulling with us for those three or four major points that I've talked about in order to share in the growing confidence of this province.

Ms. Haverstock: — Thank you, Mr. Premier. Just to pick up on some of the things that you've stated. I did not indicate that people were thinking about moving from surrounding areas of Swift Current to Medicine Hat. I stated that they are doing it. So there is a vast discrepancy between people giving this some thought and actually taking action.

Secondly, I think we can spend a considerable number of hours here trying to rewrite history or give our version of history. If you want to talk about what it is like to govern during a recessionary period or a time that's much more difficult than some other people had to govern in the province, how much more difficult it is for you now than it was for your predecessor as a New Democrat premier in the 1970s during an inflationary period, we can do that. We can also start talking about what it was like for Mr. Thatcher to govern during a recessionary period, but I don't see much point in doing that when we're trying to deal with the here and now.

You also start talking about our population and in fact how we are in really a very good set of circumstances at the moment. And what was of grave concern to me and of many people with whom I hear and visit with in the province, is the dependency ratio in the province of Saskatchewan. I think that we have to be very clearly examining exactly what the population is in Saskatchewan and where the trend is going. When we're talking about dependency ratio, we're talking about high numbers of people who have great difficulty in contributing to the economy: whether we're talking about seniors; those who are on social assistance; aboriginal people who have fewer options as far as employment; and so forth.

So you know, when you're talking about your approach I would really welcome some greater specificity. You talk as well about the good circumstances that we're in tax-wise in the province of Saskatchewan and yet in 1991 you did not think that that was the case, Mr. Premier, and in fact on May 2, 1991, you were the one who was quoted as saying:

... won't you agree that taxes are the silent killer of jobs, that enough is enough, that higher taxes do not create jobs, higher taxes (actually) take jobs out of the economy.

And I think that what we have to do is look at the circumstances. I know that you're faced with a very serious situation and I think most people in the entire country do, because the first two years of your administration, everybody from one end of Canada to the other thought that we were the financial basket case of the nation.

The small business corporate tax did indeed drop from 10 per cent to 8 per cent. But at 8 per cent, business taxes are still lower in other provinces — most of the Maritime provinces, Quebec, Alberta — and so that drop alone was not going to increase our competitiveness. And that's really what I was asking about.

I'm still most interested since the large business corporate tax raise is the highest in Canada. It is tied with Manitoba and New Brunswick. But one of the things I want to know from you is what your plans are as far as Saskatchewan's tax regime is concerned. How is it that you visualize being able to provide what would be considered to be a more competitive tax level for the province of Saskatchewan? It's something you commented on in 1991 and I think that now that you're in power, it's something that will probably be of primary concern to you and an issue that you've been spending considerable time examining and wanting to come up with some solutions. So I'll pose that one more time to you, Mr. Premier, and then we will hopefully, upon your response, move on to some other questions.

Hon. Mr. Romanow: — Well, Mr. Chairman, again I think the hon. member's facts have to be accurate upon which the question is based. And from then I think we can have a dialogue to try to figure out what the problem is and how we find the solutions.

She talks about the dependency rate, the hon. member does. The fact of the matter is that the former Conservative government in Ottawa did two things to increase the dependency rate, if you're talking about the social services rate, welfare rate. There's a UI (Unemployment Insurance) cut-back generated 4,400 new welfare cases, and off-reserve status Indians changes generated 4,000 more new cases. By the way, this is, in terms of people, amounts to 19,000 bodies. Your counterparts, the federal Liberal government in Ottawa, announced further cutbacks to the UI and that adds another 5,000 people to our list.

Now that has nothing to do with our policies. It has to do with a change in accounting and payment of bills by a combination of Conservative and Liberal governments. Now I think again what we've been asking the former Conservative government and what we're asking the present Liberal government is: why are you doing this to us? And I think that the hon. member should be doing the same thing on behalf of the people of the province of Saskatchewan. Why are they doing this to us?

But there's another dimension to social assistance

which should be kept in mind. We see that figures at the end of December 31, 1993, end of year — we've got five months that are in now — the recipients per population on a percentage basis in Saskatchewan was 7.8 per cent, ranking us eighth from the top. Ahead of us are Newfoundland, Ontario, Nova Scotia, Quebec, P.E.I. (Prince Edward Island), New Brunswick, B.C. (British Columbia), then Saskatchewan and then Alberta dead last. Actually we're tied with Manitoba; that's why the ten is missing. Now Alberta is the lowest, the dependency rate. Well you know why they're the lowest; it's a one-way bus ticket out of Alberta. That's their compassionate approach to social services. We don't buy that.

(2015)

Now I'm not making a case to saying that one person on social services is a good thing. Ideally we don't want any. And 78,000 is for sure too much. But in the context of the national economic circumstances, including if I might a combination of Liberal and Conservative governments across the nation, given the offloading that we've had both from your administration federally and that from the Conservatives, gives us at least an argument that we have, through a combination of economic activities and other programs, been both at the same time compassionate and providing jobs because we're eighth. Not the tops, but eighth.

Taxes are silent killers; they're direct killers. I repeat that. I think rising interest rates are going to be as big if not bigger killers. I said that before '91; I say it now. Your question is: what is your plan to reduce the tax rate? My answer is the one that I gave you just a few moments ago. We have in place specific policies for job creation, deficit reduction, and balancing of the budget, using surplus funds thereafter in an appropriate fashion, a new health care system, and a new Ag 2000 paper which complements the Minister of Economics' approach on *Partnership for Renewal*.

And again I'll spare you the speech but the statistics show that there is — I'll put it as self-deprecatorily as I can — modest signs of growth, modest, hopeful signs that some of this is beginning to work.

There's our game plan. I can mail it over to you, mail it to anybody who wants to see it. We'll be judged in June of 1996 as to whether we've accomplished any of that or not. There's our specific plan. Again I invite the Leader of the Liberal Party or any other member in this Legislative Assembly, if you think that a specific component should be changed or there's a better idea, let's hear it.

Ms. Haverstock: — Thank you, Mr. Premier. I found it interesting when you made comment about off-loading. I think every municipal government in Saskatchewan would find that a most interesting comment because they know too what it means to suffer from offloading.

And I do think that it is very unfortunate that the

federal government in Ottawa changed unemployment insurance and that it indeed had a negative impact on so many provinces across the country. And I did question them about it and it was something that was the lowest legal rate that could be brought in and something that had been brought forward by the previous administration that was required to follow through on. And I hope that . . . in fact I hope that you keep them to their promise to re-examine unemployment insurance, and I know that I will.

Along with that, however, I think that one of the things we have to acknowledge is that it will be more people coming to Saskatchewan, more young people choosing to remain in Saskatchewan, that is going to make the significant difference, that plus economic growth and changing the dependency ratio.

I'm not simply making reference to those who are on social assistance; that's not what I meant by a dependency ratio. I'm talking about all of those individuals where they have a great deal of difficulty contributing to the economy. We currently have 2:1, and that is increasing. The projections by the year 2015 are absolutely astonishing.

And this is really about trends. It's one of the reasons why people have to look over time at what is transpiring. If we want to compare apples and oranges, Saskatchewan with another province for example, we have to look at the trends of those provinces in terms of how many people have actually acquired more jobs over a period of time. Where did they start from? And what we keep trying to do in this legislature is taking a snapshot in time, which is really not representative of what's going on. What we should be most concerned about at this time is what's transpiring in our own province. How do we go about addressing the issues here?

I was pleased to hear you say that the way in which you see being able to address the taxation issue is going to be through fiscal responsibility, through the economic development plan that was put forward, entitled *Partnerships for Renewal*, and I am interested in knowing exactly how those targets have been met. There was no built-in measurability, even though there were some time lines suggested. As well, as you know, your *Agriculture 2000* document has met with considerable criticism, not just from within Saskatchewan.

But I do hope that all of these things do work. I mean that's part of what we have to have happen if we're going to be successful in our province, and particularly in having people here remain here as well as coming here.

You did mention transfer payments and that raises an interesting question, I think. You've made fairly bold comments, including your ministers on occasion, about the federal government and the transfer payments situation.

And I do think it's interesting, and it would be an

interesting exploration to start looking at why it is you have been successful at meeting some of your deficit targets. I think the official opposition would have us believe that those numbers were inflated in the first place. Regardless, let's put that aside. I know that you have been able to benefit from lower interest rates which — I agree with you — are very much to the benefit of so many different governments across Canada.

As well, I think that you are able to meet some of those targets probably because of the gambling revenues that have been coming in from VLTs (video lottery terminals) in particular, being able to renegotiate at lower interest rates, and perhaps what would be called increased transfer payments.

I'm wondering if in fact that is indeed the case. Can you tell me concisely what impact this year's increase in transfer payments has had on your ability to meet any of your deficit target or anything else in the province? I'm most interested in that.

Hon. Mr. Romanow: — First of all, I want to say to the hon. member again, with respect, transfer payments has been a major problem for this government. Not because we have received any increases in them, we have received massive decreases in transfer payments. I'll have a little caveat to add in a moment which I think the member's alluding. But I can tell you that three years ago we had, yearly in our provincial budget, \$500 million more from Ottawa than we have today. That's the reality; it's lost income.

Now what you're referring to is the announcement by the Prime Minister, Monsieur Chrétien in December or January, Paul Martin, which saw adjustments made to some elements of the formulae — there are many and they are complicated, both on EPF (established programs financing) and equalization transfer payments as generally described — the net effect of which adds for the first time sums of additional funds to revenue to us.

I don't have the Finance department people here with me today, but if my memory serves me correctly, this is in the order of about \$35 million. I thank the Prime Minister for that, and I thank the federal Liberal government for that.

But let's please understand that even with that additional income, the net losses still outweigh in a huge, considerable way what we have received by way of income. So therefore the management has been, in terms of the fiscal situation, one which has been challenging to put it mildly.

Now we can only hope, and we have the assurance of the Prime Minister, that there won't be any further changes. We can also say very thankfully our Finance department officials have been very conservative in their estimates on transfer payments and unlike other provinces we've been bang-on in predicting them. They're, as I say, very complicated formulae based on oil pricing and other factors.

Now before I take my place let me say this: with respect to the question of attitude and development, here is a story in the *Leader-Post* of May 20, 1994 quoting Ian Russell who is the vice-president of capital markets for the Toronto-based Investment Dealers Association of Canada. The story says, quote:

Ian Russell, in a dark suit and representing Canada's securities industry, on Thursday called the deficit attack by Saskatchewan's NDP government the most advanced in the land.

"They're probably in the lead in this thing," said Russell . . .

But here's a quotation to the question of jobs and what's down the road. He says:

"Without the government tackling deficit reduction the way that it did and buttressing the confidence of business, we may well have seen investment figures drop off more precipitously.

I'll stop from the quote to say, the investment figures drop-off is a direct result of the megaprojects of the former administration finally coming to an end. Mr. Russell says, quote:

"What we're convinced we'll see is that as Saskatchewan continues moving ahead with its plan, once you start running surpluses and getting finances under control, you've got some room also to perhaps start cutting back on taxes.

"Once you begin moving in that direction, it becomes a very attractive place to invest."

Well what's the purpose behind this? The purpose behind this is to say that our budget has gained the credibility of people who have looked at the numbers. You can't fudge the numbers, simply not possible to fudge the numbers.

When Moody's and Standard and Poor's from New York check our books, they check them from one side to the other. Not possible. They know more about the books, with the greatest of respect, than perhaps more of the members of this House do. Those are real numbers.

The transfer payments' losses are real numbers. I stand to be corrected on the \$35 million figure to be absolutely certain about it, but that's what sticks in my mind. This is the result. I don't give myself credit for this. I said in my opening remarks, it is the people of Saskatchewan who have had to tighten their belts and pay pretty hardly. I know about that, pretty harshly. They've gone through this.

But if Mr. Russell is correct, as we believe he is because this is what this whole thing is predicated on, then we are, in his words, moving ahead of the . . . "you start running surpluses and getting finance under control," and room "to perhaps start cutting back on

taxes."

Once you begin moving in that direction, it becomes a very attractive place to invest.

So we're coming out of a difficult period, transfer payments notwithstanding. We hope the stability with Ottawa . . . our relationship with Ottawa has by and large been quite good. How long they'll remain I don't know, but we intend to work in a positive, cooperative way with them. There has been a boost to us and Quebec as a result of the jiggle in the formula that I talked about. And it's helpful and appreciated, but believe me, it does not outweigh the totality of reductions yearly now in a cumulative set that we have to face.

Ms. Haverstock: — Well thank you very much, Mr. Premier. I hope that you will agree to find out indeed what exactly the increase in transfer payments was and provide that to me.

Hon. Mr. Romanow: — I'm told that it is 35 million. My officials say that it's right, so I get a lucky memory break on that one.

Ms. Haverstock: — Thank you very much. I'm assuming from what you've said that this was not something on which you had counted. In other words, that's something that would not have been in your budget at that time since there was no way of understanding that it would be there; since none of us could look into the future and know what was going to transpire as far as the federal election was concerned.

And I do think that most people who would be trying to look at what would be the most responsible thing to do would come up with the conclusion that being fiscally responsible and addressing the problems that face a province and a country, that that would result in a province or a country being an attractive place to live and invest if indeed the problems were resolved.

I don't want to get into some of the other things that might affect investment at this time, although I will reserve the questions regarding labour legislation for another time. But investment, of course, is interested in investing in various places for a variety of reasons, not simply because something has taken care of its . . . a place is taking care of its fiscal mess, so to speak.

I'd like to talk for a moment about the deficit and the debt. And I know that you had indicated specifically that you're committed to a balanced budget within four years. Now I'm not going to say during your first term in office because of course I'm hoping that there won't be a second one. In any case you also committed to a 15-year plan to eliminate the Conservative administration debt. And I wonder why you've chosen not to put forward any legislation. And I'm not necessarily talking about balanced budget legislation. It could be the new expenditures control Act as it's been found in some other provinces as of late. Just legislation that actually results in your being committed to a balanced budget rather than one that is left up in the air.

And I'd like to know as well when you will be tabling your 15-year plan. I'm interested in knowing what that will entail.

(2030)

Hon. Mr. Romanow: — Well with respects to the latter aspect of the member's question, all that I can say is that we expected to have something to say about this perhaps by the spring of 1996 and the budget of 1996.

Mainly because we have this year to go through, and if we are successful in managing our finances, and the revenues are as projected, next year we'll be in a better position to figure out exactly what '96 will look like. But it'll be somewhere in that time frame — it could be earlier — but somewhere in that time frame. We'll have to revisit that very, very, very carefully.

I want to say one other point, and I do not want to belabour or take the time of the House needlessly, but I think this is important to get on the record. Wood Gundy economics has this to say about our fiscal policy February 18, 1994.

Saskatchewan kicked off the 1994 provincial budget season on a positive note, delivering on last year's deficit-cutting promises and keeping intact the '94-95 deficit reduction target. The turnaround in Saskatchewan's finances has been quite remarkable.

Nesbitt Thomson says, headline: Budget '94-95 on time, on target.

In its budget presented on February 17 the province of Saskatchewan continued the stunning turnaround in its fiscal situation. The government's strong political will and its performance to date indicates an ongoing adherence to this schedule of fiscal restraint amidst strong constituent support. We would therefore repeat our view first expressed in April '93. "In an environment which recently has been characterized by downward pressure on provincial credit ratings, we believe that Saskatchewan may well be the first Canadian province to be upgraded in the present economic cycle."

And says that our budget deficit now is the lowest since 1982.

ScotiaMcLeod says:

The government is on track. Saskatchewan has turned the corner financially which should continue to bode well for holders of this credit.

Burns Fry:

For the third consecutive year, the Saskatchewan government has remained on track in its program to balance the budget by

(the fiscal year) FY96/97. The deficit has declined . . . (sets of figures, etc.) . . . The target is \$189 million which, if achieved, will reduce the deficit to less than 1 per cent of GDP, likely to be the lowest among Canada's provinces.

By the way, that's an interesting figure, because as you know the federal government's objective is to reduce it to 3 per cent of GDP and we'll be at 1 per cent.

The Romanow government is developing an excellent track record in reducing the enormous deficit that it inherited . . . We expect the government to continue to hit its targets and therefore view the provincial credit rating outlook as positive.

Now I won't tell you about First Boston, except they say the conditions are improving in the economy. Real GDP (gross domestic product) has grown by 3.5 in 1993, well above the Canadian average. It also speculates that Standard and Poor's might give us a credit rating upgrade. I sure hope so.

But I want to come back to the Burns Fry quote, just to this extent. It says:

The Romanow government is developing an excellent track record in reducing the enormous deficit it inherited.

Now I say that's a statement of credibility and confidence in us. And the reason that I give you all of this is because I think it's a good news story. But to say in specifics to your question of the debt reduction plan, you can be assured, hon. member, that when this government puts forward its debt reduction plan, after we balance the budget by this determined will and ability and skill and contribution by the people of Saskatchewan, you can be sure we'll deliver on it too.

Ms. Haverstock: — Well, Mr. Premier, I really am rather curious as to why it is you feel the need, when here we are in June of 1994, to wait until June of 1996 or the spring budget of 1996 to table what your plans are. I think that people in Saskatchewan would be very bolstered if, in fact, they saw before them what the 15-year recovery plan was going to be that would result in jobs and real economic growth for people.

You spoke during the election of working with local manufacturers and businesses to increase value added processing of our resources and commodities, both domestic and export markets. And there never seems to be any tangible targets that are attached to those commitments so that, you know, it results in people like myself wondering what it is that you've done. And I can only assume that you keep track of your progress, so will you tell me please, how much you have increased the gross domestic product in the areas of value added processing for resources and commodities over the last two and a half years?

Hon. Mr. Romanow: — Mr. Chairman, I'll have to get the officials to provide me with some of the detailed figures on this, probably from Economic

Development and/or Finance. But I do want to say while they're looking at this to see if they can find it, if not, we'll undertake to provide it at some later date for the hon. member.

I want to say something which I overlooked in responding to the first part of her question immediately preceding this one. Balanced budget legislation — we're looking at this very, very seriously. But in our judgement there's no sense in doing that until we do balance the budget. This would be putting the cart before the horse.

In Alberta that's what they did. They said we're going to balance the budget, then they had no plan as to how to do it except to hack and slash and cut with all the hardship on the seniors and others that exist in the Alberta view.

I've never been a very big fan of balanced budget legislation up until now. But having been in this chair for some two years and several months and seeing how difficult it has been for our people to pull through, I don't want any other future government to ever get away with the kind of financial mess which resulted in the circumstance that we had. But we think that the way to do this would be at the time that we succeed in balancing the deficit.

There is no question of reluctance. It's one step at a time — steady progress. Let's get the deficit eliminated. Then we'll worry about the debt, which is obviously a part of this. In the meantime, let's make sure that the economy is going as best as it can be going and I would say — I don't know if I can have any numbers; will there be any numbers? They're working up some numbers — I can say that we are seeing a change in the pattern of jobs. I don't say this particularly happily because it's a mixed blessing in a sense, or a mixed effect, not even a blessing. In the agricultural and agriculture-related sectors, there continues to be a softness with respect to jobs as farms unfortunately get larger and mechanization and things of this nature.

But where we are seeing the growth is in food processing; in the manufacturing sector, short-line farm machinery; retail sector. Those figures are all available. We've seen, for example, April '94 to April '93 in manufacturing, 2,000 more jobs; service, 6,000; wholesale and retail trade, 7,000; construction, 2,000. Now this gets offset by the losses which are around in the other aspects of our economy, primarily in the area of agriculture, as it's working its way through the transition period that it is facing as well.

Ms. Haverstock: — Mr. Premier, I do have a comment for your consideration regarding balanced budget legislation, and that is that I think that taken singularly would be like a ticket for governments to raise taxes. And I think that it has to be seen in a combination, whether it be coupled with a taxpayers' protection Act, or devised in some way that it isn't as pure, if you will, as has been proposed and implemented by the Alberta government which I think is short-sighted in

many ways.

I've been watching and I guess one would say waiting for your government to zero in on very specific areas of economic development. And as I said before I am very sorry that the Minister of Economic Development chose to slip in his estimates under a cover of the dark — I guess would be the best way to describe it — when not only was it not on the agenda the evening that it took place, but even the official opposition critic, the Leader of the Official Opposition was not present, and those of us who were attending the business rally in Saskatoon had it come as some surprise to us that that was the case.

So since we did not have an opportunity to ask the Minister of Economic Development this question I do pose this to you, Mr. Premier. I wonder what you see as the greatest area of potential for employment in this coming year?

Hon. Mr. Romanow: — Mr. Chairman, the member will recall the budget objectives of '94-95 which have been set out by the Minister of Finance, and in that budget what we're setting out is the priorities of economic development and job creation. And we're having several initiatives to support this goal: \$700 million in capital projects, that's up from 140 million last year; 6 million for the new Sask Opportunities Corporation; 173 million shared with the federal government on infrastructure; 20 million for agri-food equity fund; north-west forest renewal partnership plan funding of \$330,000 over the next two years; \$4 million to be directed at commercial development for northern businesses.

We talked about the reduction in the small business tax, direct agents also phased out, new trade corporation, new Tourism Authority, the REDAs (rural economic development authority). New research and technology had a very successful conference which I attended in Toronto last week on ag-biotech; comprehensive transportation policy for market accessibility. And of course the member will know about the two new uranium mines, a \$250 million expansion.

There are some specific examples as well which I gave earlier today, which I will not belabour.

Now the actual figure that we had set out as a target for job creation in the budget — yes, my officials are going to get that figure for me so that I'm accurate on it, but it's in the budget, and that is the goal that we're targeting for, the one that I'll give you in a moment.

Ms. Haverstock: — Mr. Premier, I'll restate the question that I was posing when you were in an exchange. I want to know where you see the greatest area of potential for employment in this coming year.

Hon. Mr. Romanow: — Well I don't think that I want to identify one area only. I think there are several areas. I think there are great opportunities in short-line farm machinery. Flexi-Coil is having a very busy year with 1,100 jobs plus more. There are three or four

major projects, of which there have been extensive negotiations and detailed exchanges of financial information and analysis currently under way which we hope will bear some fruit in agriculture and the food processing areas. I cannot give you details because it's simply not timely. I see jobs there.

I think the infrastructure program will provide us with some jobs as well, the federal-provincial-municipal infrastructure program. I think that as well provides some opportunities.

Numerically perhaps not as great in the short run, but in the long run the ag-biotech field really is most exciting. We have a memorandum of understanding with Monsanto. Well you know all the people at Innovation Place in Saskatoon, so I won't belabour you with those. We think that that has got great potential as well.

By the way, while I'm on my feet, the employment levels we anticipate in the budget forecast for the economy at the end of '94, 445,000 people; hope to go to 448,000; 454,000 in 1996; and 457,000 in 1997 are the targets which have been set for ourselves.

Ms. Haverstock: — Well I am interested in if you can give me your personal assessment of where your government sits in terms of your plans for further development of the nuclear industry in Saskatchewan. How many jobs do you actually see being created in the next year, and what timetable do you have set for expansion of the industry between now and the next election?

(2045)

Hon. Mr. Romanow: — Madam Member, and, Mr. Chair, the jobs in the uranium industry essentially are from two sources, first of all the mining sector and this will depend upon the demands of the market for uranium. The price has been somewhat spotty or at least shaky, if I can put it that way, for the last little while. That'll dictate to some extent how much economic development there is.

But as I indicated in my last answer, \$250 million of investment is on the books now as a result of the hearings which we confirmed a few months ago. Subsequent developments will take place, presumably as the companies themselves see it to be timely. Actual numbers, again this is another little memory test, but I think it's about 400 direct jobs for these two \$250 million projects that I've talked about. And then you can put your own spin-off factor of times six, seven or eight — there are varying figures in this regard.

The other area of employment, with respect to the nuclear industry, in a major way — I'm not talking about academic research and university research — is the research which is going on in Saskatoon on the CANDU (Canadian deuterium uranium) 3. I think there are about 100 employees that are there. There may be some additional incremental activity. The

member will be aware of newspaper reports indicating that there is a CANDU six series of negotiations with Atomic Energy Board for China, which presumably in AECL's (Atomic Energy of Canada Ltd.) mind will assist and speed up the CANDU 3 research and development.

I'm not, for the moment, adding in the additional, which could be put in the same category, jobs which flow from the academic, scientific research — more related to nuclear medicine and university work. So those are roughly, and probably very roughly, although I have some figures now. I should correct this — they say 270 direct jobs on the two uranium jobs, not 400, but 270, times your spin-off factors. And then I've made the points with respect to AECL.

Ms. Haverstock: — Thank you, Mr. Premier. What you were talking about was dividing this up into the mining sector, the reactor side — you didn't make any comment on further areas of the nuclear industry in which one could get involved. I am interested in, specifically, how you see the province of Saskatchewan being involved in this industry.

Do you see expanding the nuclear industry in the province of Saskatchewan? Do you have a target for the contribution that could be made, both short term and long term, of the nuclear industry and the uranium industry in Saskatchewan? I do want to make some comment because I know that you have spent, what we would call, political moments in here trying to make reference to the fact that I'd like to have a reactor — I think if the quote is correct — on every street corner of Saskatchewan.

Part of what I have been most interested in is ensuring that what we do is target the areas in which we can be the best and I think that Saskatchewan can be the best as far as a centre of excellence for energy that could compete with all different places in the world.

One of the concerns I've always had is why it is we would consider to sell raw uranium to people who would then process that uranium, then who would ship it off to be used in reactors that may be considered significantly unsafe, and act as though somehow we have no responsibility for that, when we could in fact be in the driver's seat since we have the purest, one of the best, uranium to be found in the world. I'm wondering why it is that this wouldn't be targeted as an area in which we could be best in Saskatchewan.

So if you wouldn't mind commenting please, Mr. Premier, on what your government's commitment would be to this area and particularly if you've targeted it; if you've targeted it for the kinds of contributions that it could make and where you see it going.

Hon. Mr. Romanow: — Perhaps the member could be a little more specific about what she refers to when she uses the words "this area" in the nuclear industry. I'm assuming that you mean by this area, mining, refining, and/or processing, generating, and waste disposal. Is

that what you mean?

Ms. Haverstock: — I think perhaps one of the things that we're trying to determine here is, are we going to be the best at something? Are we going to take full responsibility for it? But what I find most interesting, Mr. Premier, is how . . . if indeed we're going to be going into spent fuel, has there been research done in the province of Saskatchewan? Is this an area that your government has been committed to looking at — all of the different aspects of saying, if we are going to sell raw uranium, then we are going to be responsible and look at all the different aspects of the uranium industry, of the nuclear industry in the province of Saskatchewan?

I asked a simple question of: is this an area that you have targeted as your government when we know that, as far as energy is concerned, that there are people on the other side of the world that will never use solar energy, will never be able to use fossil fuels readily, will never to be able to use wind? What they will have to do is rely upon the nuclear industry. What role do you see your government playing in this? Are you committed to targeting the nuclear industry and its development for the province of Saskatchewan?

Hon. Mr. Romanow: — Well again, I say this with respect to the member, because I do not understand what she's trying to get me to answer. If I could get the question clearly put, I will try to give you, as clearly as I can, an answer to the question.

Because you refer to the nuclear industry, this industry — what is it that you're asking me about? The one specific thing that you're asking me about is the question of what happens once the uranium leaves the ground. And the member should know, as every member in this House does know — and I'm sure you do too, but I'll say it in any event; I don't mean this in any personal sense — that those are bound by a series of national and international obligations of which the province . . . no province has any control.

The Atomic Energy Control Board and the international monitoring regulatory agencies internationally with respect to what happens, with respect to Canadian uranium — where it is used, where the spent fuel is subsequently used — is subject to the international monitoring process. And I have to have faith in that process. I know this is certainly under some dispute by some people, but the process is an honourable one and that the Canadian authorities are doing the best that they can. If the hon. member is suggesting that we should take on that regulatory function for the federal government and get involved in international arrangements, I can't do that. She wouldn't do that. No provincial premier could; no federal Prime Minister would permit it, and rightly so.

Now I therefore have to ask the question: what do you mean? Do you want me to tell you what we think about mining, refining, reacting, and waste disposal? Is that what you're asking me?

Ms. Haverstock: — Mr. Premier, my question is now

repeated for the third time. Has your government targeted the nuclear industry as an industry that you would want to see further development of in the province of Saskatchewan?

Hon. Mr. Romanow: — Now if I answer yes to you on that — which I will do, I'll say yes — and I say to you that I interpret the nuclear industry to mean mining, as I've described, and research. My question to you is, is that enough, or do you want this government to be also targeting generation and waste disposal?

Ms. Haverstock: — I find it most interesting, Mr. Premier, that here we are finally, finally, finally in Executive Council estimates, and you're choosing to ask me questions. So all that it can do is provide me with a great deal of insight that, Mr. Premier, this is a question you don't want to answer.

Perhaps we can go on to some other questions that you will equally have avoided answering. I will move on to a completely different area here, and we'll return later to this issue, I'm sure.

I am going to quote to you from a private member's motion that I put forward probably a good month and a half ago that did not reach this Assembly until two weeks ago tomorrow. And it states the following:

That this Assembly urge the government to present its full gaming strategy including a full accounting of its projected revenues from gaming, all research and documentation held by government on the Saskatchewan gaming industry, with emphasis on the evidence showing that the gaming projects undertaken by the provincial government are sustainable and that all participants in the gaming industry such as volunteer and non-profit organizations, hoteliers, exhibition associations, the horse-racing industry, hospital foundations, local governments, aboriginal groups, and gaming addicts are being and will be treated fairly in the face of increased government involvement in the gaming industry.

Mr. Premier, you may find it somewhat telling that the day that that was brought forward, not one of the 53 members of government, of your government, chose to comment on it. The member from the official opposition from Morse did comment. He did discuss this issue that afternoon. But this was something that I had tried for a considerable length of time to bring to this Assembly and have full discussion of. It was something that your members chose not to discuss. So I am most interested in your points of view on gaming, the expansion of gaming, as well as some more specific questions regarding some of the things that your government has undertaken.

What I will do is pose a very specific question to you, Mr. Premier, with regard to your own constituency of Riversdale. I want to know what communications you've had, not only with your constituents who are constituents at large but with those who do run businesses in your constituency of Riversdale, on the

whole issue of expanding gaming in the province of Saskatchewan.

Hon. Mr. Romanow: — Well the hon. member . . . I'll say a couple of things first of all. Don't take too much offence that we don't comment on every resolution that you advance, as brilliant as they are and as very competent as they are.

I note that there are many resolutions and many Bills on which neither you nor any of your members of caucus comment. In fact if I wanted to be very tough about it I'd say, not even here to vote. So please don't apply to us a standard that you do not live up to yourself. If we can get that out of the way then we'll understand where we're coming at.

The second point is with respect to canvassing. I am here to explain government policy, what my position is, what the government's position is. How we arrive at that position I can talk to you in terms of a variety of approaches, and a variety of studies, and a variety of reasons. I don't go around asking you who you consult in your constituency, and I don't think, with the greatest of respect, that it is your job to ask me who I consult within my constituency. You want me to tell you what government policy is, I will.

Ms. Haverstock: — Well thank you, Mr. Premier. It is most interesting to see that you condone 53 out of 53 people in government having no comment to make on gaming and gaming expansion in the province of Saskatchewan. Many, many people will be most interested this evening in actually hearing you say that, and for a gentleman who has been absent for about the last five weeks with the exception of three days, I find it most interesting that you would comment on my not being present to vote on different issues.

I've been meeting with a wide variety of people in this province as I'm sure you have, and I wouldn't mind at all talking about the fact that I consult with people in my constituency. I consult with businesses in my constituency, and I'm sure that they would want me to relay, since I am their member, their issues in this Assembly when it comes to gaming in the province of Saskatchewan.

What your government has done is to undertake something that can change the face of Saskatchewan. And I would like to know what your stand is on, first of all, the massive introduction of VLTs in the province of Saskatchewan. I want to hear what you have to say about the fact that \$720,000 this year will go into your government's coffers from the small community of Assiniboia just from VLT revenues alone from their hotels.

I want to ask of you, sir, what you think it's going to do to the constituency of Melfort to have \$700,000 this one year going into government coffers from VLTs. I want you to tell me, what work you've done to ensure that the way in which gaming in this province is being expanded, the proposed casino expansions in the province of Saskatchewan, that you've done your

homework, because your minister in charge of Gaming has not provided this third party, nor the official opposition, with any credible evidence that in fact what you're doing is sustainable over a period of time, what the real projections are, how many jobs will actually be created. There is no specific evidence that has been provided.

And I want to know what your stand is, because you keep asking what mine is, and I've been on record not only this session, but in the first session. I can name you the exact pages from *Hansard*. In the second session I can name you the exact places in *Hansard*. In the third session I can name you the exact places in *Hansard*, and the Liberal Party and myself have been consistent each and every time.

We have the position that gambling has the potential of an industry but that the development has to follow a strategic plan. And since we've not been able to find out what the strategic plan is from the minister in charge of Gaming, perhaps we can find out what that strategic plan is from you, sir.

(2100)

Hon. Mr. Romanow: — Mr. Chairman, why was it that not one of your caucus members saw fit to comment on our private members' resolution on probably the most important debate coming up in Canada right now, social security program review? Will you tell me that? Did the cat bite the tongue? What happened? Don't get into this game about why people comment or don't comment. Don't think that the Liberal resolutions are resolutions which are of such import that we must have people commenting on them.

An Hon. Member: — Just answer the questions.

Hon. Mr. Romanow: — No. You're saying that because you're decrying the fact that the members on this side haven't spoken to your resolution. So what? So what? We have resolutions on income security and you don't even see fit to have any member of your caucus speak to this issue. That's for you to decide. But don't have the double standard. Don't condemn me on something that you yourself are not prepared to follow. That's my point.

Now on the issue of massive introduction of VLTs, I think that you have flip-flopped on this, and you've flip-flopped on it in a way which is absolutely confusing and contradictory.

First of all, you say your position is clear. Your position amounts to one word: moratorium. Moratorium until all the studies that would satisfy you will flow on every issue. Moratorium. You're not saying — typically Liberal — no I'm against VLTs, I'm going to take them out of every hotel and out of every community; nor are you saying, yes I'm going to expand them. What you're saying is moratorium. That is the easiest, non-answer political position for any opposition party to take and it is dishonourable. It is, as my colleague the minister in charge of the Liquor and Gaming

Commission, described in question period today as saying: some of my friends are for it; some of my friends are against it; I'm with my friends.

I'll tell you where I stand on this issue.

An Hon. Member: — Good. It's about time.

Hon. Mr. Romanow: — Well good, about time, she says. I've introduced the legislation; I've been saying this for the last two years. I don't know where the member has been. I mean I'll repeat it again. We're proposing the policy for the people to decide so here I tell you.

You tell me, because if you're not going to tell me I'm going to tell the hotels association what your position is. Your position with the hotels association has got to be as follows: elect the Liberal Party and those VLTs are gone — and for the communities. They're gone. You were all for them, of course, in the debate that preceded this *Hansard* debate in estimates last year. You were pressing us to do it very, very quickly. Now it's moratorium. You elect the Liberals, and struggling rural Saskatchewan is going to lose that money. Then you say to me, how do you feel about \$700,000 coming out of Yorkton from VLTs?

I don't think gambling is a particularly honourable way or a good way to get money, but I'll tell you one thing. It's a heck of a lot better, if people are going to be gambling, that that money comes to the provincial coffers of Saskatchewan to be used back to the education and highways and health care system for the people of the province of Saskatchewan than finding its way down to Montana and North Dakota and Las Vegas so that they can get better highways, schools and hospitals, and roads. That's where I stand on it.

Now what do you want to do about this? Are you going to shut down the VLTs or not? Tell us what you would do if you were in charge this particular day. What is your policy in this area?

Ms. Haverstock: — Well, Mr. Premier, what I've been able to conclude from your comments is that you haven't done your homework, as well as your minister in charge of Gaming. The focusing of my questions and my comments since 1991 on gambling, and since being elected overall, has been to try to force your government to produce a solid plan. That has been my approach. And it would be just as irresponsible for the Liberal Party to say, we are going to do this and this and this with gambling unless we had the objective research material or at least the raw data with which to work.

We've done our best to collect information and to request data from your government, but it has been very, very difficult to obtain. And this is the response that we got from the minister in charge of Gaming, when trying to access even the definitive studies that his department is using as the basis for their decisions. And I quote:

The information you have requested seeking detailed financial and organizational information about Saskatchewan charities, organizations, businesses, and exhibition associations, including their contact people, revenues, expenses, and profits, is considered private information and is protected under the freedom of information and privacy Act.

How can we consult thoroughly with the people? How can we evaluate trends? How can we compare what your government is saying is happening to what we believe may be happening, if we're denied information? And I find it most interesting that what you would like us to do is to do precisely what you're doing, and that is basing your public policy decisions on lack of evidence and full information.

The minister would not provide the research being used by cabinet to make its decisions, and he says, and this is another direct quote in a letter to me:

All other research being used by the government in developing the casino expansion policy has been undertaken for review by cabinet and its committees, and as such is exempt from release under The Freedom of Information and Protection of Privacy Act.

So, Mr. Premier, how are we supposed to develop a fair assessment of government policy, or an alternative policy for that matter, if we don't have any information? And I find it interesting that you're stating that we have a moratorium on VLTs. What I called for is a moratorium on the expansion of gambling in the province of Saskatchewan. I think that is a reasonable thing to ask, Mr. Premier, when your government has not provided any full, accurate information, nor has it provided a full strategic plan at all.

You're wondering where it is one gets off in being able to have concerns about this. You, Mr. Premier, mention that how could we have the dollars that are going to be spent in Saskatchewan going elsewhere. How naïve are we in this province that we don't recognize that there are places in . . . \$250 million casinos, two of them being built as we speak, in Nevada, in Las Vegas, Nevada.

The very people who promote expansion of casinos are the people who are going to benefit from them, and there have been massive expansions of casinos all across Canada, all across the United States. This hasn't had one impact on Las Vegas except that they have more casinos. So when people get involved in more gambling, Mr. Premier, they are inclined to gamble more and they are very, very interested in going off to the city of lights.

I think, Mr. Premier, what you should be doing is basing your commitment to gambling on full evidence, on good research that I'm sure you could get if your government so chose. Instead, we have not been provided with any objective research; we've been provided with some pieces of research where

people are either consultants for the gambling industry or they are people who are involved in gambling directly and may be beneficiaries in order to be able to . . . if in fact they're introduced in the province of Saskatchewan.

And I ask you, Mr. Premier, if you have read the research done by Robert Goodman who is the director of . . . and has done a United States gambling study. I am most interested, sir, if you have read this, because this, in fact, was funded by the Aspen Institute and the Ford Foundation, two different bodies, neither of whom have any vested interest whatsoever in gambling, unlike many of the groups who have done a lot of consulting and a lot of research for governments across North America, who have a very vested interest in casino expansion. I am going to ask you if you've read this research which has come out in March of 1994, and I would be most pleased to send this to you this evening to have you read what, in fact, casino expansion and expansion of gambling has done in many communities, not unlike the ones in Saskatchewan.

I think it would be most interesting for you to base your decisions on real evidence, and the fact that Mr. Goodman, Professor Goodman, has done this research and has concluded that the majority of the research that's been done by governments throughout North America, including Canada, have been flawed pieces of research based on what governments want to hear — unobjective research, unreliable research, non-valid research. And I think that it's incumbent upon you, before you expand gambling in the province of Saskatchewan, to ensure that you have full information and you lay before the people your strategic plan.

I do want to sit down and find out if indeed you have read this study, and if you have not, I will send it to you because the impact on Main Street businesses, the impact on restaurants, on car dealerships, on various forms of entertainment, are substantial. And I think that this isn't simply being concerned about social costs which may be quite expensive in the long run. This is also about the economic costs that can be involved; that you may be engaging, sir, on something which gives you short-term gain for very long-term pain, both socially and economically within the province. So I am interested in some of the responses to my questions, Mr. Premier, and if you don't have a copy of this research, I'd be pleased to send it over.

Hon. Mr. Romanow: — Mr. Chairman, I will make a comment about the specific question about the Ford Foundation and I think Aspen Institute of Study that the member talks about in a moment. But before I do, I want to emphasize again what I believe is another example of the unwillingness, inability, I don't know how to describe it, of the Liberal leader on this and other issues, but on this particular issue . . . how confusing her position is.

Madam Member, four or five questions ago, you got up passionately asking me whether I had given any consideration to what the impact of VLTs, as currently

structured, are in the various communities that you identified. The implication was, although the words weren't quite that way, that this is very destructive and very bad.

When I responded on the moratorium, in your latest last question you get up and you say, uh, uh, but you're misinterpreting me, Mr. Premier. I'm not saying anything about what we've got going now including VLTs; I'm saying a moratorium on future expansion, which immediately brings into my mind and in the public's mind, massive confusion as to where you're coming from.

What was the purpose of the question about the VLTs, except by implication that they should be shut down because of the horrendous nature of their social and economic impact. As I said, the hotels association and the communities where the hotels are struggling to survive, ought to know and they will know, that you are by implication — I'm being as fair as I can — saying that if you should be elected, they will be gone, those VLTs. Now you're saying to me, no, anything that exists, it exists. What you're saying to me is, it's future expansion of gaming that's at issue.

So you might perhaps clarify this for me when I take my place in a moment. Is it correct that the Liberal Party position is: that VLTs are structured; horse-racing as structured and operating; bingos as structured and operating; and the various other forms of gambling, and gaming that had been going heretofore as structured; that those are okay as far as the Liberal Party is concerned? I want to hear the answer to that. But it's the moratorium on the casino that you want us to consider. And at least we'll know with clarity where you stand, and then I can with clarity give you an answer.

Now let me try to extrapolate from this confusing set of questions and contradiction to the specific aspect of the Ford Foundation-Aspen Institute report. This report has three or four major recommendations, report argues that attention needs to be paid to the social cost associated with gaming. We agree. That's why we've appointed an Advisory Committee on the Social Impacts of Gaming; that's why we're implementing a gambling addiction program, albeit in its infancy, but we agree that attention to social cost associated is a paramount concern, right from the report that you asked me about.

Secondly, the report says government should be regulator and not a promoter of gaming. We agree. That's why this Bill which is currently before the House is a Bill which will be in effect a transition Bill or a Bill to establish the casino. The regulatory function is going to be separated, a vehicle in order to achieve this aspect of the Goodman report or the Ford institute study.

Thirdly the report says that the government needs a gaming plan. Now you won't buy it — it doesn't matter what I say to you — but we think we have a gaming plan.

(2115)

We think it's a balanced, incremental one, allowing only slow and controlled growth in our province. Only two casinos if it comes out, one in Regina, one in Saskatoon. That's slow and controlled. Well you see you will not buy that. I'm reading from the report that you're asking me to study. I'm giving you the response pursuant to that report of your government, and you do not accept it.

Fourthly the report cautions against dependence on gaming revenue. We agree. The reliance of many Saskatchewan charities on revenue from bingos such as those that have been promoted by a number of other people serves as a cautionary tale on this point. That's why we've not targeted gaming revenue any one program.

Now all I say to you is this. This Goodman Report, from my reading of it, says this. They're critical of the gambling free-for-all witnessed in the United States and the American states and American jurisdictions, and by and large I agree with them.

But I say what is being structured in Saskatchewan, I will say to the Leader of the Liberal Party what is being structured in Liberal Nova Scotia is totally different. Your colleagues in Nova Scotia and in other provincial jurisdictions where your Liberal Party is in power is totally different from what the Goodman and Ford Foundation report talks about. We are having a program which is carefully limited, controlled, and with all of the social, regulatory, dependency and other aspects of Goodman as best as possible addressed. There is the difference and our position.

Now perhaps you'd be kind enough to inform the House whether or not I interpreted your position with respect to gaming to be correct, namely that you support everything as is now, or that if you don't, tell us. But it's just the moratorium on the casinos which is what is at issue. Is that your position?

Ms. Haverstock: — Well, Mr. Premier, you definitely like to ask questions more than you like to specifically answer them.

We have had a history of gaming in the province of Saskatchewan for decades, and it's been a very intricate and interrelated industry. It has been made up of charitable organizations. It's been made up of exhibition boards where monies have gone back into the community. The charitable non-profit organizations, the monies have gone back into the community. We've had the horse-racing industry which has had within it some of the most skilled aboriginal people who have rarely been on social assistance. Many of them . . . this has been something that has provided them with a steady income, and they have an extraordinary amount of expertise in it. We have had, as well, hospital foundations in recent years funded all of their equipment, high portions of their equipment, funded by break-open tickets.

What has happened in the province of Saskatchewan

under your administration, Mr. Premier, is to change the balance of what has been there previously. Yes, casinos have operated, but they've operated under exhibition boards. Yes, we've had bingos. Yes, we've had all different kinds of gaming in the province of Saskatchewan. And it has not been something where people have thrown their hands up and said, my gosh, this is going to create such terrible social ills in our province that we can't allow this to happen.

And that has been because there has been an intricate balance. It has also not done things in terms of changing the face of Main Street, Saskatchewan. And I guess if you're wanting an unequivocal statement from me, you're talking about what difference will it make to have a casino in Saskatoon and Regina. Well I think we should know if it's going to make some differences.

And what you're in fact saying . . . in fact, your minister of Gaming said today that the jurisdictional issue has not been settled with aboriginal people, so there may indeed end up being on-reserve casinos as well. We know of statistics of what has happened in other places — not simply the United States but even in Manitoba, Mr. Premier — where people who have become involved in more casino gaming and in the province of Manitoba that the number of people who then leave the province of Manitoba to go and gamble elsewhere has been extensive. It has gone up substantially.

So we do have certain pieces of information already, Mr. Premier. Ultimately the Liberal position is to view gaming as an industry whose potential must be measured accurately. And it has to be measured accurately before you continue to proceed any further.

One main concern . . . and obviously you take this very lightly since you laugh in jest. It's not something that is taken lightly by those who are currently participants in this. It's not being taken lightly by the charities, Mr. Premier. It's not being taken as lightly as you would like to think from hoteliers in the province. It's not being taken lightly by the hospital foundations, by the exhibition boards, by industries like horse-racing and bingo who already have a particular kind of net that they receive. And they want to know whether or not that is going to change as a result of your government's policies.

And I think that there's a way of providing them with assurances. I think that there are ways of being able to ensure that after extensive meetings and genuine consultations, to assess what the trends have been since the introduction of VLTs, for example, they should be able to. You as a government have a responsibility for taking the information to date, evaluating it, and having some way of determining what impact this is really going to have overall.

And yes, I do think that we need a period of moratorium. I do think that. And I see nothing wrong with taking the time to be able to measure more accurately what has happened after one year of

operation of VLTs on all these other forms of gaming. What has been the overall economic, net economic impact on the province? I think that's important for us to have as information. And once we know what the impact is then we can decide if the policy is one to be continued, if it should be modified, if it should be abandoned, depending on the overall cost or the positive contribution to Saskatchewan.

And I do not believe that one simply slams the door on gambling. We've had gambling for years and years and years. I want to ensure what benefits were being derived prior to government competition against . . . that has been introduced, and are protected for charities, and I want to ensure that all the glitter really is gold. And I don't think there's anything wrong with that because what may appear to be a tremendous opportunity to raise government revenues, what is obviously perceived as a tremendous opportunity for aboriginal people, these things have to be able to be evaluated appropriately and could indeed become part of something that could be detrimental in the long run.

All I'm asking is the same sorts of things that I asked when we were looking at Rafferty. Okay? I said, let's make sure that the positives outweigh the detriments; let's ensure that we have enough information to make intelligent decisions here before Rafferty-Alameda goes ahead. And I'm posing the same questions to you tonight, sir.

The Liberal Party is committed to ensuring that the effects of gambling are measured objectively. That is precisely, if one would read *Hansard*, whether it was discussion about VLTs, whether it was discussion on any area of gambling that we have put forward, we want to know what the specific strategic plan is, what has transpired in the province over the last year, the impact that it's had on this wide range of gambling that has already taken place in Saskatchewan. Will the benefits outweigh the detriments? And I want to know whether you can tell us that tonight. Will the benefits outweigh the detriments to Saskatchewan people by the increase in gambling in Saskatchewan?

Hon. Mr. Romanow: — Well, Mr. Chairman, the minister responsible for the Liquor and Gaming Authority, the member from Prince Albert, has provided those numbers to the hon. member in question period and in speeches endlessly, endlessly.

And what the member is saying in the best tradition of the Liberal Party, in the best words of Mackenzie King, gambling if necessary but not necessarily gambling. That's the firm position of the Liberal Party. What is it? We want to make sure that the objectives of gambling are measured objectively. That's your position. Well you know, please, at least some of the Conservatives have got the courage to get up and say, look, we're against it — if we get re-elected we're going to take away the VLTs; we're not going to allow the casinos . . . to go away. At least they've got the courage to say that. I just wish the Liberal Party did.

In any event, I can't add anything else to this other

than what I've said. The member from Prince Albert has provided numbers at every question period that I've attended in this area. It has not convinced the hon. member to be any more decisive than she is today: gambling if necessary but not necessarily gambling. I doubt that any repetition of those figures will shake her off that very firm, solid leadership position that she adopts.

Ms. Haverstock: — Well that's a most interesting stance that you've just taken in terms of avoiding discussion of this issue, Mr. Premier. And I would suggest to you that any, any reading of question period would give you great insight. Perhaps it would do you some good to find out exactly how your minister of Gaming has chosen not to answer in question period both myself and the official opposition on this question. It is one of the reasons, sir, why we have received equal amounts of questions regarding this, even from hoteliers, Mr. Minister of Gaming, equal numbers of questions on this as we have regarding labour standards and The Trade Union Act. And one of the things that I find most interesting is how you would not stand in your place as the Premier of Saskatchewan, bringing about fundamental change to our province, and you'll not definitively state whether or not the benefits will outweigh the detriments in gaming.

So, as is obvious from our several lengthy minutes of non-question and answers tonight — there were questions but no answers — what I will do is to defer to the Leader of the Opposition who can pose some questions to you now, sir.

Hon. Mr. Romanow: — Well I think I would be very pleased to take the questions of the Leader of the Opposition. You were going to come back to the nuclear industry, and I'm sorry that you haven't. But I will, just since because I want to come back to it. In 1991, September 21, 1991, the Liberal Party policy, as reported widely and as published in this regard, was to create new jobs and wealth through nuclear power plants, nuclear uranium mining, and related manufacturing, and then goes on to talk about waste disposal and plant operation. That is your position, and therefore it does not surprise me that you did not see fit to come back to that tonight because this is typical . . .

An Hon. Member: — Why not? I've got pages to come back to.

Hon. Mr. Romanow: — Well you can come back to it. I want you to come back to it because it's typical, the same thing with respect to gaming. Obviously we think this is a matter which, on a socio-economic balance, benefits the province of Saskatchewan more than it hurts the province of Saskatchewan. We have done studies in this regard. We hope we're right. We think we're right.

You have to make your judgement call as to whether you believe that they are right or not right. You have taken a position which permits you — I say this with the greatest respect — to walk all sides of the street.

An Hon. Member: — Give us the information, and we'll tell you what we think.

Hon. Mr. Romanow: — No, you won't accept this because your line is, to this group: gambling if necessary. And to this group: gambling, not necessarily so.

So I mean it's the same thing with the uranium thing, the discussion that was given here today. You know this is going to be an interesting game that you can play for the next two years, but believe me, believe me, people are seeing through it. You need to tell us where you stand on these issues in order for us to answer with any degree of clarity . . . hard to be clear on answers, when the questions are very, very foggy.

Ms. Haverstock: — Mr. Premier, all we have requested from your government is responsibility, and that is to be able to hold you accountable. To be able to give appropriate kinds of responses to the people of Saskatchewan to the questions that they are asking is to have accurate information from your government. That's part of our responsibility in holding you accountable in the decisions that you are making for the people of Saskatchewan. All we have requested is information, and we have never received information. We have not received any of the studies upon which your decisions are being made, regarding casino expansion and gambling expansion in the province of Saskatchewan. We've had access to all of the studies that the minister of Gaming was going to send over, but not the ones upon which you are basing your decisions. And I think that if what one wants to do is to have definitive responses, that it is responsible for me to want to base those decisions on full evidence.

Since you are coming to the conclusion about expanding gambling in the province of Saskatchewan in the manner in which you are doing it, I'm sure that you would feel completely confident in sharing with us the basis upon which you are making that decision. That has not happened. That has not happened. It has not happened in question period; it has not happened in other opportunities where I've had a chance to question the minister of Gaming; it has not happened here this evening in talking to you; it has not happened upon writing to the minister in charge of Gaming. It has not happened, period.

And I believe that our stand is a responsible stand, and while you may be saying, Mr. Premier, that the people of Saskatchewan are seeing through this, the people of Saskatchewan . . . one of the reasons we are ahead of you in the polls . . . well you may laugh, sir, but we have the evidence as well, and they're your polls. One of the reasons why is because people do not appreciate the direction in which you're taking the province and that is something with which you are going to have to contend.

All we are trying to do is to provide people who have requested information from us with assurances, assurances either that what is being done is being done correctly and is based on evidence, or that

indeed we should be holding things up because we don't have the evidence. And I find it interesting that after this opportunity for you to truly be on record for saying I think gambling is exactly the way we should be going, this is precisely what we should be doing, it has my 100 per cent support, I haven't heard that from you tonight, either.

(2130)

Hon. Mr. Romanow: — You know the hon. member has won the election already. I congratulate her on it, would never, of course, accuse her of any arrogance in that regard because of the confidence, so there's no use in us proceeding for the next two years. But I will ask you one thing, Madam Member.

An Hon. Member: — Going to be two years?

Hon. Mr. Romanow: — Yes, it's June 1996. You, Madam Member, has indicated . . . (inaudible interjection) . . . Pardon me?

An Hon. Member: — Second Monday?

Hon. Mr. Romanow: — Third Monday in June.

An Hon. Member: — Why didn't you support my Bill?

Hon. Mr. Romanow: — Well maybe I will. Introduce it again; we'll take another look at it. I do want to ask the hon. member from Greystone, however, to do us a favour. You have a hotels association study, you alluded to it a few moments ago . . .

An Hon. Member: — Solicited by herself.

Hon. Mr. Romanow: — My minister says you asked for it. Will you please table that, forward them to me. You were going to give me a copy of the Goodman study. Please forward to me a copy of that study of the hotels association so that I can take a look at it, and maybe there will be some additional information. Can we have that commitment from you?

Ms. Haverstock: — Well, Mr. Premier, what I will be willing to do is to share with you some of the information that we received from hoteliers. We will blank out where they're from. No, actually it's quite extensive and there are surveys that were done and there are people who have a lot of concerns that have been raised.

And quite frankly, I think that the Premier of this province should be proud of some of its citizens who, even though they are currently making a small margin of profit from VLTs, have been the people who have come forward and indicated that they see some very, very serious ill effects of people in their communities, people who are very, very concerned about individuals. Where they used to be able to say when they were spending the money on having alcohol, we just cut you off, don't feel that they're in a position of simply saying to somebody playing VLTs, we're just going to cut you off.

So I think that this is information that you should want to have in your possession; and yes, I would like very much to share it with you. Did you in fact ask for a copy of the Goodman study?

An Hon. Member: — No.

Ms. Haverstock: — Okay.

Hon. Mr. Romanow: — What I need to know is whether the member will give to me — I want this on the public record — a copy of the hotel survey which she solicited at public expense, taxpayers' expense, because the double standard, with the greatest respect, Madam Minister, doesn't apply. You cannot be asking us to be tabling every report that we have while you keep your reports secret and confidential in this area.

So will you give me the commitment that you will provide your studies that you have commissioned in this regard, in detail, in the interests of finding out all the answers so the taxpayers can make the appropriate decision? I just want a yes or no to that.

Ms. Haverstock: — Well, Mr. Premier, I find this most interesting — your attempt again to turn the tables. I am most willing to share with you the survey that was sent out. We had a considerable response and I think that people have been astonishingly not only honest but very helpful and concerned in the province of Saskatchewan.

What you have chosen to do is to change the face of the way Saskatchewan functions with the introduction of gambling in the way that you have in the province of Saskatchewan, the expansion of it. And you have been unwilling to provide anything to the official opposition and ourselves upon which we can base any solid decisions regarding your decisions.

So I find this most interesting this evening. One of the things we will know . . . you should know is that, again, as with other pieces of information that comes out of this House regarding gambling, we will send it to concerned parties because they were wanting to know some of your answers to the questions that I posed tonight. And in the end I guess we'll see where the average person in Saskatchewan comes down on this issue, won't we?

Hon. Mr. Romanow: — I want to say to the hon. member that we too will be contacting the charities and the organizations.

An Hon. Member: — It's about time.

Hon. Mr. Romanow: — Well, oh, about time. We've been doing this for two years but I'll . . . So we too will be telling them where you stand on all of those areas. We'll be talking to the hotels association people and be telling the charities. We'll be telling the Federation of Saskatchewan Indian Nations — mind you, you demonstrated that by your vote today. We'll be telling all the people about the moratorium, the moratorium and how far it extends. Don't worry about that.

But I take it in the meantime, that what you've told me with respect to the report that you've done with respect to the hotels association, that your position is, I'll release it perhaps and perhaps I won't — again, typical.

Mr. Swenson: — Thank you, Mr. Chairman. Let's switch tack a little bit here, Mr. Chairman. And while the Premier has his officials here, there's some things I'd like to know about inside a government. Mr. Premier, I understand that each department must file a B130 form with the Department of Finance prior to budget preparations. Would you please explain to this Assembly what a B130 form is and what its primary use is.

Hon. Mr. Romanow: — Well, the very high number to that form, B10346, implies that there must be at least 995 others before it, so let me just see what kind of a form this is. Or rather than playing hide and seek with me — peek-a-boo — and in the spirit of the Leader of the Liberal Party, send over a copy of this and see if I can be refreshed in that regard.

Mr. Swenson: — Mr. Premier, the reason I asked the question is, is that we've been told by a former Department of Finance employee that this B130 form is used by all departments and they use it to justify their expenditures for the coming year. And we would like . . .

An Hon. Member: — You mean in preparation for the budget?

Mr. Swenson: — That's correct. A copy of each year's form for Executive Council, for instance, and every other government agency, board, commission, that completes such a form. And I would also ask: do Crown corporations complete the same form; and if so, would you provide us a copy with that?

Hon. Mr. Romanow: — Well, Mr. Chairman, I have to tell you frankly, I need to know what this B130 form is all about before I commit to this question. And I'd also tell the member opposite that if it is a form which is a preliminary set of estimates of expenditures by departments in preparation for the budget-making process, I can almost tell you right off the bat, we're not going to make that public, because the budget-making process goes through a variety of rules, as the member himself knows, being a former member of the treasury benches, and ultimately the budget looks entirely different than what departments will request or not request.

We need to have — every government needs to have — some level of confidentiality in order to be able to do the right decision making and the right judgements in this regard.

But I'll check it out to see if there is something with this B130 form that we can do to accommodate you; but as I say, if it's part of the budget-preparation cycle, you can forget it.

Mr. Swenson: — Well I presume that your head . . . the deputy minister to the Premier would know about such a form. Perhaps it doesn't exist then. If I'm wrong . . . We were told in confidence that it did, that it wasn't budget material, that it was the justification which each department put forward for its expenditures in the coming year. And the reason I lead with that, Mr. Premier, is that we've had a great deal of concern as you know — we've raised it in question period a number of times — about the level of patronage within your government.

And one of the things that we have questioned is the way that your ministers and your departments are hiring people, the changes in salary level and that type of thing. And we ask those questions in good faith because of some promises that you made in the last election campaign about you failing in your responsibility if you did not eliminate a lot of the patronage that was in government and how we should have independent commissions to do hiring.

And I understand that in the beginnings of your administration some of the people that came on board, came on board because of your commitment not to indulge in a lot of political patronage. And I think we've proven through the course of this session that not only have you indulged in it; you've institutionalized it far more than any previous government ever did. So I would ask you, Mr. Premier, why in the face of the evidence — and I have very, very long lists of individuals here with salaries and really quite astounding numbers of people for a two and a half year period of time at the beginning of a new administration — why your government would so adamantly oppose some of the proposals put forward in this session dealing with things like all-party committees, as far as appointments to boards and commissions?

We just had a very unsavoury example of the minister having to deal with the arts board, and that is a terrible travesty for that type of thing to happen in our province. Those are all appointments of your government. And wouldn't you think, Mr. Premier, that an all-party committee of this House with your members in the majority would be a far better solution to that type of thing than what we've seen here where you have virtually institutionalized patronage in a very structured way?

Over 40 former NDP (New Democratic Party) MLAs (Member of the Legislative Assembly), MPs (Member of Parliament), candidates already on the public payroll in only two and a half years — nearly double what the former administration in nine and a half years. And don't you think that there would be a better solution? And why this outright rejection of proposals brought forward to this House to let the public back in to the system and have confidence in what we do in here?

Hon. Mr. Romanow: — Well, Mr. Chairman, I am going to resist my recitation of the . . . talking about patronage list instituted by the former government. We start with the letter A and then work straight down

to the letter Z. I think Mr. Bob Andrew started with the letter A at the top of our list but let's leave that aside for the moment.

In 1993-94 . . . Pardon me?

An Hon. Member: — Who's the Z?

Hon. Mr. Romanow: — Who's the Z? No, no . . . (inaudible interjection) . . . Well I'll give it to you here. No, we've got it; we've got it. We've got Ralph Katzman and Myles Morin, Keith Parker, Paul Rousseau, Sandberg, Schoenhals. But we'll leave that aside for the moment.

In '93-94 there were 1,035 appointments, Mr. Leader of the Opposition, of which 1,029 — 99.4 per cent — were hired by competition or under the terms of the collective agreement; 0.2 per cent were order in council appointments; and 0.4 were section 7.23 appointments. I'm not even sure what 7.23 appointments are.

Okay. This is a power vested in the chair of the Public Service Commission to fill, in special circumstances, an aboriginal nominee or someone of that nature. That's a pretty good record, I think — 99.4 and only .2 of order in council. You can't assume those are patronage either.

Now your other question is the issue about an all-party committee with respect to appointments. I think the idea . . . there's a germ of a good idea there, Mr. Leader of the Opposition. The problem is in its application.

To give you the example, you and the member from Kindersley have been adamant, vehement, in your opposition toward the health boards, the interim health boards which we've established which have now been getting such rave reviews, not only in Saskatchewan but outside Saskatchewan. And this is . . . I mean how would an all-party committee nominate a person to the board since you people, sight unseen, fought the health care reform? You are still fighting the health care reform. How could it be said that the policy of the government, as represented by the majority of the House, can be implemented in that kind of a circumstance? So you see, we have to have some area where there is appointment in this regard.

And the hon. member will also acknowledge that there's no use us appointing people to some positions who do not believe in government policy. I mean we have to appoint, at the very top levels, administrators and people — not in every instance but in as many as possible — who will be able to fulfil the overall government approach.

So some of the ideas there have a lot of merit. But the reason for the rejection is not because there isn't a germ of a good idea; it is their applicability. We need to talk about this and to continue to talk about it and think our way through how we could yet further improve the tremendous reforms which we've instituted since November 1, '91.

(2145)

Mr. Swenson: — I was told to get into this because the Premier wanted to talk about things tonight. If in 10 minutes we . . . (inaudible interjection) . . . No, but I'll make this final point, Mr. Premier, and we can leave it till we come again.

One of the advantages that I have in asking you this question is that I had to campaign in 1991 after listening to you for four years in opposition, as leader of your party, condemn the patronage system of the previous government . . . (inaudible interjection) . . . Yes, and I have the list. I have the list, Mr. Premier, and have gone over it very, very carefully and looked at the places that really, really irritated the public.

One of the things that you should do when you lose, Mr. Premier, is learn some lessons from the beating that you take . . . (inaudible interjection) . . . Well that's why I'm wondering why, in what we've seen today, why you are so reactive on this issue. I mean the media pick it up. People all over the province pick it up . . .

An Hon. Member: — What media?

Mr. Swenson: — Well the newspapers that you don't read. Okay?

Lots of people are commenting on the fact that in two and a half years you have gone back on your word to Saskatchewan people over the issue of patronage. And you say to me, well what about the health boards. The only opposition that we have to them is that there seems to be a hesitation to meet the commitment of election. But by and large most of the boards and commissions in this province, Mr. Premier, could be done by a committee of this House and they wouldn't infringe on your ability to influence anything.

But the fact is that you have used a lot of patronage all the way through your government, and at very high salaries which you condemned in the past. And I've compared those lists backwards and forwards and tried to come up with a solution, sir, that doesn't get us into a political morass but in fact puts some confidence back into the political system by the average voter.

And I would have thought, with all of your experience and all of the promises that you had made, that you would be looking for a ready-made solution no matter who proposed it; that we could at least discuss the issue. But every time one of these things is brought forward, your people just simply either refuse to talk about it, or they adjourn it or they simply push it aside because it is a Tory idea.

Well for heaven's sakes, Mr. Premier, at least consider the item before you reject it out of hand because I do believe it is on the people's minds.

Hon. Mr. Romanow: — I'll just be a minute. I say we do. I say as legitimately and as sincerely as I can say it,

we do.

Every idea that is a good idea whether it's a fiscal idea, health idea, or democratic reform idea, we'll consider it. But I want to say this as I take my chair. Here's the *Leader-Post*; I hardly ever read it either. But somebody dug it out just now as a matter of research and said Premier, you should take a look at this. Dated November 17, 1993 the headline says, Mr. Chairman: "NDP praised for reform: Opposition leaders have additional suggestions."

In two years, the government has delivered on promises — like passing a new MLAs conflict of interest act and implementing freedom of information — the Devine government put off for nine years.

Opposition Leader Rick Swenson says the government's democratic reform record is positive.

"I congratulate Romanow . . .

I think he means Premier Romanow, but it doesn't matter.

. . . Romanow for recognizing you simply can't turn the clock back.

By the way, I accept your congratulations.

. . . if they want to talk about ways to meaningfully involve the Opposition in doing more of it, we're brimming with ideas."

We're willing.

Liberal Leader Linda Haverstock agreed the government should be commended on its accomplishments.

Well I mean . . .

An Hon. Member: — Well why get stuck in a rut then?

Hon. Mr. Romanow: — Get stuck in the rut? Mid-term report card you praise.

An Hon. Member: — That's old news.

Hon. Mr. Romanow: — That's old news, less than a thousand days in office, you know. John Kennedy says, those things we dream of we may not be able to accomplish in the first 100 days or the first 1000 days, or even in our political lifetime, or even in our lifetime, but we're working. And I tell you, we are making tremendous strides, tremendous strides, and we want your ideas.

Look, I'm being . . .

An Hon. Member: — But your record doesn't prove it.

Hon. Mr. Romanow: — Well that's not what you said. You said our record proves it, that it's positive.

Did we adopt everything? No. Does it mean that we're not going to adopt some of your ideas?

An Hon. Member: — Did you adopt any of it?

Hon. Mr. Romanow: — No. Well give me a good idea, and we'll adopt it.

Anyway the point is we've made good progress here, Mr. Chairman. And I do say to the Leader of the Opposition, give us the ideas to look at. I just give one example which I think is a tough one to resolve though. I won't repeat the arguments on this, but we like it very, very much. And we know that you and the Liberal leader will continue to praise us in our reform movements.

Thank you, Mr. Chairman.

The committee reported progress.

MOTIONS

Sitting Hours

Hon. Mr. Lingenfelter: — Mr. Speaker, I move, seconded by the member for Rosthern:

That by leave of the Assembly, notwithstanding rule 3(1) that this Assembly shall on Tuesday, May 31, 1994, meet at 1 p.m.

I so move.

Leave granted.

Motion agreed to.

COMMITTEE OF THE WHOLE

Hon. Mr. Lingenfelter: — Mr. Chairman, by leave, I move we consider Bill 70 in committee.

Leave granted.

Bill No. 70 — An Act to amend The Legislative Assembly and Executive Council Act (No. 6)

The Chair: — I recognize the minister responsible for Gaming and ask him to introduce the officials who have joined us here this evening for consideration of Bill No. 70, An Act to amend The Legislative Assembly and Executive Council Act.

Hon. Mr. Lautermilch: — Mr. Chair, with me tonight is Doug Moen, he is the executive director of public law. Doug sits to my left. And behind me is Darcy McGovern, the Crown solicitor for the Government of Saskatchewan.

Mr. Swenson: — Thank you, Mr. Chairman. Mr. Chairman, I would just like to make a few comments before we move into the clause-by-clause sections of the Bill. I think this exercise has been very worthwhile for members to embark on, because we have seen the

government minister responsible and the Leader of the Third Party, myself, and as representatives of my caucus engage in a dialogue, in a dialogue that was pretty fundamental to the way this House operates because we've had a number of issues raised during the course of this session I think, that the public frowned on with a great deal of displeasure.

Issues of how members deal with their expense allowances, the spectre of members of this House being charged with criminal activity because of the way that their monies have been spent in the past, and a whole area necessitated that we put our minds to a proper process for accountability with the public, but also that members of this House would have a system in place that they could use in order to seek out advice, and reach solutions about the way they conduct their affairs. And all of this done in such a way that the public feels there is accountability and openness, and I would like to congratulate the minister responsible for looking at those various concerns, and amending where necessary to make sure that a process is in place.

I think one of the biggest steps that we as members recently did, was to have a Conflict of Interest Commissioner put in place that would review all of our private dealings and have the ability to put those in such a way that we could have confidence that they would be dealt with in an upfront manner. And the fact that we've incorporated the commissioner into this process means I think that MLAs will have the utmost confidence that their private matters will be adjudicated, and if there is a problem, that there is a process for the Board of Internal Economy to ultimately stay on top of the issues at hand, as the public expects us to do now that we are an open forum with members of the media there, and any member of the public.

(2200)

So I am pleased with the way that the Bill has gone. I would make the comment to the minister that the change to section 67.1 I think is one that is going to require a lot of consultation because it does take out the formal approval mechanism in instituting the commission. And I think the Minister of Justice has shown that if you handle this properly, as was done with the Ombudsman and the recent appointment, that there will be no problems. But if we have the process that was used with the Electoral Boundaries Commission, then we will have trouble. So clearly it will be in the hands of the minister responsible.

If the opposition is not going to have a veto, as this Bill proposes on the make-up of the commission, then I think it is going to be very incumbent upon whichever minister is responsible for this, to do his homework. Because without that veto in there that means that you can, by order in council, appoint all of the members of the commission without the opposition having any say.

And that is . . . I guess I'm warning the government of the day and governments in the future that if they

aren't prepared to listen in issues such as this where we are determining the remuneration of all members of this House, then we will have serious problems. Other than that, I think this is a good piece of work and we'll wait to see how the amendments flow through, and I look forward to their passage.

Ms. Haverstock: — Thank you very much, Mr. Chair. I too want to take this opportunity to make some brief comments on Bill 70 which is An Act to amend The Legislative Assembly and Executive Council Act (No. 6), and the amendments to that Bill.

Since this Bill was given first reading in this Assembly, and that was on May 19, I think, just over a week ago, the minister and the government officials have been very accommodating to our caucus and very receptive to our input, and for that we are very grateful. However, the Bill that is before us comes only after what I would best term, months of frustration at trying to get the government to sit down and discuss some of the issues that this important Bill addresses.

One of the primary purposes of this Bill is to establish and enforce, in statute, the administrative role of the chairperson of the Board of Internal Economy, specifically as that role relates to the expenditures by members.

I had some trepidation with the way in which the first draft of the Bill was proposed, how it had proposed specifically this role, but I am satisfied that with some amendments that were put forward not only by ourselves but members of the official opposition, and more importantly accepted by the government, for which we are very thankful, that the intent of the Bill is much clearer and stronger.

By no means, though, does this Bill eliminate all of the problems currently facing the Board of Internal Economy. The directives governing payment of some allowances are virtually unenforceable and that's because of their vagueness, whether that be deliberate or not. There is much more work for the Board to do to fine-tune those directives, and I, as one member, really do welcome the task. But I suspect that the Board will not be called again to resume our work on redefining the communication allowance guidelines that was left undone following our March 17 meeting because I think that it appears that we're now suddenly quite anxious to send all of these matters to an independent commission. And after five months of urging this action, I for one welcome that announcement.

Mr. Minister, I do have one question. I'm wondering if you can advise us in the Assembly this evening what time frame that you have in mind for the selection of members to this commission, the time frame for their investigation and hearings, and finally, the time frame for them to report back to us, to the Assembly, from the Board . . . through the Board, pardon me.

Hon. Mr. Lautermilch: — Thank you, Mr. Chairman. I just want to thank the member of . . . the Leader of the

Opposition and the Leader of the Third Party for their involvement as we went through this particular piece of legislation and discussed how it should be drafted and how it could work in the interest of the Legislative Assembly. And so I want to say that I certainly do appreciate their input.

I think what we have is we have developed some solutions to some concerns that we had as members of the legislature in terms of the process that we deal with members' directives. And I think that those, in the long run, will serve the legislature well.

As well, the establishment of the independent commission to look at the way members deal with their constituency allowances, their communications allowance, what would be fair and reasonable remuneration in terms of pay for members of the legislature — and I think all of these things are important — that they be dealt with by an independent third party.

I would want to say to the Leader of the Opposition and Leader of the Third Party that we certainly do intend to work with you as we put together these people who will look at the issues that I've raised with respect to the independent commission. I can see that these consultations should begin shortly after this House adjourns, and if we can agree on the personnel, should be able to announce the make-up of the independent commission shortly after that. I guess as negotiations go, it's difficult to put a time on it, but I think it's important that we establish the commission soon to have it get on with its work. And I look forward to the cooperation of the Leader of the Opposition as well as the Leader of the Third Party.

Clause 1 agreed to.

Clause 2 agreed to.

Clause 3

The Chair: — I believe the minister has an amendment.

Hon. Mr. Lautermilch: — Mr. Speaker, I move that we:

Amend subsection 15(2) of the Act, as being enacted by section 3 of the printed Bill, by adding "there is no Speaker or that" after "Clerk is informed that".

Amendment agreed to.

Clause 3 as amended agreed to.

Clause 4

The Chair: — I believe the minister has a number of amendments to clause 4.

Hon. Mr. Lautermilch: — Mr. Chair, would it be appropriate to read in all of the amendments to Clause 4, rather than doing them individually? Okay. I move

then that we:

Amend subsection 50(4.1) of the Act, as being enacted by section 4 of the printed Bill, by adding “, in the Speaker’s capacity as chairperson of the board,” after “the Speaker may conduct”.

And that we:

Strike out subsection 50(4.2) of the Act, as being enacted by section 4 of the printed Bill, and substitute the following:

“(4.2) If, after a review, the Speaker determines that a member’s use of any allowance, disbursement, fund, payment, good, service or premises provided pursuant to this Act does or does not comply with the purposes for which it was provided or with the purposes of this Act, the regulations or the board’s directives, the Speaker shall:

(a) inform the member in writing of the determination; and

(b) provide a copy of that determination to the board”.

I move that we:

Amend subsection 50(4.5) of the Act, as being enacted by section 4 of the printed Bill, by adding “, to the board” after “the Speaker’s determination”.

Let me:

Add the following subsection after subsection 50(4.5) of the Act, as being enacted by section 4 of the printed Bill:

“(4.51) If the commissioner’s written opinion differs from the Speaker’s determination, the commissioner’s written opinion prevails”.

And that we:

Amend subsection 50(4.7) of the Act, as being enacted by section 4 of the printed Bill, by adding “the Speaker has given the member a written direction pursuant to subsection (4.6) and” after “if”.

And that we:

Add the following subsection after subsection (4.9) of the Act as being enacted by section 4 of the printed Bill:

“(4.91) subsections (4.1) to (4.9) apply only to a member’s use, after the coming into force of those subsections, of any allowance, disbursement, fund, payment, good, service or

premises provided pursuant to this Act”.

The Chair: — The amendments to section 4 are a number of discrete propositions, but if the members are agreed to deal with them as one motion as the minister has moved. Are the members agreed? That is agreed.

Amendment agreed to.

Clause 4 as amended agreed to.

Clause 5

Hon. Mr. Lautermilch: — Mr. Speaker, I move that we:

Amend subsection 67.1(3) of the Act, as being enacted by section 5 of the printed Bill by adding “if there is no Speaker or” after “Speaker as chairperson of the board or,”.

I so move.

Amendment agreed to.

Clause 5 as amended agreed to.

Clause 6

Hon. Mr. Lautermilch: — Mr. Speaker, I move that we:

Strike out clause 6(a) of the printed Bill and substitute the following:

“(a) in clause (1)(a) by striking out ‘, who is the chairman’ and substituting ‘or, if there is no Speaker or in the absence or inability to act of the Speaker, the Deputy Speaker’”.

As well that we:

Amend subsection 68.7(2.1) of the Act, as being enacted by section 6 of the printed Bill, by adding “if there is no Speaker or” after “chairperson of the board, but,”.

I move as well, Mr. Speaker that we:

Amend clause 68.7(4)(a) of the Act, as being enacted by section 6 of the printed Bill, by adding “if there is no Speaker or” after “the Speaker or,”.

I so move.

Amendment agreed to.

Clause 6 as amended agreed to.

Clause 7 agreed to.

The committee agreed to report the Bill as amended.

THIRD READINGS

**Bill No. 70 — An Act to amend The Legislative Assembly
and Executive Council Act (No. 6)**

Hon. Mr. Lautermilch: — Mr. Speaker, I move that the amendments be now read a first and second time.

Motion agreed to.

Hon. Mr. Lautermilch: — I move, by leave of the Assembly, that Bill No. 70 be now read the third time and passed under its title.

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

The Assembly adjourned at 10:20 p.m.